

# AFG successfully completes bookbuild for Initial Public Offer

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Australian Finance Group Ltd (AFG) today successfully completed the institutional bookbuild for its initial public offer (IPO) and is anticipated to be listed on the Australian Securities Exchange on 22 May 2015. The Final Price for shares acquired under the IPO was determined at the conclusion of the bookbuild and has been set at \$1.20 per Share.

AFG received strong interest from a range of domestic and international institutional investors and retail investors in Australia, including under the Priority Offer to AFG staff, mortgage brokers and others.

Defined terms in this release have the same meaning as in the Prospectus.

## Key offer statistics<sup>1</sup>

Final Price	\$1.20 per Share
Shares available under the Offer	101,500,096
Total cash proceeds from the Offer	\$121.8 million
Shares retained by Existing Shareholders upon completion of the Offer	113,312,575
Total issued Shares on completion of the Offer	214,812,671
Implied market capitalisation	\$257.8 million
Pro forma Net Debt/(Cash)	(\$38.1) million
Implied enterprise value	\$219.7 million
FY2015 forecast pro forma NPAT	\$17.8 million
FY2016 forecast pro forma NPAT	\$19.7 million
Final Price/Pro forma FY2015 forecast NPAT per Share (times)	14.4x
Final Price/Pro forma FY2016 forecast NPAT per Share (times)	13.1x
Implied FY2016 forecast dividend yield (based on the Final Price of \$1.20 per share)	5.3%

AFG Chairman Tony Gill said: "On behalf of the AFG Board I am looking forward to welcoming our new shareholders to AFG. We are proud of what the company has achieved to date and we look forward to sharing AFG's continued success in the future across our new shareholder base."

Brett McKeon, Managing Director of AFG, said: "We have been very pleased with the widespread interest shown in AFG through the IPO and the calibre of shareholders we have attracted, which is testament to the quality of the business we have built over the past 21 years. A successful listing on the ASX is an exciting and logical evolution for AFG and we look forward to AFG's next phase of growth as an ASX listed company."

New shareholders under the Offer will hold approximately 47.3% of AFG while Existing Shareholders will retain approximately 52.7% of AFG. Approximately 48.9% of AFG's shares will be subject to voluntary escrow until the release of the FY16 results, including shares held by the Founding Shareholders, who will collectively retain approximately 27.5%.

<sup>1</sup> Key offer statistics are based on the Final Offer Price of \$1.20 per share. The key offer statistics contain Forecast Financial Information. The Forecast Financial Information is based on assumptions and accounting policies set out in Section 4 and Appendix A of the Prospectus, and is subject to the key risks set out in Section 5 of the Prospectus. There is no guarantee that the forecasts will be achieved. This table contains a non-AAS financial measure, which is discussed in Section 4.5.2 of the Prospectus.

Applicants under the Broker Firm Offer should contact their broker to confirm their allocations. Applicants under the Priority Offer will receive their full allocation. Other Applicants wishing to confirm allocations or who have any further queries regarding the Offer can contact the AFG Offer Information Line on 1800 129 431 (within Australia) or +61 1800 129 431 (outside Australia) between 8:30am until 5:30pm (Perth time) Monday to Friday. The AFG Offer Information Line will close on 1 June 2015.

The Offer is expected to settle on Thursday, 21 May 2015 and AFG is expected to commence trading on the Australian Securities Exchange on Friday, 22 May 2015 at midday Sydney time on a deferred settlement basis under the code 'AFG'. Holding statements are expected to be dispatched on Monday, 25 May and AFG shares are expected to commence trading on a normal basis on Tuesday, 26 May 2015.

Ends

Further information:

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#### **Notes**

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This announcement contains forward-looking statements, which are statements that may be identified by words such as "may," "forecast," "expects," "could," "believes," "estimates," and other similar words. These statements are based on an assessment of present economic and operating conditions and on a number of assumptions regarding future events and actions that, as of the day of this announcement, are expected to take place. Such statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of AFG and its directors and management. AFG cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur.

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