
ICSGLOBAL LIMITED

ACN 073 695 584

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 10.00am (AEST)
DATE: Wednesday, 7 July 2021
PLACE: Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

This Notice should be read carefully in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary, Greg Quirk, on 0419 263 514.

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TIME AND PLACE OF EXTRAORDINARY GENERAL MEETING AND HOW TO VOTE

VENUE

An Extraordinary General Meeting of the Shareholders of the Company will be held at 10:00am (AEST) on Wednesday, 7 July 2021 at:

Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

The health and safety of our shareholders and the wider community is paramount, so the following COVID-safe processes will apply:

- Social distancing measures and any other requirements will be implemented in accordance with the prevailing NSW Government guidelines at the time of the Meeting.
- All attendees must complete the visitor declaration with contact details.
- Hand sanitiser will be available in the room.
- The room will be cleaned prior to and after the Meeting.

If you would like to attend the Meeting in person, please register in advance by emailing info@icsglobal.com.au by no later than 24 hours prior to the Meeting (by 10:00 am AEST on Tuesday, 6 July 2021) so that we are able to manage numbers appropriately and have a way of contacting you should Meeting processes need to change.

For Shareholders who are unable or do not wish to attend the Meeting physically, we encourage you to submit your vote by returning the Proxy Form enclosed. Instructions for completing and returning the Proxy Form are set out below and on the form itself.

In addition, we will be streaming the Meeting via an online facility for those who wish to observe the proceedings remotely. Shareholders may register to observe the Meeting by emailing info@icsglobal.com.au by no later than 24 hours prior to the Meeting (by 10:00 am AEST on Tuesday, 6 July 2021). Instructions on how to observe the Meeting online will be provided to all Shareholders who register. Please note that Shareholders who observe the Meeting online will not be able to participate or vote via that facility.

YOUR VOTE IS IMPORTANT

There is one Resolution being considered at the Meeting which concerns the proposed Capital Return to Shareholders following completion of the sale by the Company of its main undertaking, the MBC business. It significantly affects your Shareholding and your vote is important.

VOTING IN PERSON

To vote in person, we welcome you to attend the Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please either:

- (a) lodge your Proxy Form online by following the directions provided on the Proxy Form;
- (b) post the Proxy Form to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) hand deliver the Proxy Form to: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000; or
- (d) send the Proxy Form by facsimile to Boardroom Pty Limited on facsimile number (02) 9290 9655.

Proxy Forms must be received no later than 10.00am (AEST) on Monday, 5 July 2021.

Proxy Forms received later than this time will be invalid.

Chairman's Letter

3 June 2021

Dear Shareholder,

Proposed return of capital following sale of MBC

On behalf of the board of directors of ICSGlobal Limited ACN 073 695 584 (**ICS**), I am pleased to invite you to attend an extraordinary general meeting of the Company to be held at 10.00am (AEST) on Wednesday, 7 July 2021 at Hall Chadwick, Level 40, 2 Park Street, Sydney NSW 2000.

As you will be aware, ICS announced on 25 February 2021 the successful sale of Thelma-EU Limited, the UK company which operates the medical billing and collections business (**MBC**) to Civica UK Limited (**Civica**).

Since completing the sale and receiving the proceeds, ICS has been working with the ATO in connection with its application for a class ruling confirming that the majority of the proceeds being returned to Shareholders will be classified as a return of capital. The Company is pleased to advise its proposed distribution to Shareholders totalling \$1.79 per Share and comprising the following components:

- an interim dividend of \$0.04 per Share (unfranked);
- a special dividend of \$0.191707 per Share (unfranked); and
- a return of capital of \$1.558293 per Share.


Given the third component of the distribution comprises a return of capital, ICS is now in a position to obtain the necessary Shareholder approval.

The Board believes the distribution outlined above to be an excellent result for Shareholders and, on that basis and noting the Directors' interests set out in section 6 of the Explanatory Memorandum, unanimously recommends Shareholders vote in favour of the Resolution.

The proposed Capital Return and Dividends are described in more detail in the Explanatory Memorandum.

We look forward to discussing the above with you further at the Meeting.

Yours sincerely,



Kevin Barry
Chairman

Notice of Meeting

ICSGlobal Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of shareholders of ICSGlobal Limited (**Company**) will be held at Hall Chadwick, Level 40, 2 Park Street, Sydney NSW 2000 on Wednesday, 7 July 2021 at 10.00am AEST (**Meeting**).

Business

Resolution 1 – Approve the Capital Return

To consider and if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of section 256C of the Corporations Act and for all other purposes, Shareholders approve the Company reducing its share capital by an amount of approximately \$16,524,171 without:

(a) cancelling any Shares; or

(b) creating or increasing any unpaid amount on Shares,

with the reduction of capital satisfied by the Company paying to each Shareholder the sum of \$1.558293 per Share held by that Shareholder on the Record Date."

Other Business

To transact any other business which may be legally brought forward.

DATED: 3 June 2021

BY ORDER OF THE BOARD



Gregory Quirk
COMPANY SECRETARY

Explanatory Memorandum

ICSGlobal Limited Extraordinary General Meeting

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolution.

