



CAPITAL RAISING TO FURTHER

ACCELERATE GROWTH

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THE UNITED STATES



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The Placement will be conducted under section 708A of the Corporations Act and will be made available to certain persons who are "professional" or "sophisticated" investors (as defined in subsections 708(B) and 708(11) of the Corporations Act). The SPP will only be made available to eligible shareholders in Australia and New Zealand and will be conducted in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547. Determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of the Company and the Joint Lead Managers. To the maximum extent permitted by law, the Company and the Joint Lead Managers each disclaim any liability in respect of the exercise of that discretion or otherwise.

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Not financial product advice

This Presentation does not constitute financial product or investment advice (nor tax, accounting or legal advice) nor is it a recommendation to subscribe for or acquire New Shares and does not and will not form any part of any contract for the subscription or acquisition of New Shares. This Presentation has been prepared without taking into account the specific objectives, financial situation or needs of individual investors. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal and taxation advice appropriate to their jurisdiction and circumstances. The Company is not licensed to provide financial product advice in respect of its shares. Cooling off rights do not apply to the acquisition of New Shares.

Financial data

All dollar values are in Australian dollars ("A\$") and financial data is presented as at and for the full year ended 30 June 2020 unless otherwise stated. Investors should note that this Presentation contains pro forma financial information. The pro forma financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of the Company's (or anyone else's) views on the Company's future financial position and/or performance. The pro forma financial information has been prepared by the Company in accordance with the measurement and recognition requirements, but not the disclosure requirements, of applicable accounting standards and other mandatory requirements in Australia. Please note that all financial data as at 30 June 2020 is unaudited. Final FY20 results are expected to be released on Thursday, 27 August 2020.

Recipients of this Presentation should also be aware that certain financial information included in this presentation are (i) "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" and (ii) "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. These measures include EBITDA, net transaction margin and net transaction loss. The disclosure of such non-GAAP financial measures in the manner included in this Presentation may not be permissible in a registration statement under the Securities Act.

The Company believes the non-IFRS financial information and non-GAAP financial measures provide useful information to users in measuring the financial performance and conditions of the Company. The non-IFRS financial information and non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards ("**AAS**") or International Financial Reporting Standards (IFRS), and therefore, may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative or replacement to other financial measures determined in accordance with AAS or IFRS. Recipients of this Presentation are cautioned to not place undue reliance on any non-IFRS financial information or non-GAAP financial measures included in this presentation.

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Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

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This Presentation contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company, the outcome and effects of the Offer, and the use of proceeds from the Offer. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Neither the Company, nor any other person, gives any representation, assurance or guarantee that the occurrence of the vents expressed or implied in any forward looking statements in this Presentation will actually occur.

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There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Several important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the Australian and global economic environment and capital market conditions and other risk factors set out in this presentation. Other risks may materially affect the future performance of APT and the price of APT Shares. Additional risks and uncertainties not presently known to management or that management currently believe not to be material may also affect APT’s business.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including APT or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. To the maximum extent permitted by law, the Company and its directors, officers, partners, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

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Joint Lead Managers

The Joint Lead Managers have acted as joint lead managers of the Placement. The Joint Lead Managers have not authorised, permitted or caused the issue or lodgment, submission, dispatch or provision of this Presentation and there is no statement in this Presentation which is based on any statement made by them or by their affiliates, related bodies corporates, directors, officers, partners, employees or advisers (together the “Limited Parties”). To the maximum extent permitted by law, each of the Limited Parties expressly disclaim all liabilities in respect of, and make no representations or warranties regarding, and take no responsibility for, any part of this Presentation other than references to their name and make no representation or warranty (express or implied) as to the currency, accuracy, reliability, reasonableness or completeness of the information in this Presentation, nor do they make any recommendation as to whether any potential investor should participate in the offer of New Shares under the Offer.

The Joint Lead Managers and their affiliates are full service financial institutions engaged in various activities, which may include trading, financing, corporate advisory, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Joint Lead Managers and their affiliates have provided, and may in the future provide, financial advisory, financing services and other services to APT and to persons and entities with relationships with APT, for which they received or will receive customary fees and expenses. In the ordinary course of its various business activities, the Joint Lead Managers and their affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of APT, and/or persons and entities with relationships with APT. The Joint Lead Managers and their affiliates may also communicate independent investment recommendations, market colour or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments. One or more entities within one or more Joint Lead Managers’ respective groups act as a financier or counterparty to APT or its affiliates and may now or in the future provide financial accommodation or services to APT or its affiliates.

In connection with the Placement, one or more investors may elect to acquire an economic interest in the New Securities (Economic Interest), instead of subscribing for or acquiring the legal or beneficial interest in those securities. The Joint Lead Managers (or their respective affiliates) may, for their own respective accounts, write derivative transactions with those investors relating to the New Securities to provide the Economic Interest, or otherwise acquire securities in APT in connection with the writing of those derivative transactions in the Placement and/or the secondary market. As a result of those transactions, the Joint Lead Managers (or their respective affiliates) may be allocated, subscribe for or acquire New Securities or securities of APT in the Placement and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in those securities. These transactions may, together with other securities in APT acquired by the Joint Lead Managers or their affiliates in connection with its ordinary course sales and trading, principal investing and other activities, result in the Joint Lead Managers or their affiliates disclosing a substantial holding and earning fee.

The Joint Lead Managers (and/or their respective affiliates) may also receive and retain other fees, profits and financial benefits in each of the above capacities and in connection with the above activities, including in their capacity as a Joint Lead Manager to the Offer.

The Joint Lead Managers and their respective Limited Parties disclaim (and by accepting this presentation you disclaim) any fiduciary relationship between them and the recipients of this presentation, or any duty to the recipients of this presentation or participants in the Placement. Determination of eligibility of investors for the purposes of the Placement is determined by reference to a number of matters, and is at the discretion of Afterpay and the Joint Lead Managers. Afterpay, the Joint Lead Managers and their respective Limited Parties disclaim any liability in respect of the exercise of that discretion, to the maximum extent permitted by law.

