



Rights issue offer booklet

IncentiaPay Limited
ACN 167 603 992

A 1 for 4.3 renounceable pro-rata entitlement offer of shares in IncentiaPay Limited at \$0.022 per Offer Share to raise approximately \$5 million

You should read this Booklet in full

This Booklet contains important information. You should read this Booklet in full and seek advice from your stockbroker, accountant or other professional adviser if you have any questions about your investment in the Company or about the impact of the transactions described in this Booklet. If you have any questions in relation to how to participate in the Entitlement Offer after reading this Booklet, please contact the Company's registry, Link Market Services Limited on 1800 847 879 (callers within Australia) or +61 1800 847 879 (callers outside Australia).

This Booklet does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO US PERSONS

These materials do not constitute an offer of securities for sale in the United States or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S under the United States Securities Act of 1933 (**Securities Act**)) and may not be sent or disseminated in, directly or indirectly, the United States or to any "U.S. Person" in any place. Offer Shares have not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or otherwise transferred in the United States or to, or for the benefit of, any "U.S. Person" except in compliance with the registration requirements of the Securities Act and any other applicable state securities laws or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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Letter from the Chairman

10 November 2021

On behalf of the Directors, I am pleased to offer you the opportunity to participate in a 1 for 4.3 renounceable pro rata entitlement offer to subscribe for Offer Shares at the Issue Price as announced by IncentiaPay Limited ACN 167 603 992 (**Company**) to ASX on Wednesday, 10 November 2021 to raise approximately \$5 million (**Entitlement Offer**). Proceeds of the Entitlement Offer will be used for capital investment, business development and general working capital purposes.

The Entitlement Offer is not underwritten but the Company has engaged Panthea Capital Partners Pty Ltd ABN 32 159 381 638 (AFS Representative number 1278790) (**Panthea**) as the manager (**Manager**) of the Entitlement Offer. The details of the Manager's role in the Entitlement Offer is summarised in Section F of this Booklet.

The Entitlement Offer allows Eligible Shareholders who accept their Entitlement in full to apply for additional Offer Shares at the Issue Price in excess of their Entitlement under the Top-Up Facility. Additional Shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of Offer Shares proposed to be issued under the Entitlement Offer. If there is an over subscription for Additional Shares through the Top-Up Facility, then Eligible Shareholders will receive Additional Shares on a pro-rata basis having regard to their holdings as at the Record Date. If any shortfall remains after the allocation to Eligible Shareholders under the Top-Up Facility as provided above, the Company may issue resulting shortfall to third parties by way of a placement on the terms of the Entitlement Offer.

Participation in the Entitlement Offer is optional and open to eligible shareholders, being holders of fully paid ordinary shares in the Company at 7.00pm (Sydney time) on Monday, 15 November 2021 (**Record Date**) and whose address on the share register is in Australia and New Zealand. The Company, in its absolute discretion, may make the Entitlement Offer open to shareholders on the Record Date whose address is in certain overseas jurisdictions (including, without limitation, Mauritius, the British Virgin Islands, Jersey and the United Arab Emirates) on the express proviso that Offer Shares may lawfully be offered and issued in compliance with applicable laws in the relevant jurisdiction without lodgement, registration or other formality or filing with or by a government agency in the relevant jurisdiction. All Offer Shares will rank equally with existing Shares in the Company.

The terms and conditions of the Entitlement Offer and your personalised Entitlement and Acceptance Form are provided in this Booklet. I urge you to read these materials in their entirety and seek your own financial, taxation and other professional advice in relation to the Entitlement Offer before you decide whether to participate.

The Entitlement Offer opens on Thursday, 18 November 2021 and is expected to close at 5.00pm (Sydney time) on Monday, 29 November 2021.

If you have any questions in relation to how to participate in the Entitlement Offer, please contact the Registry on 1800 847 879 (callers within Australia) or +61 1800 847 879 (callers outside Australia) or consult your financial or other professional adviser. On behalf of the Directors, I thank you for your continued support, and invite you to consider participating in the Entitlement Offer.

Yours sincerely,

Stephen Harrison
Chairman
IncentiaPay Limited

A. Important information

This Booklet has been prepared by IncentiaPay Limited ACN 167 603 992 (**Company**).

This Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. This Booklet is dated 10 November 2021 and a copy was lodged with ASX on that date.