1. Background to the Resolution

On 25 February 2021, the Company confirmed the successful sale of the MBC business to Civica. This has resulted in the Company holding cash of approximately \$23 million.

As previously communicated to Shareholders, ICS intends to distribute a significant proportion of the sale proceeds to Shareholders. In considering the most appropriate manner to return the funds to Shareholders, ICS has applied to the ATO for a class ruling.

On the basis of the progress of that application, ICS is now in a position to advise that it intends to distribute an amount of \$1.79 per Share to Shareholders on the following basis:

- an Interim Dividend of \$0.04 per Share;
- a Special Dividend of \$0.191707 per Share; and
- a Capital Return of \$1.558293 per Share.

Eligibility for, and payment of, such amounts is proposed to occur in accordance with the timetable set out in section 3.

2. Regulatory requirements

The Capital Return comprises a reduction of the Company's Share capital for the purposes of the Corporations Act. Section 256B of the Corporations Act has the effect that the Company may reduce its Share capital if the reduction:

- is fair and reasonable to the Shareholders as a whole;
- does not materially prejudice the ability of the Company to pay its creditors; and
- is approved by Shareholders under section 256C of the Corporations Act.

The Board believes the Capital Return is fair and reasonable to Shareholders as a whole given the Capital Return applies equally to all Shareholders.

Further, the Board believes the Capital Return will not materially prejudice the Company's ability to pay its creditors based on ICS's pro forma financial position prior to, and following, the Capital Return.

The Capital Return constitutes an equal reduction of ICS's share capital for the purposes of Part 2J.1 of the Corporations Act because it:

- relates only to the Shares, being ordinary shares of the Company;
- applies to each Shareholder in proportion to the number of Shares they hold; and
- is on the same terms for each Shareholder.

Section 256C(1) of the Corporations Act requires that an ‘equal reduction’ be approved by an ordinary resolution of Shareholders. Therefore, Shareholders are being asked to approve the Capital Return as set out in Resolution 1 of the Notice of Meeting.

Shareholder approval is not required in connection with the Interim Dividend and the Special Dividend.

Section 256C(4) of the Corporations Act requires the Company to disclose all information known to it which is material to the decision on how to vote on the Resolution. The Company is not aware of any information other than as disclosed in the Notice of Meeting which would have an impact on the Resolution.

3. Important Dates

The following are the indicative dates relating to the Dividends and the Capital Return. The Company will update Shareholders if any of these dates are subject to change.

Date of the Notice of Meeting	3 June 2021
Last time by which proxy forms for the Meeting can be lodged	10.00am (AEST) on Monday, 5 July 2021
Extraordinary General Meeting	10.00am (AEST) on Wednesday, 7 July 2021
Shares trade without an entitlement to the Dividends and Capital Return (‘ex-entitlement’ date)	Friday, 2 July 2021
Record Date for the Dividends and Capital Return	Monday, 5 July 2021
Payment Date for the Dividends and Capital Return	Friday, 9 July 2021

4. Effect on capital structure, Company and Shareholders

The Capital Return will be funded through the proceeds of sale of the MBC business to Civica.

Following payment of the Capital Return, the Company’s share capital will be reduced by approximately \$16.5 million. No Shares will be cancelled in connection with the Capital Return and it will therefore not impact the number of Shares held by each Shareholder or the voting power of any Shareholder in the Company.

The following table illustrates the pro forma financials of the Company prior to and following payment of the proposed Capital Return and Dividends.

	Pro-forma prior to Capital Return and Dividends	Pro-forma Post Capital Return and Dividends
Current Assets (cash)	\$22,815,699	\$3,834,505
Non-cash Assets ⁽¹⁾	\$191,406	\$191,406
Liabilities	\$213,666	\$213,666
Net Assets	\$22,793,439	\$3,812,245
Total Shares on issue	10,604,019	10,604,019

(1) The non-cash assets of the Company include the Company's shareholding in Open Learning Limited (ASX:OLL). This shareholding is reflected in the table at its current market price of \$142,095.

As previously communicated to Shareholders, after the Payment Date, ICS intends to:

- retain an amount within the Company to protect against potential warranty claims by Civica in connection with the sale of MBC and fund any new investment or acquisition by the Company; and
- continue to investigate acquisition and investment opportunities to improve Shareholder value.

It is anticipated that ASX may suspend trading in ICS shares from mid-late June (being 6 months post execution of the agreement to sell the MBC business). The Company is currently in discussions with ASX regarding this. If a suitable investment or acquisition is identified by the Company, ASX may determine at its discretion that the Company be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

5. Tax implications of Capital Return for Shareholders

The Company has applied to the ATO for a class ruling regarding the Australian income tax implications for Shareholders. The following section contains a general description of the Australian tax consequences that arise for Shareholders as a result of the Capital Return if the class ruling is issued in accordance with the Company's application.

This general description is only relevant in relation to the taxation position of Shareholders who hold Shares on capital account for tax purposes. This general description does not apply to Shareholders who hold Shares on revenue account or as trading stock.

Shareholders should seek their own advice in relation to the Australian tax consequences arising for their particular circumstances.

