

Australian Finance Group Ltd
ACN 066 385 822
ASX: AFG

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission to the official list and official quotation on a deferred settlement trading basis of the fully paid ordinary shares in Australian Finance Group Ltd (**AFG**).

Unless otherwise defined, capitalised terms used in this notice have the meaning given to them in the prospectus lodged by AFG with the Australian Securities and Investments Commission on 4 May 2015, available at <http://www.afgonline.com.au/>.

Basis of allocation and procedures for determining allocations

The initial public offering of New Shares by AFG and the sale of Existing Shares by AFG Saleco Pty Ltd (**SaleCo**) (the **Offer**) closed on 19 May 2015. Successful Applicants under the Offer paid \$1.20 per Share, which was the Final Price as determined at the conclusion of the bookbuild on 19 May 2015.

The allocation of each component of the Offer was as follows:

- **Broker Firm Offer:** Shares which were allocated to Brokers for allocation to their Australian resident retail clients were issued to the Applicants who have received a valid allocation of Shares from those Brokers. It was a matter for those Brokers how they allocated the Shares amongst their retail clients, and they (and not AFG, SaleCo or the Lead Manager) were responsible for ensuring that retail clients who received an allocation from them, received the relevant Shares.
- **Priority Offer:** Allocation of shares to Applicants under the Priority Offer were determined by agreement between AFG and the Lead Manager. Valid Applications under the Priority Offer were accepted in full.
- **Institutional Offer:** The allocation of Shares between the Institutional Offer, the Priority Offer and the Broker Firm Offer was determined by the Lead Manager in consultation with AFG. AFG and the Lead Manager had absolute discretion regarding the basis of allocation of Shares among Institutional Investors and there was no assurance that any Institutional Investor would be allocated any Shares, or the number of Share for which it has bid. Allocations to Institutional Investors were determined pursuant to a bookbuild held on 19 May 2015. Successful applicants under the Institutional Offer have been advised of their allocations.

Applicants under the Broker Firm Offer can confirm their allocation of Shares by telephoning their Broker. Applicants under the Priority Offer can confirm their allocation of Shares by contacting the AFG Offer Information Line on 1800 129 431 (within Australia) or +61 1800 129 431 (outside Australia) between 8.30am and 5.30pm (Perth time), Monday to Friday.

All Applicants can also confirm their allocation of Shares, or make general enquiries regarding the Offer, by contacting the AFG Offer Information Line on 1800 129 431 (within Australia) or +61 1800 129 431 (outside Australia) between 8.30am and 5.30pm (Perth time), Monday to Friday.

All Applicants are responsible for determining and confirming the number of Shares allocated to them prior to selling any Shares. Applicants who sell Shares before receiving their initial holding statement do so at their own risk.

The number of shares issued under the Offer

The issue / transfer price for each Share under the Offer was \$1.20.

The number of shares issued and transferred under each part of the Offer was:

- Institutional Offer – 66,183,556
- Broker Firm Offer – 29,166,666
- Priority Offer – 6,149,874

Despatch date

The intended date for sending CHESS allotment notices, issuer sponsored holdings statements and any refund money is Monday, 25 May 2015.

Distribution schedule of shareholders and statement of the 20 largest shareholders

Please refer to **Attachment 1** for a distribution schedule of shareholders and a statement of the 20 largest shareholders.

Performance rights

Further to section 6.4.4 of the Prospectus, the final number of performance rights under AFG's 2016 Long Term Incentive Plan to be granted to the Managing Director is 125,000 performance rights and Executive Director is 41,667 performance rights.

Bookbuild

AFG confirms that, in relation to the funds raised pursuant to the bookbuild in connection with the Institutional Offer:

- 66,183,556 Shares were transferred to successful Applicants under the Institutional Offer at the Final Price of \$1.20 per Share following the bookbuild;
- a material number of Shares have not been taken up by a person or persons who are promoters or related parties of AFG;
- no concessionary fee or other arrangements have been entered into which have had the result that the effective transfer price paid by some allottees differs materially from the Final Price announced set out above;
- no arrangements have been entered into which have had the result that some allottees receive a material benefit for agreeing to participate in the bookbuild at the Final Price announced set out above and which is not received by other allottees; and
- no arrangements have been entered into with associates of AFG or the bookrunner to avoid a shortfall, or the appearance of a shortfall, in the bookbuild.