This Booklet and the accompanying Entitlement and Acceptance Form relate to a 1 for 4.3 renounceable pro-rata entitlement offer to subscribe for Offer Shares at the Issue Price as announced by the Company to ASX on 10 November 2021 (**Entitlement Offer**).

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

1 Cooling off rights

Cooling off rights do not apply to an investment in Offer Shares. You cannot, in most circumstances, withdraw your Application once it has been accepted.

2 Not financial product advice

The information contained in this Booklet is not financial product advice, does not purport to contain all the information that you may require in evaluating a possible acquisition of Offer Shares in the Company and has been prepared without taking into account the investment objectives, financial situation or needs of you or any particular investor.

You should conduct your own independent review, investigation and analysis of the Company and the Offer Shares which are the subject of the Entitlement Offer. You should obtain any professional advice you require to evaluate the merits and risks of an investment in the Company before making any investment decision based on your investment objectives.

3 Presentation of general background

The Announcement attached to this Booklet includes an Investor Presentation which provides general background information and information about the Company's activities and risk factors relating to an investment in the Company current as at 10 November 2021. It is information in a summary form and does not purport to be complete. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements available at www.asx.com.au.

4 Foreign jurisdictions

This Booklet is being sent to all Shareholders on the share register as at the Record Date with a registered address in Australia and New Zealand. The Company, in its absolute discretion, may make the Entitlement Offer open to shareholders on the Record Date whose address is in certain overseas jurisdictions (including, without limitation, Mauritius, the British Virgin Islands, Jersey and the United Arab Emirates) on the express proviso that Offer Shares may lawfully be offered and issued in compliance with applicable laws in the relevant jurisdiction without lodgement, registration or other formality or filing with or by a government agency in the relevant jurisdiction.

The Entitlement Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer and no action has been taken to register the Offer Shares or otherwise permit a public offering of the Offer Shares in any jurisdiction other than the jurisdictions noted in the paragraph above and, in the Company's absolute discretion, and other overseas jurisdictions. Submission of an Application shall be taken by the Company to constitute a representation by you that there has been no breach of any such laws. Eligible Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed. The distribution of this document outside Australia may be restricted by law.

5 Appointment of Nominee

Pursuant to ASX Listing Rule 7.7 and section 615 of the Corporations Act, the Company has appointed a nominee, Panthea, to sell the Entitlements to which Ineligible Shareholders are

entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The Company will procure that the net proceeds of the sale of these Entitlements be forwarded as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses).

Notwithstanding that the nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds or if no value can be realised for the Entitlements. In this regard, Panthea will not be required to sell Ineligible Shareholders' Entitlement at a particular price. Neither the Company nor Panthea will be subject to any liability for failure to sell the Entitlements at a particular price. If, in the reasonable opinion of Panthea, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained for the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse.

Shareholders resident in Australia, New Zealand, Mauritius, the British Virgin Islands, Jersey and the United Arab Emirates holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Submission of an Application will be taken by the Company to constitute a representation that there has been no breach of those regulations.

6 United States

This Booklet must not be taken into, distributed or released in the United States or distributed to any US Person or to any person acting for the account or benefit of a US Person. Persons who come into possession of this Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The information in this Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, any Offer Shares in the United States or to any US Person. Offer Shares may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act. The Offer Shares to be offered and sold in the Entitlement Offer have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Offer Shares in this Entitlement Offer may only be offered and sold outside the United States, to persons that are not US Persons or acting for the account or benefit of US Persons.

7 New Zealand

This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Conduct Act 2013* (New Zealand). This Booklet is not an investment statement, prospectus or product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that an investment statement, prospectus or product disclosure statement under New Zealand law is required to contain.

The Offer Shares are not being offered or sold to the public in New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of Offer Shares is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand).

8 Mauritius

In accordance with the Securities Act 2005 of Mauritius, no offer of the Offer Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly, this offer is being made on a private placement basis only and does

not constitute a public offering. As such, this Booklet has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. This Booklet is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

9 British Virgin Islands

The Offer Shares may not be offered in the British Virgin Islands unless the Company or any person offering the Offer Shares on its behalf is licensed to carry on business in the British Virgin Islands. The Company is not licensed to carry on business in the British Virgin Islands. The Offer Shares may be offered to British Virgin Islands business companies from outside the British Virgin Islands without restriction.