EXECUTIVE SUMMARY

CAPITAL RAISING TO FURTHER ACCELERATE GROWTH

Afterpay has continued on its growth trajectory in FY20 and Q4 FY20. Since the impacts from COVID-19 began, we have seen consumers:

- shift further towards online spending
- increase their focus on budgeting
- develop a greater aversion to traditional credit products

Achieving \$11.1b of underlying sales in FY20 demonstrates that the Company is well positioned to exceed our underlying sales target of \$20b by the end of FY22¹

Afterpay is raising additional capital to accelerate its investment in growing underlying sales, and prioritising global expansion in the short term to maximise shareholder value in the longer term

EQUITY RAISING PLACEMENT AND DETAILS

Undertaking a fully underwritten institutional Placement to raise \$650m

Pricing will be determined via an institutional bookbuild, with an underwritten floor price of \$61.75 per New Share representing a 9.2% discount to the closing price on 6 July 2020

Final pricing and allocation decisions will be determined on behalf of Afterpay by an independent sub-committee of its Board in consultation with the joint lead managers and financial adviser. It is intended that eligible shareholders, who bid for up to their 'pro-rata' share of New Shares under the Placement, at the final price, will be allocated their full bid, on a best endeavours basis.

Pro forma cash balance as at 31 May 2020 of \$1,194.9m²

CO-FOUNDER SELL-DOWN

Concurrent with the Placement, Afterpay co-founders, Anthony Eisen and Nicholas Molnar have each agreed to sell 2.05m shares, representing 10% of their respective holdings in Afterpay

The Co-founder Sell-down will be fully underwritten with pricing determined under the bookbuild for the institutional Placement

Mr. Eisen and Mr. Molnar are each expected to remain Afterpay's largest shareholders (subject to allocation of New Shares under the Placement and the Co-founder Sell-down) with a relevant interest in approximately 18.4m shares each

Mr. Eisen and Mr. Molnar remain committed to Afterpay and have each confirmed that they will not sell any further shares until after the Company's 2020 AGM

AGENDA

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TRADING UPDATE HIGHLIGHTS¹

STRONG PERFORMANCE IN FY20

Strong performance across the business delivered underlying sales of \$11.1b in FY20

Active customers² of 9.9m for FY20, 116% above FY19

Active merchants² reached 55.4k in FY20, 72% above FY19

Net Transaction Margin (NTM) for FY20 is expected to be approximately 2%

EXCEEDING CUSTOMER TARGETS

Strong new customer acquisition saw the Company exceed its target of 9.5m active customers by the end of FY20

Key active customer milestones were achieved in both the US and the UK in June 2020, with the US reaching 5.6m and the UK 1m active customers

Customer engagement remained strong with 91% of global underlying sales coming from repeat purchasers during Q4 FY20

GLOBAL FOOTPRINT EXPANSION

Expansion into Canada and rollout of in-store in the US expected in Q1 FY21

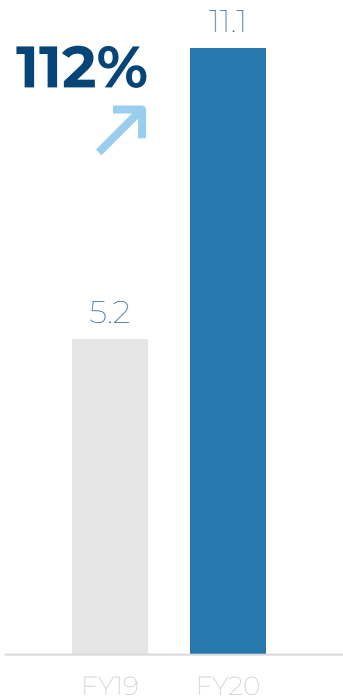
Our updated global expansion roadmap will see us launch in Canada in Q1 FY21, and has the potential to see us launch into new markets in late 2020 or early 2021

Exploring a number of small M&A opportunities to accelerate roll out across potential new international markets. Due diligence is being undertaken, however, there is no certainty that any deal will be completed

FY20 KEY METRICS

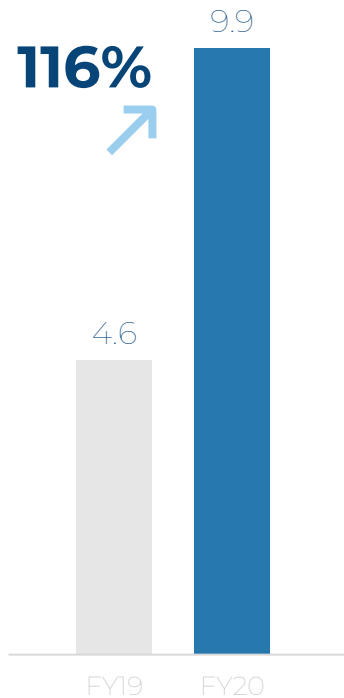
UNDERLYING SALES

A\$ BILLIONS
(unaudited)



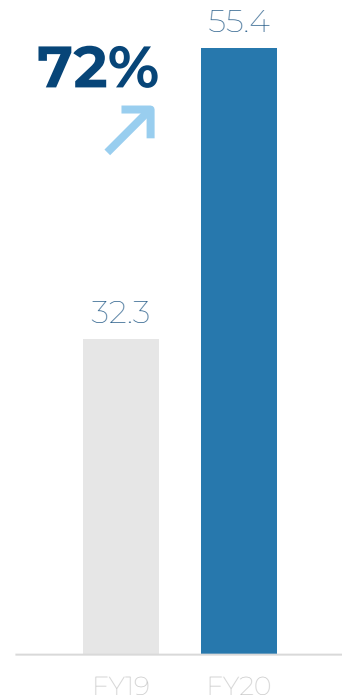
AFTERPAY ACTIVE CUSTOMERS

MILLIONS¹



AFTERPAY ACTIVE MERCHANTS

THOUSANDS¹



MARGIN PERFORMANCE AND EBITDA

Afterpay merchant revenue margins for FY20² are expected to be in line with or better than H1 FY20 and FY19

Net Transaction Loss (NTL) for FY20² is expected to be up to 55 basis points. ANZ NTL has remained at historically low levels and NTL within the US and UK regions has improved in 2H FY20 compared to 1H FY20 as a result of improving risk performance and historically high payment recovery rates

NTM for FY20² is expected to be approximately 2%, underpinning a pathway to longer term profitability for the overall business

EBITDA (excluding significant items)³ for FY20² is expected to be between \$20-25m

