



FlexiGroup Limited  
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ABN 75 122 574 583

27 October 2015

The Manager  
Company Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

**Re: FlexiGroup Limited (ASX code: FXL)  
Notification under section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* as modified by ASIC  
Class Order 08/35 (CO 08/35)**

Dear Sir

FlexiGroup Limited (the **Company**) announced today an accelerated non-renounceable pro-rata entitlement offer (the **Entitlement Offer**) of 1 ordinary share in the Company (**New Shares**) for every 4.46 ordinary shares in the Company held by all holders as at 7.00pm (AEST) on Friday, 30 October 2015 (the **Record Date**) with registered addresses in Australia and New Zealand and certain institutional holders as at the Record Date in other jurisdictions in which the Company decides to extend the Entitlement Offer (**Eligible Shareholders**).

The Company gives notice under section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* as modified by CO 08/35 (the **Corporations Act**) that:

1. The Company will offer the new shares in the Company for issue pursuant to the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act.
2. As at the date of this notice:
  - (a) the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company;
  - (b) the Company has complied with section 674 of the Corporations Act; and
  - (c) there is no "excluded information" within the meaning of sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be disclosed under section 708AA(7)(d) of the Act;
3. The potential effect that the Entitlement Offer will have on control of the Company and the consequences of that effect will depend upon a number of factors, including investor demand. However, given the structure of the Entitlement Offer as a pro rata offer, the potential effect that the issue of the New Shares will have on the control of the Company is as follows:

- (a) if all Eligible Shareholders take up their entitlements under the Entitlement Offer, there will be no material effect on the control of the Company;
- (b) to the extent that any Eligible Shareholder fails to take up their entitlements under the Entitlement Offer, that Eligible Shareholder's percentage holding in the Company's shares will be diluted by the issue of the New Shares;
- (c) so far as the Company is aware, the only shareholder in the Company with voting power of 20% or more as at the date of this notice is Mr Andrew Abercrombie, who has voting power of approximately 25.4% in the Company. As Mr Abercrombie has committed to take up less than his full entitlement under the Entitlement Offer, and with the Entitlement Offer being fully underwritten by Citigroup Global Markets Pty Ltd and CBA Equities Limited, Mr Abercrombie's voting power in the Company will be diluted as a result of the issue of all of the New Shares;
- (d) the percentage holding in the Company's shares of shareholders with registered addresses outside of Australia and New Zealand (excluding any relevant institutional holders) will be diluted as a result of the issue of the New Shares; and
- (e) although the issue of New Shares which are not taken up by Eligible Shareholders under the Entitlement Offer may increase the voting power of the Underwriters in the Company (or eligible institutional investors who may be allocated New Shares via the bookbuild processes to be conducted by the Underwriters), it is not expected to have any material effect on the control of the Company.

Yours faithfully

David Stevens  
Acting CEO, Chief Financial Officer  
Flexigroup Limited