10 Jersey

No offer or invitation to subscribe for the Offer Shares may be made to the public in Jersey. Accordingly, the Offer Shares are only being offered to institutional investors or existing Shareholders of the Company with registered addresses in Jersey.

11 United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the Offer Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the Offer Shares have been approved by the Securities and Commodities Authority (SCA) or any other authority in the UAE.

This document may be distributed in the UAE only to “qualified investors” (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the Offer Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for Offer Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

12 Other jurisdictions

The Offer Shares may not be offered or sold in any jurisdiction except to persons to whom such offer or sale is permitted under applicable law.

Nominees and custodians may not submit an Application on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Submission of an Application will be taken by the Company to constitute a representation that there has been no breach of those regulations.

13 Governing law

This Booklet, the Entitlement Offer and the contracts formed on receipt of your Application are governed by the law applicable in New South Wales. Each Shareholder who applies for Offer Shares submits to the non-exclusive jurisdiction of the courts of New South Wales.

14 Future performance

This Booklet may contain certain forward-looking statements. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "objective", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors (many of which are beyond the control of the Company) that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should also have regard to the “Key Risks” section in the Investor Presentation.

15 Past performance

Past performance information given in this Booklet is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

16 Financial data

All dollar values are in Australian dollars (A\$) except where otherwise indicated.

17 Disclaimer of representatives

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Booklet.

The Manager expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Booklet.

Any information or representation that is not in this Booklet may not be relied on as having been authorised by the Company or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of the Company, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Booklet.

18 Taxation

There will be tax implications associated with participating in the Entitlement Offer and receiving Offer Shares. This Booklet does not contain or constitute tax advice and does not take account of the individual circumstances of particular Eligible Shareholders. The Company recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

19 Privacy

The Company and the Registry have already collected information about each Eligible Shareholder. To the extent an Eligible Shareholder submits an Application, the Company and the Registry may update this existing information or collect additional information about the Eligible Shareholder. Information collected will be for the purposes of processing the Application and, if the Application is successful, to administer the applicant's shareholding in the Company.

By submitting an Application, you will be providing personal information to the Company (directly or through the Registry). The Company collects, holds and will use that information to assess your Application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through the Registry.

20 Trading Offer Shares

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Offer Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Registry or otherwise, or who otherwise trade or purport to trade Offer Shares in error or which they do not hold or are not entitled to.

21 Defined terms

Capitalised terms used in this Booklet have the meaning given to those terms in the glossary.

B. Details of the Offer

Summary of Offer

Issue Price per Offer Shares	\$0.022
Entitlement	1 Offer Share for every 4.3 Shares held on the Record Date
Discount of Issue Price to the 5-day volume weighted average price up to and including 3 November 2021	17.2%
Discount of the Issue Price to the closing price of \$0.027 as at 3 November 2021	18.5%
Maximum number of Offer Shares to be issued under the Offer (subject to rounding)	235,003,320
Maximum amount to be raised under the Offer	\$5,170,073

Capital structure

Shares	Number
Shares on issue at the date of this Booklet	1,010,514,278
Maximum number of Offer Shares to be issued under the Offer (subject to rounding)	235,003,320
Maximum number of Shares on issue following the Offer	1,245,517,598

Impact of the Offer on your Shareholding and possible dilutive effect

The dilutionary effect the Offer on your shareholding will depend on whether you are an Eligible Shareholder and if so, whether you elect to subscribe for some or all of your Entitlement. If Eligible Shareholders take up all of their entitlements under the Offer, Eligible Shareholders will hold the same percentage interest in the Company as they did immediately prior to completion of the Offer.

However, to the extent that any Shareholder fails to take up their full Entitlement to Offer Shares under the Offer, and Ineligible Foreign Shareholders are unable to participate in the Offer, that Shareholder's percentage holding in the Company will be diluted.