Final FY20 results are expected to be released on Thursday, 27 August 2020

NOTE: CHANGE CALCULATIONS MAY NOT EQUATE DUE TO ROUNDING; 1. DEFINED AS HAVING TRANSACTED AT LEAST ONCE IN THE LAST 12 MONTHS; 2. ALL FINANCIAL RESULTS SHOWN IN THIS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (FY20) ARE UNAUDITED AND SUBJECT TO CHANGE. ALL FINANCIAL RESULTS FOR THE FY20 PERIOD ARE COMPRISED OF ACTUAL RESULTS (UNAUDITED) FOR THE FINANCIAL YEAR TO DATE 31 MAY 2020 AND A FORECAST FOR THE MONTH OF JUNE 2020; 3. SIGNIFICANT ITEMS INCLUDE EXPENSES RELATED TO ONE-OFF ITEMS, SHARE-BASED PAYMENTS AND FOREIGN CURRENCY GAINS OR LOSSES WHICH ARE STILL BEING FINALISED. IN FY20, FOREIGN CURRENCY GAINS MAY BE HIGHER THAN PRIOR PERIODS DUE TO FAVOURABLE FOREIGN EXCHANGE RATE MOVEMENTS IN THE PERIOD

BUSINESS PERFORMANCE BY REGION

GLOBAL (A\$) (UNAUDITED)	Q4 FY20	Q4 FY19	Q4 VARIANCE	FY20	FY19	VARIANCE
UNDERLYING SALES	3.8b	1.7b	127%	11.1b	5.2b	112%
ANZ	2.0b	1.3b	57%	6.6b	4.3b	52%
US	1.6b	0.4b	299%	4.0b	0.9b	330%
UK	0.2b	0.0b	na	0.6b	0.0b	na

GLOBAL (UNAUDITED)	AS AT 30 JUNE 2020	AS AT 30 JUNE 2019	VARIANCE
ACTIVE CUSTOMERS¹	9.9m	4.6m	116%
ANZ	3.3m	2.8m	18%
US	5.6m	1.8m	219%
UK	1.0m	0.0m	na
ACTIVE MERCHANTS¹	55.4k	32.3k	72%
ANZ	42.8k	28.4k	51%
US	11.5k	3.8k	202%
UK	1.1k	0.0k	na

NOTE: CHANGE CALCULATIONS MAY NOT EQUATE DUE TO ROUNDING; 1. DEFINED AS HAVING TRANSACTED AT LEAST ONCE IN THE LAST 12 MONTHS

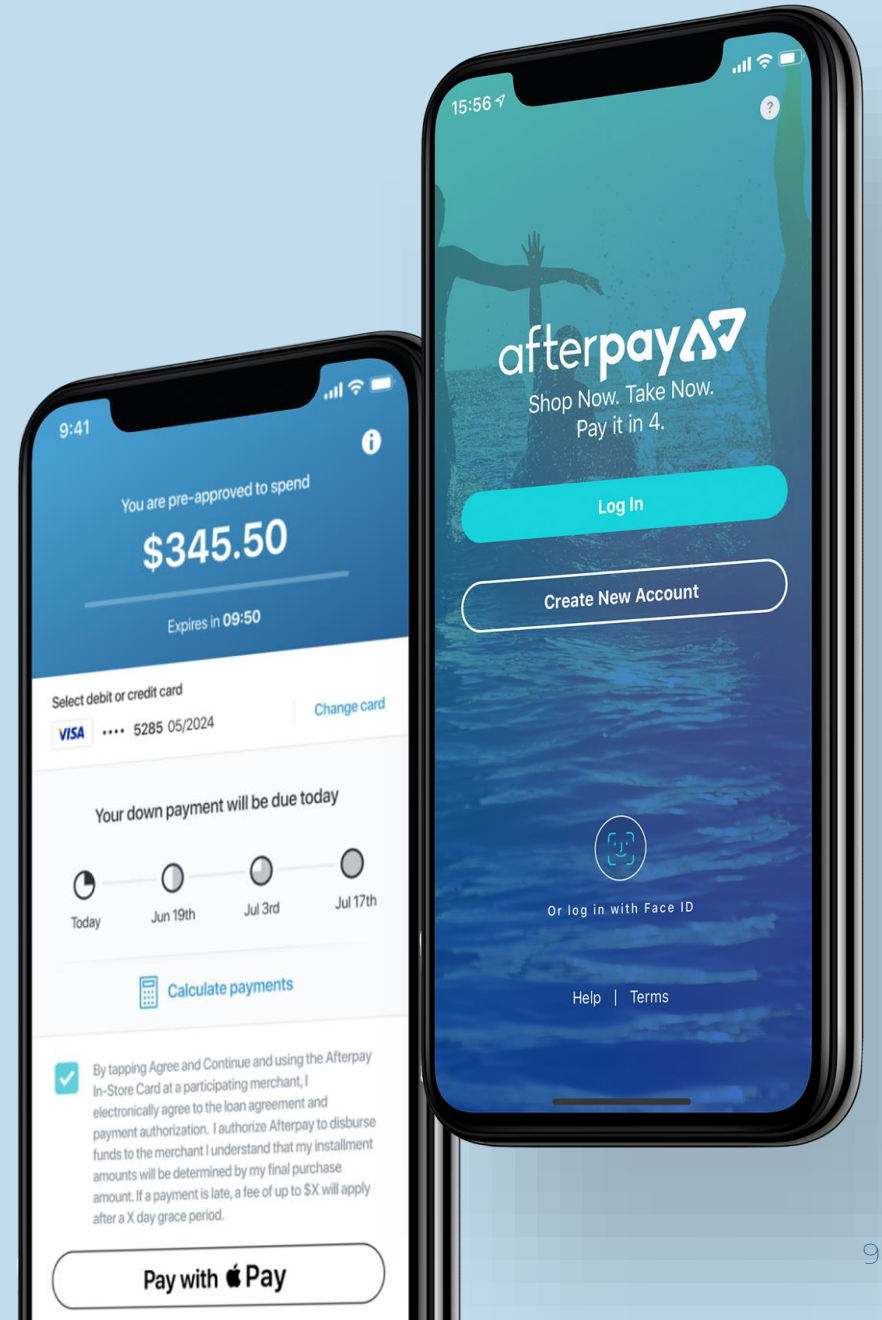
GLOBAL EXPANSION

NEW MARKETS

- Planning for expansion into Canada has progressed with launch expected in Q1 FY21
- As part of the company's strategic planning process, opportunities to accelerate our expansion into additional markets have been identified. This has the potential to see us launch into new markets in late 2020 or early 2021
- The Company is exploring a number of small M&A opportunities to accelerate roll out across potential new international markets. Due diligence is being undertaken, however, there is no certainty that any deal will be completed

