



Announcement Summary

Entity name

AF LEGAL GROUP LTD

Announcement Type

New announcement

Date of this announcement

Thursday March 11, 2021

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
AFL	ORDINARY FULLY PAID	2,906,977

Proposed +issue date

Friday April 30, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AF LEGAL GROUP LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

063366487

1.3 ASX issuer code

AFL

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Thursday March 11, 2021

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

AFL : ORDINARY FULLY PAID

Number of +securities proposed to be issued

2,906,977

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

The shares are to be issued as part of the consideration for the acquisition of 100% of the shares in Watts McCray (NSW) Pty Ltd as announced on 11 March 2021. The share consideration component comprises of \$0.375m in upfront share consideration on completion of the acquisition and a further \$1.125m in deferred share consideration. The deferred share consideration will be paid in three equal annual instalments and are subject to minimum performance conditions at the completion of the financial periods ending 30 June 2021, 30 June 2022 and 30 June 2023.



Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.516000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Friday April 30, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

2,906,977

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No



7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

N/A

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Shares are to be issued as part of the consideration for the acquisition of Watts McCray (NSW) Pty Ltd, as announced on 11 March 2021.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

The securities proposed to be issued are calculated based on a formula, being the 20 day VWAP of AFL shares immediately prior to their issue. The deemed issue price per security has been calculated based on the 20 day VWAP of AFL share as at the date of this Appendix 3B and therefore the actual deemed issue price may change.

Further, pursuant to the agreement between the parties, the securities will be issued in four tranches, the upfront share consideration and deferred share consideration measured on the audited results for each of the financial periods ending 30 June 2021, 30 June 2022 and 30 June 2023 and accordingly will be issued on various dates. An approximate timeline for these issues is set out below:

1. 726,744 upfront consideration shares on or around 30 April 2021;
2. 726,744 deferred consideration shares on or around 31 August 2021;
3. 726,744 deferred consideration shares on or around 31 August 2022; and
4. 726,745 deferred consideration shares on or around 31 August 2023.

The proposed issue date and the dates outlined above are indicative only and subject to change.