C. Key dates for the Entitlement Offer*

Announcement of Entitlement Offer	Wednesday, 10 November 2021
Ex-date for Entitlement Offer	Friday, 12 November 2021
Rights trading begins from market open on deferred settlement basis	Friday, 12 November 2021
Record Date	7:00 p.m. (Sydney time) on Monday, 15 November 2021
Dispatch of Booklet and Entitlement and Acceptance Form	Thursday, 18 November 2021
Rights trading on deferred settlement basis ends at close of trading	Thursday, 18 November 2021
Opening Date	Thursday, 18 November 2021
Rights trading begins from market open on normal T+2 settlement basis	Friday, 19 November 2021
Rights trading ends at close of trading on normal T+2 settlement basis ends at close of trading	Monday, 22 November 2021
Shares quoted on a deferred settlement basis	Monday, 22 November 2021
Shares begin trading on a deferred settlement basis	Tuesday, 23 November 2021
Last date to extend Closing Date**	Wednesday, 24 November 2021
Closing Date	5.00 p.m. (Sydney time) on Monday, 29 November 2021
Announcement of results of the Entitlement Offer	Monday, 6 December 2021
Issue of Offer Shares	Before 12:00 p.m (Sydney time) on Monday, 6 December 2021
Offer Shares commence trading on ASX	Tuesday, 7 December 2021
Despatch of shareholding statements	Wednesday, 8 December 2021
Issue of Offer Shares under Top-Up Facility	Friday, 17 December 2021

* Please note, the dates set out above are indicative only and are subject to change without notice to you. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the Entitlement Offer. The Company reserves the right to alter the timetable at its absolute discretion and without notice, subject to the ASX Listing Rules and the Corporations Act. All dates and times are to Sydney time unless otherwise specified. Sydney time refers to Australian Eastern Daylight Time and Australian Eastern Standard Time (as it applies on the relevant date).

** The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

D. How to apply

1 Please read the whole of this Booklet

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allows rights issues to be offered without a disclosure document or prospectus, provided certain conditions are satisfied.

As a result, it is important for Shareholders to read and understand the publicly available information on the Company and the Entitlement Offer prior to accepting their Entitlement. In particular, in considering whether or not to accept their Entitlements, Shareholders should refer to the attached materials, plus the Company's other periodic and continuous disclosure announcements available at www.asx.com.au.

2 Consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent financial adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. In particular, please refer to the "Key Risks" section of the Investor Presentation which describes some of the key risks in relation to an investment in the Company.

3 Who is eligible to participate?

The Entitlement Offer is being extended to Eligible Shareholders who are Shareholders that meet all of the following criteria:

- (a) they were registered as a holder of Shares on the Record Date;
- (b) they have a registered address in Australia or New Zealand or, in the Company's absolute discretion, in certain overseas jurisdictions (including, without limitation, Mauritius, the British Virgin Islands, Jersey or the United Arab Emirates) on the express proviso that Offer Shares may lawfully be offered and issued in compliance with applicable laws in the relevant jurisdiction without lodgement, registration or other formality or filing with or by a government agency in the relevant jurisdiction;
- (c) they are not in the United States or a U.S. Person or acting for the account or benefit of such persons; and
- (d) they are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

The Entitlement Offer is not being extended to any Shareholder with a registered address outside the jurisdictions noted in the paragraph (b) above. By making a payment by BPAY® in acceptance of the Entitlement Offer, you will be taken to have submitted an Application and have represented and warranted that you satisfy each of the above criteria.

Eligible Shareholders who hold Shares in the capacity of trustee, nominee or custodian (or in any other capacity) for a person that would not satisfy the criteria of an Eligible Shareholder cannot take up Entitlements on behalf of that person.

Shareholders should note that the Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws. Neither the Company nor the Registry is able to advise on foreign laws.

The Company reserves the right to reject any Application that it believes comes from a person who is not an Eligible Shareholder.

4 Your options

Eligible Shareholders may take the following actions:

- (a) take up all of their Entitlement;
- (b) take up all of their Entitlement and apply for Additional Shares under the Top-Up Facility;
- (c) sell part or all of their Entitlement on the ASX during the normal T+2 settlement basis rights trading period from market open on Friday, 19 November 2021 until market close on Monday, 22 November 2021;
- (d) sell or transfer part or all of their Entitlement to another person other than on the ASX;
- (e) take up part of their Entitlement and allow the balance to lapse, in which case they will receive no value for those lapsed Entitlements; or
- (f) do nothing and allow their Entitlement to lapse.

Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up. Shareholders who do not take up their Entitlements in full will have their percentage interest in the Company reduced.