IN-STORE IN THE US

- US in-store is expected to launch in Q1 FY21 with our merchant launch partners
- With over 5m active customers already on the Afterpay platform in the US, we expect our in-store offering to be well received by customers who are accustomed to using Afterpay online



CAPITAL RAISING TO FURTHER ACCELERATE GROWTH

Undertaking a fully underwritten institutional Placement to raise \$650m

Afterpay is raising additional capital to accelerate its investment in growing underlying sales, and prioritising global expansion in the short term to maximise shareholder value in the longer term. This includes:

- Investing in our existing regions to maintain and grow our leading position in each market and expand our customer offerings;
- Expediting our expansion into new markets to increase our relevance on a global scale and meet the needs of our valuable global retailers;
- Fortifying our balance sheet to underpin funding of our rapid growth in underlying sales in excess of our FY22 mid-term targets; and
- Creating the flexibility and capacity to execute on potential M&A opportunities that could present themselves in the short to medium term.

Afterpay has completed a number of capital management initiatives which optimise the Company's cost of funding and increases total funding capacity and duration

- This includes the extension of the US\$200m receivables warehouse facility with Citi to May 2022
- Afterpay has also received terms for the establishment of a GBP100m facility with an existing global banking partner (subject to diligence and approvals)

Pro forma cash balance as at 31 May 2020 of \$1,194.9m¹

Any proceeds raised through the SPP will be used to further accelerate growth

SOURCES AND USES¹

SOURCES	A\$M
Placement (underwritten)	650.0
Total sources	650.0
USES	A\$M
Accelerate investment in growing underlying sales and prioritising global expansion	635.4
Estimated transaction costs	14.6
Total uses	650.0

PRO-FORMA CASH BALANCE¹

PRO-FORMA CASH BALANCE	A\$M
Cash as at 31 May 2020 (unaudited) ²	559.5
Add: Placement proceeds	650.0
Less: Estimated transaction costs	(14.6)
Pro-forma cash as at 31 May 2020	1,194.9

NOTE: CHANGE CALCULATIONS MAY NOT EQUATE DUE TO ROUNDING; 1. EXCLUDES POTENTIAL PROCEEDS FROM THE SPP; 2. COMPRISES \$542.4M IN UNRESTRICTED CASH AND \$17.1M IN RESTRICTED CASH.

CAPITAL RAISING DETAILS

OFFER SIZE

Afterpay is undertaking a fully underwritten institutional Placement to raise \$650m

Concurrent with the Placement, Afterpay co-founders, Anthony Eisen and Nicholas Molnar have each agreed to sell 2.05m shares, representing 10% of their respective holdings in Afterpay

The Co-founder Sell-down represents approximately 1.5% of total shares outstanding in Afterpay

OFFER PRICE

Pricing will be determined via an institutional bookbuild, with an underwritten floor price of \$61.75 per New Share

9.2% discount to the closing price on 6 July 2020 of \$68.00

Final pricing and allocation decisions will be determined on behalf of Afterpay by an independent subcommittee of its Board in consultation with the joint lead managers and financial adviser

It is intended that eligible shareholders who bid for up to their 'pro-rata' share of New Shares under the Placement, at the final price, will be allocated their full bid, on a best endeavours basis

CO-FOUNDER SELL-DOWN

The Co-founder Sell-down will be fully underwritten with pricing determined under the bookbuild for the institutional Placement

Mr. Eisen and Mr. Molnar are each expected to remain Afterpay's largest shareholders (subject to allocation of New Shares under the Placement and the Co-founder Sell-down)

Mr. Eisen and Mr. Molnar remain committed to Afterpay and have each confirmed that they will not sell any further shares until after the Company's 2020 AGM

CAPITAL RAISING DETAILS

RANKING

New Shares issued under the Placement will rank equally with Afterpay's existing shares

SHARE PURCHASE PLAN

A SPP will be undertaken to allow all eligible shareholders, in Australia and New Zealand, the opportunity to acquire up to \$20,000 of New Shares (subject to scale-back)

New Shares under the SPP are to be issued at the lower of the price paid by investors under the Placement, and the 5-day VWAP of Afterpay shares up to the SPP closing date

Details will be provided to eligible shareholders in due course

The SPP aims to raise approximately \$150m. Afterpay may decide to scale-back applications under the SPP at its absolute discretion. The SPP is not underwritten

ADVISERS

Highbury Partnership Pty Limited is acting as financial adviser to Afterpay

INDICATIVE TIMETABLE

**MONDAY,
6 JULY 2020**

Record date for SPP (7:00pm Sydney time)

**TUESDAY,
7 JULY 2020**

Trading halt (before market open)

Bookbuild conducted for the Placement and Co-Founder Sell-down

**WEDNESDAY,
8 JULY 2020**

Announcement of completion of the Placement (before market open)

Trading halt lifted; normal trading resumes

**FRIDAY,
10 JULY 2020**

Settlement of New Shares under the placement as well as existing shares under the Co-founder Sell-down

**MONDAY,
13 JULY 2020**

Allotment and normal trading of new securities under the Placement

**WEDNESDAY,
15 JULY 2020**

SPP opening date

**FRIDAY,
24 JULY 2020
to THURSDAY,
30 JULY 2020
(inclusive)**

SPP pricing period

**THURSDAY,
30 JULY 2020**

SPP closing date

**THURSDAY,
6 AUGUST 2020**

Issue of New Shares under the SPP (SPP Shares)

**FRIDAY
7 AUGUST 2020**

SPP Shares commence trading on the ASX

**MONDAY
10 AUGUST 2020**

Despatch of SPP Share holding statements

APPENDIX A: KEY RISKS



KEY RISKS

Investors should be aware that there are risks associated with an investment in Afterpay.

Some of the principal factors which may, either individually or in combination, affect the future operating performance of Afterpay are set out below. Some are specific to an investment in Afterpay and the New Shares and others are of a more general nature.

The summary of risks below is not exhaustive. This Presentation does not take into account the personal circumstances, financial position or investment requirements of any particular person. Additional risks and uncertainties that Afterpay is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect the future performance of Afterpay and the New Shares.

