



## PEPPER MONEY LIMITED

### PRE-QUOTATION DISCLOSURE

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the official quotation and conditional and deferred settlement trading of fully paid ordinary shares (**Shares**) in Pepper Money Limited (ACN 094 317 665) (**Pepper Money** or the **Company**) (ASX:PPM).

Capitalised terms used, but not been otherwise defined, have the meaning given to them in the prospectus lodged by Pepper Money with the Australian Securities and Investments Commission on 7 May 2021 (**Prospectus**).

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## 1 Basis of allocation and procedures determining allocations

The basis for allocation of Securities under the Offer and the procedures by which Applicants can determine their precise allocations is set out below:

- (a) **Institutional Offer:** The allocation of Shares under the Institutional Offer will be determined by the Joint Lead Managers in consultation with the Company and the Financial Adviser. The Joint Lead Managers, in consultation with the Company and the Financial Adviser, have absolute discretion regarding the basis of allocation of Shares among Institutional Investors. Successful Applicants under the Institutional Offer have been advised of their allocations.
- (b) **Broker Firm Offer:** The allocation of Shares to Brokers was determined by the Joint Lead Managers, in consultation with the Financial Adviser and the Company. Shares that were allocated to Brokers for allocation to their Australian resident retail clients were issued or transferred to the Applicants who have received a valid allocation of Shares from those Brokers. It was a matter for the Brokers to determine how they allocate Shares among their eligible retail clients, and they (and not the Company, the Financial Adviser or the Joint Lead Managers) were responsible for ensuring that eligible retail clients who have received an allocation from them receive the relevant Shares.
- (c) **Priority Offer:** The allocation of Securities under the Priority offer was made at the absolute discretion of the Company, in consultation with the Joint Lead Managers. Applicants under the Priority Offer received a personalised invitation to apply for Shares. The aggregate number of Shares offered under the Priority Offer did not exceed 941,220 Shares in aggregate. Applications under the Priority Offer were for a minimum of \$2,000 worth of Shares. Applicants under the Priority Offer have been advised of their allocations.
- (d) **Employee Gift Offer:** Eligible Employees received a guaranteed allocation of up to \$1,000 worth of Shares (rounded down to the nearest whole Share based on the Offer Price), being up to 346 Shares.

- (e) **Management Offer:** The Management Shareholders received a personalised Management Offer invitation for a guaranteed allocation. The aggregate of the guaranteed allocations under the Management Offer is 4,624,254 Shares.

Applicants can also telephone the Pepper Money Offer Information Line on 1300 420 250 (toll free within Australia) or +61 2 8023 5477 (outside Australia) from 8.30am and 5.30pm (Sydney time) Monday to Friday (excluding public holidays).

It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before receiving a holding statement, do so at their own risk, even if they obtained details of their holding from the Pepper Money Offer Information Line or confirmed their allocation through a Broker.

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## 2 Conditions for the conditional market

The conditions for the conditional market as outlined in the Prospectus and the date by which each of these conditions must be satisfied as required by ASX Operating Rules – Procedure 3330.2(a) are:

Condition	Time for satisfaction
Settlement under the Underwriting Agreement	Wednesday, 26 May 2021
The Company has issued the New Shares to successful applicants under the Offer	Thursday, 27 May 2021

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## 3 The Offer Price and number of Shares issued under the Offer

- (a) The Offer Price for each Share under each of the Broker Firm Offer, Priority Offer, Institutional Offer, Employee Gift Offer and Management Offer is \$2.89.
- (b) The total number of Shares allocated under each part of the Retail Offer and the Institutional Offer is:

Institutional Offer	154,036,504
Broker Firm Offer	13,434,597
Priority Offer	941,220
Employee Gift Offer	159,482
Management Offer	4,624,254
<b>Total Shares issued under the Offer</b>	<b>173,196,057</b>

At Completion of the Offer, there will be a total of 439,505,908 Shares on issue.

The Company confirms that at the time of Completion of the Offer, it will have a free float of at least 20% as shown below:

Total Escrowed Shares	270,934,105
Total number of Shares held by Directors (which is not subject to voluntary escrow)	153,984
Free Float Shares	168,417,819
<b>Free float</b>	<b>38.32%</b>

#### 4 Intended despatch date

- (a) The intended date for the despatch of:
- (i) in relation to all holdings on the CHESSE sub-register, a notice from Pepper Money under ASX Settlement Operating Rule 8.9.1;
  - (ii) in relation to all other holdings, issuer sponsored holding statements; and
  - (iii) any refund money,
- is Friday, 28 May 2021.

#### 5 Shareholder Loan

The Company confirms that 14,380,391 ordinary shares will be issued to Pepper ANZ HoldCo as satisfaction for repayment of \$41,559,330 of the amount owing under the Shareholder Loan. The remainder of the Shareholder Loan will be repaid from proceeds from the Offer.

