

15 May 2017

ASX ANNOUNCEMENT

Afterpay / Touchcorp Merger: First Court Hearings

Afterpay Holdings Limited (ASX:AFY) ("**Afterpay**") is pleased to advise that the Federal Court of Australia has approved orders to convene a meeting of Afterpay's shareholders to consider and vote on the Scheme of Arrangement ("**Afterpay Scheme**") in connection with Afterpay's merger with Touchcorp Limited ("**Touchcorp**"). Under the Afterpay Scheme, all Afterpay shares (other than those held by Touchcorp and its subsidiaries) will be exchanged for new shares in Afterpay Touch Group Limited ("**ATG**") on a 1-for-1 basis.

Touchcorp (ASX:TCH) is also pleased to advise that the Supreme Court of Bermuda has approved orders to convene a meeting of Touchcorp's shareholders to consider and vote on the Scheme of Arrangement ("**Touchcorp Scheme**") in connection with the merger. Under the Touchcorp Scheme, all Touchcorp shares will be exchanged for new shares in ATG on the basis of 0.64 ATG shares for each Touchcorp share.

A full copy of the Scheme Booklets for each of Afterpay and Touchcorp, as approved by the respective Courts, are being separately released to ASX. The Afterpay Scheme Booklet includes an Independent Expert Report prepared by Lonergan Edwards & Associates Limited, which concludes that the Afterpay Scheme is fair and reasonable and in the best interests of Afterpay shareholders, in the absence of a superior proposal. The Touchcorp Scheme Booklet includes an Independent Expert Report prepared by RSM Corporate Australia Pty Ltd, which concludes that the Touchcorp Scheme is fair and reasonable and in the best interests of Touchcorp shareholders.

Indicative timetable

The timetable steps for completion of the merger are:

Afterpay Scheme Meeting	10.00am on 19 June 2017
Touchcorp Scheme Meeting	11.00am on 19 June 2017
Touchcorp Second Court Date for approval of the Touchcorp Scheme	23 June 2017
Afterpay Second Court Date for approval of the Afterpay Scheme	28 June 2017
Effective Date	28 June 2017
Afterpay and Touchcorp shares suspended from trading on ASX from close of trade	
New ATG shares commence trading on ASX on a deferred settlement basis	29 June 2017
Record Date for determining entitlement to receive ATG shares, being the Afterpay and Touchcorp Scheme consideration	7.00pm on 3 July 2017
Implementation Date	6 July 2017
Implementation of the Touchcorp and Afterpay Schemes	
Last day of deferred settlement trading of ATG shares	7 July 2017
Dispatch of holding statements for ATG shares	
Trading of new ATG Shares commence on ASX on a normal settlement basis	10 July 2017

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This timetable is indicative only and, among other things, is subject to the satisfaction of or, where applicable, waiver of the conditions precedent to the Schemes, and to all necessary approvals or sanctions from the Bermudian Court, the Australian Federal Court, regulatory authorities and shareholders in relation to both Afterpay and Touchcorp. Any variation to the timetable set out above will be announced to ASX.

ENDS

For further information please contact:

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