The Placement is being made pursuant to provisions of the Corporations Act which allow offers to be made without a prospectus. This presentation does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Placement. As a result, it is important for you to carefully read and understand the information on Afterpay made publicly available, prior to making an investment decision. In particular, please refer to this Presentation, Afterpay's full year and annual reports (including Afterpay's most recent full year FY19 results announcement lodged with the ASX on 28 August 2019 and 1H20 results announcement lodged with ASX on 27 February 2020) and other announcements lodged with ASX (including announcements which may be made by Afterpay after publication of this Presentation). You should have regard to your own investment objectives and financial circumstances and should seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest.

RISKS SPECIFIC TO THE GROUP

1. Compliance with laws, regulations and industry standards

Afterpay and its subsidiaries (the "**Group**") operate in a range of jurisdictions including Australia, New Zealand, the US and the UK. The Group's business principally consists of providing financial services to consumers and is therefore subject to significant regulation in the jurisdictions in which the Group operates. Furthermore, with the geographic expansion of Afterpay's business, the Group may become subject to additional legal, regulatory, tax, licensing, compliance requirements and industry standards that are constantly changing.

There is a risk that any changes in this area may impose significant compliance costs, or even make it uneconomic for the Group to continue to operate in its current markets, or to expand in accordance with its strategy. This may materially and adversely impact the Group's ability to achieve its strategic goals, and negatively impact its revenue and profitability by preventing its business from reaching sufficient scale in particular markets. The Group's inability, or perceived inability, to comply with existing or new compliance obligations could lead to a regulator investigating the Group, which could result in administrative or enforcement action, such as fines, penalties, and/or enforceable undertakings. This could also damage the Group's reputation.

Some of these risks relate to:

- **Financial product regulation:** The Australian parliament has recently passed legislation which empowers ASIC with regulatory oversight and the ability to intervene in relation to financial and credit products where it identifies a risk of significant detriment to consumers, enabling it to make orders prohibiting certain conduct related to products offered to consumers. Any such regulatory intervention could adversely affect one or more of the Group's businesses and could require substantial compliance costs.

KEY RISKS

- **Regulatory interpretation:** Federal and state based regulators in the jurisdictions in which the Group operates generally have significant discretion in the application, interpretation and enforcement of laws and regulations that apply to the Group. This can cause uncertainty as the interpretation or implementation of existing laws and regulations may change and the regulators may also adjust their level of scrutiny and enforcement action. Furthermore, new laws, regulations and legal requirements which have only recently been adopted or could be implemented in the near future by central or local agencies and regulators and their implementation, interpretation and enforcement may create even greater risk due to lack of regulatory guidance and established practice, in particular in jurisdictions where the Group's business grows rapidly and regulators may change their view regarding the Group's compliance obligations.
 - **AML/CTF laws:** There has been increased supervisory, regulatory and enforcement focus on compliance with anti-money laundering, counter-terrorism financing, anti-bribery and corruption and sanctions laws (AML/CTF laws). While Afterpay has policies, systems and controls in place designed to manage its obligations under AML/CTF laws, ineffective implementation, monitoring or remediation of a policy, system or control could give rise to future compliance issues associated with AML/CTF laws, which could lead to regulatory investigations, reviews, enforcement action, as well as potential litigation by third parties and adverse media coverage.
 - **AUSTRAC:** In Australia, AUSTRAC is currently reviewing the findings of an independent audit regarding issues that AUSTRAC had raised regarding the Group's AML/CTF compliance procedures. The outcome of AUSTRAC's review is yet to be determined. AUSTRAC may take further steps or action depending on the results of their review. Further action could include civil penalty proceedings, fines, remedial directions, and enforceable undertakings.
 - **Payment system regulation:** A change in Australia's payment system regulations could restrict Afterpay's ability to limit merchants adding a surcharge on customers who use Afterpay as a payment method. If a material number of merchants did add a surcharge as a result of such a change, it could adversely affect usage of Afterpay relative to other payment methods.
 - **Privacy laws:** Changes to privacy laws and data protection laws in any of the jurisdictions in which the Group operates, and the privacy and data protection laws of jurisdictions in which the Group commences operations in the future, may require increased compliance costs and systems upgrade costs.
 - **Compliance costs:** New and stricter laws and regulations or interpretations of existing laws and regulations, or industry standards to which the Group may become subject, could require the implementation of new or more demanding procedures that may carry higher compliance costs.
- All of these may have a material adverse impact on the Group's reputation, results of operations, profitability, business and prospects.
- ## 2. Loss of key contracts and relationships
- Afterpay's business depends on its contracts and relationships with significant merchant clients and end customers. There can be no guarantee that these contracts and relationships will continue or, if they do continue, that they remain successful. Afterpay's contracts with retailers can generally be terminated on short notice. Any loss of the Group's key merchant clients and end customers or a failure to secure new clients or customers on favourable terms, may materially and adversely impact the Group's results of operations and profitability, and also have a negative impact on the Group's reputation and prospects.

KEY RISKS

3. Competitors and new market entrants

The Group is a market leader in Australia in providing ‘buy now, pay later’ services, however, a number of competitors currently offer services similar to this service in Australia and in the Group’s other markets. Existing competitors and new competitors entering the industry both in Australia and elsewhere, may engage in aggressive customer acquisition campaigns, develop superior technology offerings or consolidate with other entities to deliver enhanced scale benefits. Such competitive pressures may materially erode the Group’s market share and revenue, or prevent or limit its growth in new markets, and may materially and adversely impact the Group’s results of operations, profitability and prospects.

4. Exposure to Afterpay’s end customer bad debts

A major part of the Group’s operations and earnings depends on Afterpay’s revenue generated from “buy now, pay later” services used by end customers and Afterpay’s ability to recoup the purchase value of those services. Afterpay relies on its technology to assess end customers’ repayment capability for each transaction. Prolonged miscalculation of customers’ repayment ability, or a material increase in repayment failures due to job losses or other adverse events, such as events consequential to the COVID-19 outbreak and related containment measures taken in response to the pandemic, may cause the Group’s business to be overly exposed to bad debts due to increased end customers’ failure to meet their repayment obligations to Afterpay. This may materially and adversely impact the Group’s results from operations, profitability and prospects.