Fractions arising in the calculation of Entitlements have been rounded up to the next whole number of Offer Shares.

4.1 Acceptance of the Entitlement Offer through payment by BPAY®

If you decide to participate in the Entitlement Offer, you may do so by making payment via BPAY® in accordance with the instructions set out on your personalised Entitlement and Acceptance Form (which includes the biller code and your unique customer reference number).

You may take up all or part of your Entitlement by paying by BPAY® (see below for more details). If you take no action you will not be allocated any Offer Shares.

When your payment is being made by BPAY®:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to make each of the statements and representations on that form;
- (b) if you subscribe for less than your Entitlement or do not pay for your full Entitlement, you are taken to have accepted your Entitlement in respect of such whole number of Offer Shares which is covered in full by your Application money; and
- (c) it is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

Any payment received for more than your final allocation of Offer Shares will be refunded after the Offer Shares are issued. No interest will be paid to applicants on any payment received or refunded.

4.2 Sell part or all of your Entitlement on ASX

Shareholders who do not wish to take up part or all of their Entitlement may be able to sell their Entitlements on the ASX (subject to the availability of buyers) and recoup some value or payment.

If you wish to do so you will need to provide instructions to your stockbroker during the rights trading period regarding the Entitlements you wish to sell. Should you wish to purchase additional rights to Offer Shares during the rights trading period, please contact your broker or other professional adviser.

Trading of Entitlement on a normal T+2 settlement basis will commence on market open on Friday, 19 November 2021 and end on market close on Monday, 22 November 2021.

4.3 Sell or transfer your Entitlement to another person other than on the ASX

You may elect to transfer part of all of your Entitlement to another person other than on the ASX. If you are a shareholder on the issuer sponsored sub-register and you wish to transfer all or proportion of your Entitlements to another person other than on ASX, forward a completed

standard renunciation and transfer form (this can be obtained from the Registry) by post at any time after the issue of this Booklet and on or before the Closing Date at the following address:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

If you wish to transfer all or a proportion of your Entitlement to another person on the Clearing House Electronic Sub-register System (**CHESS**), you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants you to exercise some or all of the Entitlement, you should follow your CHESS controlling participant's instructions as to the most appropriate way to take up the Entitlements on their behalf. The requisite Application monies must be received by the Registry in accordance with the methods set out in this Section.

5 Top-up Facility

Eligible Shareholders (other than directors and related parties of the Company) may, in addition to taking up their Entitlements in full, apply for Additional Shares in excess of their Entitlements. Additional Shares will only be available where there is a shortfall between Applications received from Eligible Shareholders and the number of Offer Shares proposed to be issued under the Entitlement Offer. Additional Shares will be issued at the Issue Price of \$0.022 per Offer Share.

The allocation policy for Additional Shares subscribed for pursuant to the Top-Up Facility will be as follows:

- (a) Eligible Shareholders who have applied for Additional Shares through the Top-Up Facility will receive the Additional Shares they have applied for unless there is an over subscription for Additional Shares through the Top-Up Facility, in which case Eligible Shareholders will receive Additional Shares on a pro-rata basis having regard to their holdings as at the Record Date; and
- (b) if any shortfall remains after the allocation to Eligible Shareholders as provided above, the Company may issue the resulting shortfall to third parties by way of a placement on the same terms as under the Offer.

Eligible Shareholders who apply for Additional Shares may be allocated a lesser number of Additional Shares than applied for, or may be allocated no Additional Shares at all, in which case excess Application money will be refunded without interest.

Refund amounts, if any, will be paid in Australian dollars. You will be paid by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders). Alternatively you will be paid by direct deposit where the Registry holds bank account details in respect of your Shareholding.

The Directors reserve their right to alter the allocation policy and to allocate and issue Additional Shares under the Top-Up Facility at their discretion. The Directors will use its discretion in a manner not to exacerbate a potential unacceptable control effect and no subscriber will be permitted to acquire Additional Shares under the Top-up Facility to the extent such acquisition would result in:

- (c) that subscriber having a voting power in the Company in excess of 20% (after the close of the Offer and the placement under the Top-up Facility) or otherwise be in breach of section 606 of the Corporations Act; or
- (d) the Top-up Facility having a potentially unacceptable control effect on the Company.

