Announcement Summary

Entity name

APPLYFLOW LIMITED

Announcement Type

New announcement

Date of this announcement

1/7/2021

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
AFW	ORDINARY FULLY PAID	1,132,408,587

Ex date

5/7/2021

+Record date

6/7/2021

Offer closing date

23/7/2021

Issue date

30/7/2021

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

APPLYFLOW LIMITED

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.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	29107371497

1.3 ASX issuer code

AFW

1.4 The announcement is
☑ New announcement

1.5 Date of this announcement

1/7/2021

1.6 The Proposed issue is:
☑ A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:
☑ + Non-renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?
☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

AFW : ORDINARY FULLY PAID

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

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

AFW : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	For a given quantity of +securities held
5	8

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded down to the nearest whole number or fractions disregarded	1,132,408,587

Offer price details for retail security holders

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.00500

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
No

Will a scale back be applied if the offer is over-subscribed?
No

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

Part 3C - Timetable

3C.1 +Record date

6/7/2021

3C.2 Ex date

5/7/2021

3C.4 Record date

6/7/2021

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

9/7/2021

3C.6 Offer closing date

23/7/2021

3C.7 Last day to extend the offer closing date

20/7/2021

3C.9 Trading in new +securities commences on a deferred settlement basis

26/7/2021

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

30/7/2021

3C.12 Date trading starts on a normal T+2 basis

2/8/2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

4/8/2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?
☑ Yes

3E.1a Who is the lead manager/broker?

Shaw and Partners Limited (ACN 003 221 583)

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Refer 3E.2c

3E.2 Is the proposed offer to be underwritten?
☑ Yes

3E.2a Who are the underwriter(s)?

Shaw and Partners Limited (ACN 003 221 583

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The Underwriter will underwrite the Entitlement Offer up to a maximum subscription price of $5,662,043, being 1,132,408,587 New Shares at a price of $0.005 per New Share.

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

In consideration for underwriting the Entitlement Offer the Company will pay a total fee of $339,723 to the Underwriter, calculated as:
1. an underwriting fee equal to 4% of the Entitlement Offer proceeds; and
2. a selling and management fee equal to 2% of the Entitlement Offer proceeds.
The Company will also issue the 10,000,000 Options to the Underwriter on completion of the Offer at an exercise price of $0.01 each and expiring three years from their date of issue. The Options will vest on the date that is six months from their date of issue.

The Company must also pay, or reimburse the Underwriter for reasonable costs, charges or expenses of and relating to the Entitlement Offers properly incurred by it.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer Section 6 of the Offer Document.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Refer Section 2.3 of the Offer Document
1. Research and product development : $1,894,000
2. Sales, marketing and personnel : $1,518,000
3. Working capital : $1,800,043
4. Expenses of the Offer : $450,000

Total funds raised under the offer : $5,662,043

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

No offer will be made to Shareholders resident outside Australia and New Zealand ("Eligible Shareholders").

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Nominees and custodians that hold Shares should note that the Offer is only being made to Eligible Shareholders. Where any holder is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws, and the holder warrants and represents in accepting the Offer that it is not acting for the account or benefit of a person in the United States of America, and has not sent this Offer Document, the Entitlement and Acceptance Form or any information relating to the Offer to any such person.

3F.6 URL on the entity's website where investors can download information about the proposed issue

https://www2.asx.com.au/markets/trade-our-cash-market/announcements.afw

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☑ No

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)