5. Afterpay’s Funding Facilities

Afterpay has a receivables financing arrangement in Australia with National Australia Bank and Citi (“AU Warehouse Facility”) and, in the United States, Citi (“Citi US Warehouse Facility”) and Goldman Sachs (“GS US Warehouse Facility”) (collectively referred to as the “Warehouse Facilities”) to support Afterpay’s funding of purchases by end customers. If repayments are not made or certain terms and conditions not satisfied under the Warehouse Facilities, National Australia Bank, Citi and/or Goldman Sachs may terminate their respective financing arrangements. In these circumstances, Afterpay’s capacity to pay merchant clients in advance of collecting purchase price instalments from end customers may be diminished if Afterpay is unable to secure financing from other lenders on equivalent terms or at all. This would significantly slow down Afterpay’s growth and may impair the Group’s ability to finance its business.

6. Failures or disruptions to technology systems and communication networks

The Group relies on technology and third-party communication networks to assess customer repayment capabilities. There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors outside of the Group’s control.

This includes damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks. This may cause part or all of the Group’s technology system and/or the communication networks to become unavailable.

There is a risk that repeated failures to keep the Group’s technology available may result in a decline in customer and merchant numbers or merchants cancelling their contracts with the Group. This may materially and adversely impact the Group’s business, results of operations, profitability, as well as negatively impacting the Group’s reputation and prospects.

KEY RISKS

7. Banking and payment processing performance

The Group relies on online payment gateways, banking and financial and other institutions, and point of sale devices for the validation of payment methods (such as bank cards), processing and settlement of payments. Any failures or disruptions to such platforms and technology may affect the Group's business, results of operations, profitability and prospects.

8. Third-party network infrastructure provider

The Group relies on third-party service providers to maintain its network infrastructure for software application offerings. Such network infrastructure involves major risks including, (i) any breakdown or system failures resulting in a sustained shutdown of all or a material part of our servers, including failures which may be attributable to power shutdowns, or loss or corruption of data or malfunctions of software or hardware; and (ii) any disruption or failure in the national backbone telecommunication network. The Group has no control over the cost of the services provided by these third-party service providers, and may be required to pay for any additional costs, which may affect the Group's business, financial conditions and operations.

9. Exposure to potential security breaches and data protection issues

Through the ordinary course of business, the Group collects a wide range of confidential information. Cyber-attacks may compromise or breach technology platforms used by the Group to protect confidential information. There is a risk that the measures taken by the Group may not be sufficient to detect or prevent unauthorised access to, or unauthorised disclosure of, such confidential information. Any data security breaches or the Group's failure to protect confidential information could result in the loss of information integrity, or breaches of the Group's obligations under applicable laws or agreements, each of which may materially and adversely impact the Group's business, results of operations, profitability, reputation and prospects.

10. Activities of fraudulent parties

The Group may be exposed to fraud attempts, including risks from the potential collusion between internal and external parties, and end customers attempting to circumvent the Group's systems (such as Afterpay's repayment capability assessments). Fraud attempts may potentially result in damage to the Group's reputation and a higher than budgeted cost of fraud to rectify and safeguard business operations, which may materially adversely impact the Group's results of operations, profitability, reputation and prospects.

11. Protection and ownership of technology and intellectual property

Unauthorised use or copying of any of the Group's software, data, specialised technology or platforms may occur and the validity, ownership or authorised use of intellectual property relevant to the Group's business may be successfully challenged by third parties. This could result in significant expense and the inability to use the intellectual property in question, which may materially and adversely impact the Group's business, results of operations, profitability and prospects. Such disputes (whether or not successful) may also temporarily and adversely impact the Group's ability to integrate new systems or develop new services, and could involve significant costs of litigation and diversion of management attention, all of which may adversely impact the Group's results of operations, profitability and prospects.

There is also a risk that the Group will be unable to register or otherwise protect new intellectual property it develops in the future. The Group's competitors may then be able to offer identical or very similar services or services that are otherwise competitive against those provided by the Group, which could adversely affect the Group's business, results of operations and prospects.

KEY RISKS

12. Ability of the Group's technology to integrate with third party platforms

The success of the Group's services, and the ability to attract additional end customers and merchant clients, will depend on the ability of the Group's technology and systems to integrate into and operate with various third party systems and platforms, particularly websites, point of sale systems and other merchant systems. In addition, as these systems and platforms are regularly updated, it is possible that when such updates occur it could cause the Group's services to not operate as efficiently as previously. This will require the Group to change the way some of its systems operate, and may disrupt the provision of services, which may take time and expense to remedy, and could adversely affect the Group's business, results of operations and prospects.

13. The Group's technology may be superseded by other technology or changes in business practice

The Group's success will in part depend on its ability to offer services and systems that remain current with the continuing changes in technology, evolving industry standards and changing consumer preferences. The Group may not be successful in addressing these developments in a timely manner, or that expenses will be greater than expected. In addition, new products or technologies (or alternative systems) developed by third parties may supersede the Group's technology. This may materially and adversely impact the Group's results of operations and profitability.

14. Loss of or failure to attract key management personnel

The Group's ability to effectively execute its growth strategies depends on the performance and expertise of its key management personnel. The loss of key management personnel or any delay in their replacement, may adversely affect the Group's future financial performance. Further, the Group requires skilled personnel for entry into new markets that may be in short supply or that may be sought after by competitors and new entrants. An inability to attract skilled personnel would inhibit the success of new market entry and may adversely affect the Group's future financial performance.

15. Capacity constraints

Continued increases in transaction volumes may require the Group to expand and adapt its network infrastructure to avoid interruptions to its systems. Any unprecedented transaction volumes may interrupt the Group's systems, reduce the number of completed transactions, increase expenses, and reduce the level of consumer service, and these factors may adversely impact the Group's business, results of operations and profitability. Expansions into new offshore markets may require additional data centre capacity in those markets due to data security requirements or capacity constraints. An inability to obtain such capacity in a timely manner may adversely impact the Group's business, results of operations and profitability.

16. Inability to increase transaction volumes, merchant and end customer numbers

The revenue and profitability of the Group rely on increases in transaction volumes and the number of merchant and end customer using its services. Inability to increase these metrics may adversely impact the Group's prospects and ability to improve its future results of operations and profitability.

KEY RISKS

17. Inability to identify suitable targets or successfully integrate acquisitions

The Group's strategy may involve the acquisition of additional businesses that are aligned with the Group's core business. Acquisition transactions involve inherent risks, including:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of a business;
- integration risks, and the risk of inability to realise expected synergies;
- excessive diversion of management attention from the operations of the existing business;
- potential loss of key personnel and key clients of the acquired business;
- unanticipated changes in the industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of, and unanticipated costs, problems or liabilities associated with the acquired business.

