

ASX Announcement

21 September 2020

Successful completion of Institutional Offer

Generation Development Group (ACN 087 334 370) (**GDG** or **Company**) is pleased to announce that it has successfully completed the institutional component of the capital raising announced on 17 September 2020. The fully underwritten institutional placement (**Placement**) and the institutional component of the partially underwritten 1 for 6.7 pro-rata accelerated non-renounceable entitlement offer (**Institutional Entitlement Offer**), together raised approximately A\$30.0m. The Company has also entered an underwriting agreement with Moelis Australia Advisory Pty Limited and Morgans Corporate Limited (together the **Joint Lead Managers**) to fully underwrite the retail component of the entitlement offer (**Retail Entitlement Offer**).

As announced on 17 September 2020, the proceeds from the Placement and Entitlement Offer will be used to fund the acquisition of a 37% stake in Lonsec for A\$20.1m, to provide regulatory and development capital for GDG's new annuity product, and for general working capital and transaction costs.

The Placement attracted significant demand from new and existing institutional investors. A total of 31.2m New Shares will be issued under the Placement, raising approximately A\$21.9m. No shareholder approval is required in connection with the issue of New Shares under the Placement.

The Institutional Entitlement Offer attracted strong support from institutional shareholders with a 100% take-up rate by eligible institutional shareholders of their entitlements. The Institutional Entitlement Offer raised approximately A\$6.2m with the directors taking up eligible entitlements of a further \$1.9m from subscriptions for fully paid ordinary shares in GDG (**New Shares**) at A\$0.70 per New Share (**Offer Price**). This Offer Price represents a 16.7% discount to the last traded price of \$0.84 on 16 September 2020 and a 12.5% discount to TERP of \$0.80.

Generation Life Chief Executive Officer Grant Hackett, said "We are delighted to announce the successful completion of the institutional component of the offer, with the strong support of our existing and new institutional shareholders. Due to the high quality of institutional investor support for the institutional offer, the Board has now decided that the retail offer will be underwritten providing certainty of a fully underwritten \$35m equity raising for GDG. We look forward to the continuing support of our existing investors and welcoming the new institutional investors to GDG in this exciting stage of our journey."

Settlement of the New Shares issued as part of the Placement and Institutional Entitlement Offer is expected to occur on Friday, 25 September 2020, with the issue of those New Shares to occur on Monday, 28 September 2020 and ordinary trading to commence on Tuesday, 29 September 2020.

The ASX trading halt that was implemented on 17 September 2020 in respect of GDG shares is expected to be lifted prior to market open today.

Retail Entitlement Offer

The Retail Entitlement Offer will open on Wednesday, 23 September 2020 and is expected to close 5pm (Melbourne time) on Monday, 5 October 2020.

The Retail Entitlement Offer will be open to eligible retail shareholders who:

- are registered as a holder of GDG shares as at 7.00pm (Melbourne time) on Monday, 21 September 2020 (**Record Date**);
- as at the Record Date, have registered address in Australia or New Zealand or are persons that GDG has otherwise determined are eligible to participate in the Retail Entitlement Offer;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- are not an eligible institutional shareholder of an ineligible shareholder, (**Eligible Retail Shareholder**)

Under the Retail Entitlement Offer, Eligible Retail Shareholders will be able to subscribe for 1 New Share for every 6.7 GDG shares held on the Record Date, at the same price as the Institutional Entitlement Offer (A\$0.70 per New Share). Eligible Retail Shareholders will be allotted their entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. New Shares issued under the Retail Entitlement Offer will rank equally with existing GDG shares from the date of issue, except that they will not be eligible for the dividend declared on 27 August 2020.

Full details of the Retail Entitlement Offer will be set out in the Retail Entitlement Offer booklet and the accompanying personalised entitlement and acceptance form, which is expected to be released to the ASX and dispatched to Eligible Retail Shareholders on Wednesday 23 September. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Entitlement Offer booklet (and their personalised entitlement and acceptance form). Copies of the Retail Entitlement Offer booklet will also be available on the ASX website at www.asx.com.au and GDG's website at <https://gendevdevelopmentgroup.com.au/>.

Key dates of the Retail Entitlement Offer are as provided in GDG's announcements released to the ASX on 17 September 2020.

Additional Information

Further details about the capital raising are set out in the investor presentation released to the ASX on 17 September 2020.

-ENDS-

Authorised by and contact for further information:

For Investors

Terence Wong

CFO

Telephone: +61 3 8601 2021

About Generation Development Group

Generation Development Group (ASX: GDG) is a licensed Pooled Development Fund (**PDF**) specialising in providing development capital to businesses within the financial sector. Its status as a PDF provides favourable tax benefits to the Group and its shareholders.

For information about GDG can be found at <https://gendevdevelopmentgroup.com.au/>

About Lonsec

With over 20 years of experience, the Lonsec Group is one of Australia's most prominent investment research, ratings and implemented solutions businesses, servicing a blue-chip client base.

IMPORTANT NOTICES

FORWARD-LOOKING STATEMENTS

This announcement may contain certain forward-looking statements, forecasts, estimates, projections, beliefs and opinions (Forward Statements). Forward Statements can be identified by the use of 'forward-looking' terminology, including, without limitation, the terms 'believes', 'estimates', 'anticipates', 'expects', 'projects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology, and include financial outlook information as defined below.

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OTHER

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