

SMARTPAY HOLDINGS LIMITED (NZX:SPY, ASX: SMP)

Type: Allot
Notice of Issue of Securities

To: Australian Stock Exchange

Smartpay Holdings Limited gives notice that it has issued Convertible Notes convertible into Ordinary Shares, attached is the NZX announcement with further details.

Rowena Bowman
Company Secretary

SMARTPAY HOLDINGS LIMITED (NZX:SPY, ASX: SMP)

Type: Allot
Notice of Issue of Securities

To: New Zealand Exchange Limited

Pursuant to Listing Rule 7.12.1, Smartpay Holdings Limited ("Smartpay") gives notice that it has issued the following securities:

- (a) **Class of Security:** Convertible Notes convertible into Ordinary Shares.
ISIN: Not applicable.
- (b) **Number of Securities Issued** 15 Convertible Notes.
- (c) **Issue Price of Securities:** Each Convertible Note was issued for AUD\$500,000 resulting in aggregate consideration of AUD\$7,500,000.
- (d) **Payment:** Payment of the full AUD\$7,500,000 was made in cash.
- (e) **Amount paid up:** The Convertible Notes are paid in full.
- (f) **Principal terms of the Securities:**
 - Term: 27 months
 - Coupon: the Convertible Notes bear interest at 8% per annum (payable monthly)
 - Conversion price: AUD\$0.25, subject to downwards adjustment in the event of subsequent share issues at less than AUD\$0.25 (provided that a Convertible Note cannot convert into more than 2,288,853 fully paid ordinary shares)
 - Conversion: at the holder's option within the Term
- (g) **Percentage of Convertible Notes:** The Convertible Notes constitute 100% of the total Convertible Notes of that Class on issue..
- (h) **Reason for the Issue:** The Convertible Notes were issued to provide Smartpay with working capital funding to accelerate growth in Australia, predominantly in the areas of increased marketing and sales spend, terminal stock and associated costs.
- (i) **Authority for the Issue:** Board resolution and under Listing Rule 7.3.5.
- (j) **Further terms of the issue:** See (f) above. The Convertible Notes are unsecured and subordinated to bank debt.
- (k) **Total Number of Securities of the Class in existence after the issue:** 12 Convertible Notes in an aggregate principal amount of AUD\$7,500,000
- (l) **Treasury Stock:** Not applicable
- (m) **Date of Issue:** 17 July 2018.

Dated this 17 July 2018