Escrowed shares

The following is a break-down of the number of Shares subject to voluntary escrow. These Shares will be escrowed until the date on which AFG's audited full-year results for the period ending 30 June 2016 are released to the ASX. Each Escrowed Shareholder may be released early from their escrow obligations in certain circumstances. See section 7.8 of the Prospectus for more information.

Escrowed Shareholder	Number of shares subject to voluntary escrow
MBM Investments Pty Ltd as trustee for The Brett McKeon Family Trust	21,179,773
MSW Investments Pty Ltd as trustee for The Malcolm Stephen Watkins Family Trust	21,102,689
Oceancity Investments Pty Ltd as trustee for The Matthews Family Trust	16,882,151
Banyard Holdings Pty Ltd as trustee for The B&K McGougan Trust	14,788,765
Macquarie Bank Limited	11,184,907
Karen Jane McGougan as trustee for The B&K McGougan Trust No. 2	5,469,816
TAL Distribution Holdings Limited	4,577,180
Allianz Australia Insurance Limited	4,577,180
Assured Financial Services Pty Ltd	2,000,000
EDI Nominees Pty Ltd as trustee for The Buffalo Creek Superannuation Fund	1,087,500
Gillfamily Pty Ltd as trustee for the Gillfamily Superannuation Fund	1,950,000
Anthony Gill	300,000

Attachment 1

Distribution schedule of shareholders and statement of the 20 largest shareholders

1 Distribution schedule of shareholders



AUSTRALIAN FINANCE GROUP LTD

INVESTOR RANGES FRIDAY 22 MAY 2015

<u>Ranges</u>	<u>Investors</u>	<u>Securities</u>	<u>% Issued Capital</u>
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Security Group: ORD ALL ORDINARY SHARES

Totals for Security Group ORD

1 to 1000	1	269	.00
1001 to 5000	239	782,256	.36
5001 to 10000	404	3,270,966	1.52
10001 to 100000	675	18,472,651	8.60
100001 and Over	78	192,286,529	89.51
Total	1,397	214,812,671	100.00

end of report

2 Statement of the 20 largest shareholders

AUSTRALIAN FINANCE GROUP LTD

FIRST 20 INVESTORS REPORT FRIDAY 22 MAY 2015

<u>Rank</u>	<u>Investor</u>	<u>Available Balance</u>	<u>% Issued Capital</u>
Sec. Group: ORD - ALL ORDINARY SHARES			
1	MBM INVESTMENTS PTY LTD <THE BRETT MCKEON FAMILY A/C>	21,179,773	9.86%
2	MSW INVESTMENTS PTY LTD <MALCOLM STEPHEN WATKINS A/C>	21,102,689	9.82%
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	20,016,433	9.32%
4	OCEANCITY INVESTMENTS PTY LTD <THE MATTHEWS FAMILY A/C>	16,882,151	7.86%
5	BANYARD HOLDINGS PTY LTD	14,788,765	6.88%
6	NATIONAL NOMINEES LIMITED	12,691,393	5.91%
7	MACQUARIE BANK LIMITED	11,184,907	5.21%
8	CITICORP NOMINEES PTY LIMITED	10,398,450	4.84%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,351,932	2.96%
10	MRS KAREN JANE MCGOUGAN <B&K MCGOUGAN NO 2 A/C>	5,469,816	2.55%
11	ALLIANZ AUSTRALIA INSURANCE LTD	4,577,180	2.13%
12	TAL DISTRIBUTION HOLDINGS LIMITED	4,577,180	2.13%
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,647,875	1.70%
14	BNP PARIBAS NOMS PTY LTD <DRP>	3,392,427	1.58%

AUSTRALIAN FINANCE GROUP LTD

FIRST 20 INVESTORS REPORT FRIDAY 22 MAY 2015

Rank	Investor	Available Balance	% Issued Capital
15	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PI POOLED A/C>	2,730,370	1.27%
16	UBS NOMINEES PTY LTD	2,702,067	1.26%
17	AMP LIFE LIMITED	2,202,641	1.03%
18	ASSURED FINANCIAL SERVICES PTY LTD	2,000,000	.93%
19	GILLFAMILY PTY LTD <GILLFAMILY SUPER FUND A/C>	1,950,000	.91%
20	ANGELA MIDDLETON	1,600,250	.74%

TOTAL FOR TOP 20:

169,446,299

Investors

20

78.88%

TOTAL IN THIS REPORT:

169,446,299

Investors

20

78.88%

TOTAL OTHER INVESTORS:

45,366,372

1,377

21.12%

GRAND TOTAL:

214,812,671

1,397

100.00%

end of report