Any of these or similar risks could cause the Group to not realise the benefits and synergies anticipated from any acquisition of a new business and could have a material adverse impact on its results of operations, profitability, financial position and prospects.

GENERAL RISKS

18. Equity raising underwriting risk

Afterpay has entered into an Underwriting Agreement under which the Joint Lead Managers have agreed to fully underwrite the Placement (but not the SPP). If certain conditions are not satisfied or certain events occur under the Underwriting Agreement, the Joint Lead Managers may terminate the Underwriting Agreement. This may have a material impact on the proceeds raised under the Placement and Afterpay may need to find alternative financing in order to fund its operations. Refer to Appendix B for a summary of the underwriting arrangements.

19. Market impact of COVID-19

The events relating to COVID-19 have caused significant market volatility in CY2020 including in the prices of securities trading on ASX (including the price of Afterpay's shares) and on other foreign securities exchanges. There is continued uncertainty as to the further impact of COVID-19 including in relation to governmental action, work stoppages, lockdown, quarantines, travel restrictions and the impact on the Australian and global economy and share markets. In light of recent Australian and global macroeconomic events, including though not limited to the impact of COVID-19 and other factors, Australia and other international economies could experience a recession or downturn of uncertain severity and duration which could further affect spending by customers, impact on the operating and financial performance and prospects of Afterpay and interfere with Afterpay's business.

KEY RISKS

20. Business and operational impact of COVID-19

The Group may not be able to collect repayment on time from its customers and/or renew contracts with existing retailers or develop business relationships with new retailers as a result of negative economic and retail conditions associated with COVID-19. The Group may experience reduced demand as a result of falling discretionary spending, particularly on in-store purchases in areas where lockdown measures are implemented by governments.

The impact of COVID-19 on the Group's financial conditions and operations could deteriorate as future developments and new information may continue to emerge. Any future outbreak of public health epidemics may restrict economic activities, reduce business volume or disrupt the Group's business operations.

21. Risks relating to share investment

There are various risks associated with investing in any form of business and with investing in listed entities generally. The value of Afterpay's shares depends upon general share market and economic conditions as well as the specific performance of the Group. There is no guarantee of profitability, dividends, return of capital, or the price at which Afterpay's shares will trade on the ASX. The past performance of Afterpay's shares is not necessarily an indication as to future performance as the trading price of shares can go down or up in value.

22. Risks relating to the general economy and capital markets

The financial performance of the Group fluctuates due to various factors, including movements in the Australian and international capital markets, recommendations by brokers and analysts, interest rates, exchange rates, inflation, Australian and international economic conditions, change in government, fiscal, monetary and regulatory policies, prices of commodities, global geo-political events, hostilities and acts of terrorism, investor perceptions and other factors. In the future, these factors may affect the income and expenses of the Group and may cause the price of Afterpay's shares to fluctuate and trade below current prices.

23. Exposure to adverse macroeconomic conditions

The Group's business depends on end customers transacting with retail merchants, which in turn can be affected by changes in general economic conditions. For example, the retail sector is affected by macroeconomic conditions such as unemployment, interest rates, consumer confidence, disposable income, overall consumers' sentiment, economic recessions, downturns or extended periods of uncertainty or volatility, all of which may influence customer spending and suppliers' and retailers' focus and investment in outsourcing payment and transaction processing solutions. This may subsequently impact the Group's ability to generate revenue, its profitability and prospects.

24. Legal proceedings and contingent liabilities

The Group may be subject to litigation and other claims and disputes in the course of its business, including employment disputes, contractual disputes or occupational and personal claims, which could adversely affect the Group's business, reputation, operating and financial performance.



APPENDIX B:
SUMMARY OF
UNDERWRITING
ARRANGEMENTS

SUMMARY OF UNDERWRITING ARRANGEMENTS

The Joint Lead Managers are acting as joint lead managers and underwriters of the Placement. Afterpay entered into an underwriting agreement with the Joint Lead Managers in respect of the Placement (Agreement). The Agreement contains representations and warranties and indemnities in favour of the Joint Lead Managers. The Joint Lead Managers may also, in certain circumstances, terminate their obligations under the Agreement if any of the following events occur by giving written notice to Afterpay (some of which are subject to a market standard materiality qualifier):

- (a) any material released in connection with the Placement includes content that is or which becomes false, misleading or deceptive, or likely to mislead or deceive, in either case, in a material respect (including by way of omission) or any statement of opinion or belief in any such material is not truly and honestly held or there are no reasonable grounds for making such a statement;
- (b) ASX announces that Afterpay will be removed from the official list of ASX, that any of its shares will be delisted or suspended from quotation by ASX, or that quotation of all of the shares to be issued under the Placement will not be granted by ASX on an unconditional basis;
- (c) Afterpay is unable, or will not be able, to issue the shares under the Placement on the date for issue of the securities as specified in the timetable for the Placement;
- (d) the ASX/S&P 300 Index is, at the close of trading on the ASX on any day from the close of the bookbuild to (and including) the settlement date, 10% or more below its level at market close on the date of the Agreement;
- (e) ASIC makes, or threatens to make, an application for an order under Part 9.5 of the Corporations Act 2001 (Cth) (Corporations Act) in relation to the Placement, and any such application (or threat) becomes public or is not withdrawn within 2 Business Days after it is made or, where it is made less than 2 Business Days before the Settlement Date, it has not been withdrawn before the Settlement Date;
- (f) ASIC commences, or conveys its intention to commence, any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to the Placement and any such investigation or hearing (or intention) becomes public or is not withdrawn within 2 Business Days after it is commenced or, where it is commenced less than 2 Business Days before the Settlement Date, it has not been withdrawn before the Settlement Date;
- (g) AUSTRAC commences, or conveys in writing its intention to commence, any investigation or proceeding against Afterpay or issues or seeks, or publicly conveys an intention to issue or seek, any material penalty, fine, enforceable undertaking or other action, against Afterpay and any such commencement, issue or intention is not withdrawn within 2 Business Days after it is commenced, issued or sought or, where it is commenced, issued or sought less than 2 Business Days before the Settlement Date, it has not been withdrawn before the Settlement Date;
- (h) Afterpay withdraws the Placement or any part of it;
- (i) Afterpay alters its capital structure (other than as contemplated by the Agreement) without the prior consent of the Joint Lead Managers;