(a) Resident Shareholders

No part of the Capital Return will be treated as a dividend for income tax purposes.

The cost base for each Share will be reduced by the amount of the Capital Return for the purposes of calculating any capital gain or loss on the ultimate disposal of that Share. An immediate capital

gain will arise for Shareholders where the cost base of a Shareholder is less than the amount of the Capital Return.

(b) Non-resident Shareholders

For those Shareholders who are not tax residents of Australia, no Australian capital gain or loss should arise as a consequence of the Capital Return.

Non-resident Shareholders should seek advice in relation to the specific tax consequences arising from the Capital Return under the laws of their country of residence.

6. Directors' Interests

The Directors have a relevant interest (held directly and indirectly) in the Shares of ICS as set out in the following table:

Director	Shares	Options
Mr Kevin Barry	535,572	Nil
Mr Greg Quirk	309,051	Nil
Mr Victor Shkolnik	313,878	Nil
Mr James Canning-Ure	50,000	Nil

Each Director who is a Shareholder intends to vote their Shares in favour of the Resolution.

7. ASIC and ASX

This Notice of Meeting has been lodged with ASIC in accordance with section 256C(5) of the Corporations Act and has also been provided to ASX.

Neither ASIC nor ASX takes any responsibility for the contents of this Notice of Meeting.

General Explanatory Notes

1. Voting at the Meeting

A Shareholder who is entitled to vote may vote on the items of business to be considered at the Meeting either in person at the Meeting or by completing and returning the Proxy Form enclosed with this Notice of Meeting.

If you attend the Meeting, you will need to register at the registration desk on the day. The registration desk will be open from 9.00am AEST.

2. Voting by Proxy

A Shareholder who is entitled to vote at the Meeting has the right to appoint:

- a. one proxy if the member is only entitled to one vote; or
- b. one or two proxies if the member is entitled to more than one vote.

Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a Shareholder of the Company. A proxy may be an individual or a body corporate. A body corporate appointed as a proxy may then nominate an individual to exercise its powers at the Meeting.

Any person who is a joint holder of shares may appoint a proxy and if more than one of such joint holders appoints a proxy or seeks to vote at the meeting, then the person whose name is first on the register will be the person entitled to vote. If a Shareholder, who has appointed a proxy, attends the Meeting, the proxy appointment is suspended in accordance with the provisions of the Corporations Act.

The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified photocopy) must be received by no later than **10:00am AEST on Monday, 5 July 2021**. You may:

- (a) lodge your Proxy Form online by following the directions provided on the Proxy Form;
- (b) post the Proxy Form to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) hand deliver the Proxy Form to: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000; or
- (d) send the Proxy Form by facsimile to Boardroom Pty Limited on facsimile number (02) 9290 9655.

If you require an additional Proxy Form, the Company will supply it on request.

Corporate members who wish to appoint a person to act as its representative at the Meeting can do so by providing that person with a certificate executed in accordance with section 127 of the Corporations Act authorising that person to act as its representative at the Meeting. The representative should bring the certificate with them to the Meeting.

3. Resolution Requirements

Resolution 1 is an ordinary resolution and will be passed if more than 50 per cent of the votes cast by Shareholders (in person or by proxy) entitled to vote on the Resolution are in favour.

4. Voting Entitlements

In accordance with section 1074E(2)(g) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Company has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 7.00pm (AEST) on Monday, 5 July 2021. Therefore, all registered Shareholders at that time are entitled to attend and vote at the Meeting.

GLOSSARY

AEST means Australian Eastern Standard Time (i.e. the time applicable in Sydney, NSW).

Board means the board of Directors of the Company as constituted from time to time.

Capital Return means the proposed equal capital reduction to be undertaken by the Company to distribute to Shareholders approximately \$16.5 million, with such a reduction to be affected by the Company paying to each Shareholder as at the Record Date the amount of \$1.558293 per Share held by that Shareholder as at that time

Civica means Civica UK Limited, a company incorporated in England and Wales with number 01628868.

Company means ICSGlobal Limited ACN 073 695 584.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

Dividends means each of the Interim Dividend and the Special Dividend.

Explanatory Memorandum means the explanatory memorandum commencing on page 6 of this Notice.

ICS means ICSGlobal Limited ACN 073 695 584.

Interim Dividend means the proposed interim dividend of \$0.04 per Share (unfranked) to be paid to each Shareholder as at the Record Date.

MBC means Thelma-EU Limited, a company incorporated in England and Wales with number 06280085, which is currently wholly owned by the Company and which carries on a medical billing and collection business in the UK.

Meeting means the Extraordinary General Meeting convened by the Notice.

Notice or **Notice of Meeting** means this document, including the Notice of Meeting commencing on page 5.

Payment Date means the proposed payment date for the Capital Return and the Dividends as set out in section 3.

Proxy Form means the appointment of proxy form enclosed with this Notice.

Record Date means the proposed record date for the Capital Return and the Dividends as set out in section 3.

Resolution means the resolution set out in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Special Dividend means the proposed special dividend of \$0.191707 per Share (unfranked) to be paid to each Shareholder as at the Record Date.