



Afterpay Limited ASX: APT

ASX Announcement

12 January 2022

Bank of Spain approval and Scheme implementation timetable

Afterpay Limited (**Afterpay**) is pleased to announce that Block, Inc. (NYSE: SQ) (**Block**) (formerly known as Square, Inc. (**Square**)) has now received approval from the Bank of Spain in respect of the acquisition by Lanai (AU) 2 Pty Ltd, a wholly owned indirect subsidiary of Block, of Afterpay by way of scheme of arrangement (**Scheme**).

Now that Bank of Spain approval has been received, the Scheme is fully unconditional and will be implemented without the need for further shareholder or Court approval in accordance with the implementation timetable set out below.

Commenting on the Scheme, Afterpay's Chair Elana Rubin said, "Afterpay, its leadership and team have shown that groundbreaking fintech innovation built in Australia can reach global proportions. The team are incredibly excited at the prospect of beginning an extraordinary next phase with Block, Inc. and look forward to implementation on 1 February 2022.

On behalf of the Board and management, thank you to our shareholders, customers, merchants, broader stakeholders and regulators, for recognising the potential of this incredible company and for sharing in the vision of fairness and financial freedom for all".

Unless otherwise indicated, capitalised terms used in this announcement have the meaning given to them in the scheme booklet dated 5 November 2021 (**Scheme Booklet**) and the Additional Document dispatched to Afterpay shareholders on 7 December 2021 except that capitalised terms referring to Block have the meaning given to the corresponding terms that refer to Square.

IMPORTANT NOTE TO AFTERPAY SHAREHOLDERS AND PROSPECTIVE AFTERPAY SHAREHOLDERS: As the Bank of Spain condition (**Condition Subsequent**) has now been satisfied, Afterpay shareholders who sell their Afterpay Shares after the date of this announcement and prior to the Record Date should be aware that they will not receive the Scheme Consideration on the Implementation Date. Investors who acquire Afterpay Shares after the date of this announcement should be aware that all Afterpay shareholders who hold Afterpay Shares on the Record Date (other than Ineligible Foreign Shareholders) will be provided with the Scheme Consideration in exchange for their Afterpay Shares. The

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exchange ratio is fixed and holders of Afterpay Shares on the Record Date (other than Ineligible Foreign Shareholders) will receive 0.375 New Block Shares or 0.375 New Block CDIs. Block Class A Shares will continue to trade on NYSE between the date of this announcement and the Record Date.

Implementation Timetable

Key dates for implementation of the Scheme are set out below:

Milestone	Timing
Announcement of receipt of Bank of Spain approval, Condition Subsequent is satisfied, implementation dates announced on ASX and published on Afterpay website (Bank of Spain Announcement)	12 January 2022
Election Date – the latest time and date by which CDI Election Forms and Share Election Forms must be received by the Afterpay Share Registry, only if holders wish to make a Share Election or a CDI Election rather than receive their default Scheme Consideration. Shareholders wishing to make an election away from the default Scheme Consideration should ensure their CDI Election Forms and Share Election Forms are submitted as soon as possible. Such forms must be returned by the Election Date, which will be 5:00pm (AEDT) on 17 January 2022.	5:00pm (AEDT) on 17 January 2022
Afterpay Shares suspended from trading. This is the last day that Afterpay Shares will trade on ASX.	19 January 2022
Commencement of trading of New Block CDIs on ASX under the symbol SQ2 (deferred settlement basis). ¹	20 January 2022

¹ The exact number of New Block Securities to be issued to you will not be known until after the Record Date and will not be communicated to you until after you receive your statement or confirmation advice statements following the Implementation Date. Therefore, please be aware that, if you trade in New Block CDIs during the deferred settlement period and prior to receipt of your holding statement or confirmation advice, you do so at your own risk. See Section 7.5(d) of the Scheme Booklet for further details.

Record Date - determination of entitlement of Scheme Shareholders to receive the Scheme Consideration.	7:00pm (AEDT) on 21 January 2022
Implementation Date – all Scheme Shareholders ² will be provided with the Scheme Consideration to which they are entitled on this date.	1 February 2022
Holding statements or confirmation advice for New Block CDIs will be dispatched.	2 February 2022
Commencement of trading of New Block CDIs on ASX under the symbol SQ2 (normal settlement basis).	2 February 2022
Commencement of cross-border conversions of New Block Shares and New Block CDIs between Australia and the US.	2 February 2022
Commencement of trading of New Block Shares on NYSE.	2 February 2022
DRS statements for New Block Shares will be dispatched.	3 February 2022

All dates and times, unless otherwise indicated, refer to the date and time in Sydney, Australia. Any changes to the above timetable will be announced to ASX and notified on Afterpay's website at <https://corporate.afterpay.com/>.

Further Information

Afterpay shareholders who have questions in relation to the Scheme should contact the Afterpay Shareholder Information Line on 1300 229 418 (within Australia), or +61 2 9066 4051 (outside Australia) between Monday to Friday (excluding public holidays in Australia) between 9.00am and 5.00pm (AEDT).

Authorised by

Anthony Eisen
Co-CEO & Managing Director

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² Ineligible Foreign Shareholders will have their New Block Shares issued instead to a Sale Agent. These shares will then be sold by the Sale Agent in the ordinary course of trading on NYSE and the net proceeds of the sale will be paid to the Ineligible Foreign Shareholders promptly afterwards. Refer to section 3.5 of the Scheme Booklet for more details on this process.

For further information please contact

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