SUMMARY OF UNDERWRITING ARRANGEMENTS

- (j) any Certificate which is required to be furnished by Afterpay under the Agreement is not furnished when required;
- (k) a member of the Group is, or states that it is, unable to pay its debts as and when they fall due, or fails to comply with a statutory demand;
- (l) any step is taken which will or is likely to result in:
 - a. the appointment of a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other similar official in relation to, or to any property of, any member of the Group; or
 - b. any member of the Group being wound up or dissolved or entering into a scheme, moratorium, composition or other arrangement with, or to obtain protection from, its creditors or any class of them or an assignment for the benefit of its creditors or any class of them;
 - c. circumstances existing which would permit a presumption of insolvency in relation to any member of the Group under sub-section 459C(2) of the Act, or
 - d. anything analogous or having a substantially similar effect occurring in relation to any member of the Group;
- (m) a condition under the Agreement is not satisfied or waived by the Joint Lead Managers within the agreed time;
- (n) there is an event, occurrence or non-occurrence after the date of the Agreement which makes it illegal or commercially impracticable for the Joint Lead Managers to satisfy a material obligation under the Agreement, or to market, promote or settle the offer of shares under the Placement, or that causes the Joint Lead Managers to delay satisfying a material obligation under the Agreement;
- (o) *a director or senior manager of Afterpay:
 - a. is charged with an indictable offence;
 - b. is disqualified from managing a corporation under the Corporations Act ;
 - c. has an a public action commenced against them by any regulatory body in their capacity as a director, or an intention to commence such an action is announced, in their capacity as a director,
- (p) *any government agency issues or threatens to issue proceedings or commences any inquiry or investigation into the Issuer (including in respect of the Placement);
- (q) *an event specified in the timetable of the Placement is delayed (without the prior written consent of the Joint Lead Managers);
- (r) *any certificate which is required to be furnished by Afterpay is untrue or incorrect;
- (s) *there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the financial position, results, condition, operations or prospects of Afterpay or any of its subsidiaries, other than as disclosed by Afterpay before the date of this presentation;
- (t) *Afterpay is in breach of any terms and conditions of the Agreement or any representations or warranty is or becomes incorrect, untrue or misleading;
- (u) *there is a change to the to the Executive Chairman or the board of directors;

SUMMARY OF UNDERWRITING ARRANGEMENTS

- (v) *there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Agreement);
- (w) *any of the following occurs (i) a suspension or material limitation in trading in securities generally on ASX, the New York Stock Exchange or the London Stock Exchange, or a material disruption in commercial banking or securities settlement or clearance services in Australia, the United States, Hong Kong or the United Kingdom, or a level 3 "market-wide circuit breaker" is implemented by the New York Stock Exchange upon a 20% decrease against the prior day's closing price of the S&P 500 Index, (ii) any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, the United States, Hong Kong, the United Kingdom or the international financial markets or any change in international political, financial or economic conditions or (iii) a general moratorium on commercial banking activities in Australia, the United States, Hong Kong or the United Kingdom is declared by the relevant central banking authority in any of those countries; or
- (x) *any of the following occurs (i) hostilities not presently existing commence (whether war has been declared or not), (ii) a major escalation in existing hostilities occurs (whether war has been declared or not), (iii) a state of emergency is declared (other than as already declared prior to the date of the Agreement) or (iv) a major escalation in relation to a previously declared state of emergency, where in the case of (i) - (iv), relating to any one or more of Australia, the United States of America, Japan, New Zealand, a member state of the European Union, the People's Republic of China or South Korea, or (v) a significant terrorist act is perpetrated anywhere in the world.

A Joint Lead Manager may not terminate the Agreement in reliance on any of the above termination events denoted with an asterisk (*) unless the Joint Lead Manager has reasonable grounds to believe that the event has, or is likely to give rise to:

- a) a material adverse effect on the success of the Placement or the market price of or ability to settle the Placement of the Placement Shares;
- b) a contravention by that Joint Lead Manager of (or the involvement of that Joint Lead Manager in a contravention of) the Act or any other applicable law.

If a Joint Lead Manager terminates its obligations under the Agreement, that Joint Lead Manager will not be obliged to perform any of its obligations that remain to be performed. Termination of the Agreement by one or more Joint Lead Manager could have an adverse impact on the amount of proceeds raised under the Placement.

For details of fees payable to the Joint Lead Managers, see the Appendix 3B released to ASX on 7 July 2020.

A man wearing a black hat, white sunglasses, and a colorful plaid shirt is taking a selfie with a smartphone. He has a surprised or excited expression with his mouth open. The background is a brick wall painted in vibrant colors like purple, blue, and red.

APPENDIX C: INTERNATIONAL SELLING RESTRICTIONS

INTERNATIONAL SELLING RESTRICTIONS

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Bermuda

The Company is not making any invitation to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

China

The information in this document does not constitute a public offer of the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors", sovereign wealth funds and quasi-government investment funds.

European Union (Belgium, Denmark, Germany, Luxembourg and Netherlands)

This document has not been, and will not be, registered with or approved by any securities regulator in Belgium, Denmark, Germany, Luxembourg and Netherlands. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Belgium, Denmark, Germany, Luxembourg and Netherlands except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Belgium, Denmark, Germany, Luxembourg and Netherlands is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

INTERNATIONAL SELLING RESTRICTIONS

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any of the contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

INTERNATIONAL SELLING RESTRICTIONS

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The offering of the Securities in Switzerland is exempt from requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("FinSA") because such offering is made to professional clients within the meaning of the FinSA only and the Securities will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, art. 652a, or art. 752 of the Swiss Code of Obligations (in its version applicable during the transitory period after entering into force of FinSA on January 1, 2020) or a listing prospectus within the meaning of art. 27 et seqq. of the SIX Listing Rules (in their version enacted on January 1, 2020, and to be applied during the transitory period), and no such prospectus has been or will be prepared for or in connection with the offering of the Securities.

United Arab Emirates

Neither this document nor the New Shares have been approved or passed on in any way by the Emirates Securities and Commodities Authority ("ESCA") or any other governmental authority in the United Arab Emirates. The Company has not received authorisation from the ESCA or any other governmental authority to market or sell the New Shares within the United Arab Emirates. This document does not constitute, and may not be used for the purpose of, an offer of securities in the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market). No services relating to the New Shares, including the receipt of applications, may be rendered within the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu-Dhabi Global Market).

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

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