#### 6 Voluntary escrow

The following is a breakdown of the number of Shares subject to voluntary escrow and the escrow period applied to those Shares. For details of the material terms of the voluntary escrow arrangements, including any exceptions to the restrictions on disposal, please refer to Sections 7.9 and 9.5.7 of the Prospectus.

Shareholder	Number of Escrowed Shares	% Post-IPO	Escrow Period
Pepper ANZ HoldCo	266,309,851	60.59	Until trading day following release of CY21 results
Management Shareholders	4,624,254	1.05	Until trading day following release of CY21 results

<b>Total</b>	<b>270,934,105</b>	<b>61.64</b>
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## 7 Capital Structure

Pepper Money's capital structure as at Completion is set out as follows:

Class	Number
Shares	<b>439,505,908</b>

## 8 ASX waivers

ASX has granted Pepper Money a waiver from ASX Listing Rule 10.14 on the terms set out below.

### Basis for Waiver Decision

#### Listing Rule 10.14

*Listed entities are required to obtain the prior approval of security holders for an issue of equity securities to related parties, even if pursuant to their participation in an employee incentive scheme. This rule is directed at preventing related parties from obtaining securities on advantageous terms and increasing their holding proportionate to the holdings of other security holders' interests by supplementing the related party provisions of the Corporations Act (and any related party provisions applying to foreign entities under relevant legislation).*

### Facts and Reasons for granting the waiver

*PPM has applied for admission to the official list of ASX. It intends to issue performance rights to the CEO and executive director under the terms of an employee incentive plan. Under Listing Rule 10.14, security holders may approve an issue of securities to a director pursuant to an employee incentive scheme for a period of up to 3 years. A waiver from Listing Rule 10.14 is granted on the basis that where a future issue of equity securities to a director under a scheme is disclosed in an initial listing document, persons who subscribe under the IPO with notice of the future issue of securities to the related party, may be taken effectively to have consented to the issue, and it is unnecessary to submit the issue to a security holders' meeting for approval. The disclosure of the details of the future issue must be adequate and consistent with the information that would be required under Listing Rules 10.15 in a notice of meeting. Accordingly, a waiver from listing rule 10.14 is granted as the prospectus contains adequate disclosure about the proposed issue of the performance rights to the executive director and the performance rights are to be issued within three years of PPM's admission to the official list, which is consistent with the requirements of Listing Rule 10.15.*

## 9 Institutional Bookbuild

Pepper Money confirms that in relation to the funds raised pursuant to the institutional bookbuild under the Institutional Offer (**Institutional Bookbuild**):

- (a) The number of Shares allocated under the Institutional Bookbuild is 154,036,504 at a price of \$2.89 per Share (**Bookbuild Price**);
- (b) No promoters or related parties will be taking up a material number of Securities;
- (c) 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 Bookbuild Price announced by Pepper Money;
- (d) No arrangements have been entered into which have had the result that some allottees receive a material benefit for agreeing to participate in the Institutional Bookbuild at the Bookbuild Price announced by Pepper Money and which is not received by other allottees; and
- (e) no arrangements have been entered into with associates of Pepper Money or the bookrunner to avoid a shortfall, or the appearance of a shortfall, in the Institutional Bookbuild.

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## 10 Further information

In addition to the documents already described in this announcement, the following documents will be released on the ASX Market Announcements Platform at the same time as this pre-quotation disclosure:

- (a) **ASX listing application:** the Company's Appendix 1A (Application for Admission to the ASX Official List) and Information Form and Checklist;
- (b) **Prospectus:** the Prospectus lodged with ASIC by the Company 7 May 2021;
- (c) **Constitution:** the Company's constitution;
- (d) **Audited accounts for Pepper ANZ:** audited accounts of Pepper ANZ for the full years ended 31 December 2018, 2019 and 2020;
- (e) **Incentive plans:** the full terms and conditions of the Company's Executive Rights Plan, Employee Rights Plan, Non-Executive Directors Plan, Short Term Incentive Plan and Share Save Plan;
- (f) **Corporate governance statement:** the Company's corporate governance statement, disclosing the extent to which Pepper Money will follow, as at the date of its admission to the Official List, the recommendations set by the ASX Corporate Governance Council;
- (g) **Securities trading policy:** the Company's securities trading policy;
- (h) **Indicative distribution schedule of shareholders:** an indicative distribution schedule of the numbers of holders in each class of securities to be quoted, setting out the number and percentage of holders in the following categories:

1 – 1,000  
 1,001 – 5,000  
 5,001 – 10,000  
 10,001 – 100,000  
 100,001 and over; and

- (i) **Indicative statement of the 20 largest shareholders:** An indicative statement setting out the names of the twenty largest holders in each class of security to be quoted, and the number and percentage of each class of securities held by those holders.

### **NOT FOR DISTRIBUTION IN THE UNITED STATES**

**This notice does not constitute an offer of securities in the United States or to any person to whom it would not be lawful outside Australia. The securities referred to herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This notice must not be distributed or released in the United States, or in any jurisdiction outside of Australia where distribution may be restricted by law.**