In this regard, the Company's majority shareholder, Suzerain Investments Holdings Limited (or its associates) will not be eligible to participate in the Top-up Facility. In addition, related parties and associates under ASX Listing Rule 10.11 will not be issued Additional Shares under the Top-up Facility.

Where there are oversubscriptions under the Top-up Facility, the Company will consider using its 15% placement capacity under the ASX Listing Rules to accept oversubscriptions and issue the Offer Shares.

If you wish to subscribe for Additional Shares in addition to your Entitlement then you should nominate the maximum number of Additional Shares you wish to subscribe for on the Entitlement and Acceptance Form and make payment for your full Entitlement plus the Additional Shares (at \$0.022 per Offer Share).

If your payment is being made by BPAY®:

- (e) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to make each of the statements and representations on that form; and
- (f) if your payment exceeds the amount payable for your full Entitlement, you are taken to have accepted your Entitlement in full and to have applied for such number of Additional Shares which is covered in full by your Application money.

If you apply for Additional Shares under the Top-Up Facility and your Application is successful (in whole or in part) your Additional Shares will be issued at the same time as other Offer Shares are issued under the Entitlement Offer.

It is important to note that the Entitlement Offer is scheduled to close at 5.00pm (Sydney time) on Monday, 29 November 2021. To participate in the Entitlement Offer, your payment must be received no later than this date.

6 Application

A payment made through BPAY® constitutes a binding offer to acquire Offer Shares on the terms and conditions set out in this Booklet and the Entitlement and Acceptance Form and once paid, cannot be withdrawn.

By making a payment by BPAY®, you will also be deemed to have given the following acknowledgements, representations and warranties on behalf of each person on whose account you are acting, that:

- (a) you acknowledge that you have read and understood this Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Entitlement Offer, the provisions of this Booklet and the Company's constitution;
- (c) you authorise the Company to register you as the holder(s) of Offer Shares allotted to you;
- (d) you declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) you declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) you acknowledge that once the Company receives any payment of Application monies via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- (g) you agree to apply for and be issued up to the number of Offer Shares for which you have submitted payment of any Application monies via BPAY®, at the Issue Price per Offer Share;
- (h) you authorise the Company, the Registry and their respective officers or agents to do anything on your behalf necessary for Offer Shares to be issued to you, including to act on instructions of the Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (j) you acknowledge that the information contained in this Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that

Offer Shares are suitable for you given your investment objectives, financial situation or particular needs;

- (k) you acknowledge that this Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (l) you have read, understand and acknowledge the statement of risks in the "Key Risks" section of the Investor Presentation included in this Booklet, and that investments in the Company are subject to risk
- (m) you acknowledge that none of the Company, its related bodies corporate, affiliates and directors, or their respective officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (n) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- (o) you represent and warrant that the law of any place does not prohibit you from being given this Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for Offer Shares (or where applicable, Additional Shares) and that you are otherwise eligible to participate in the Entitlement Offer;
- (p) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue Offer Shares under the Entitlement Offer;
- (q) you acknowledge that the Offer Shares have not been, and will not be, registered under the Securities Act or under the laws of any other jurisdiction outside Australia;
- (r) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (s) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Application is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Entitlement Offer to any such person;
- (t) determination of eligibility of investors for the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Company. The Company disclaims any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law; and
- (u) if in the future you decide to sell or otherwise transfer the Offer Shares, you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or who is acting for the account or benefit of a person in the United States.

7 Brokerage and stamp duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for Offer Shares under the Entitlement Offer or for additional Offer Shares under the Top-Up Facility.

8 When will I receive my Offer Shares?

It is currently expected that the Offer Shares will be issued, and that confirmation of the issue

of the Offer Shares will be dispatched, on or before Monday, 6 December 2021.

It is the responsibility of each Eligible Shareholder applying for Offer Shares to confirm their holding before trading in those Offer Shares on a deferred settlement basis. Any person who sells Offer Shares before receiving confirmation of their holding in the form of their confirmation statement will do so at their own risk. The Company and the Registry disclaim all liability, whether in negligence or otherwise, to any person who trades in Offer Shares before receiving their confirmation statement, whether on the basis of a confirmation of allocation provided by the Company, the Registry, a broker or otherwise.

9 Enquiries

If you have any questions about whether to accept the Entitlement Offer, please consult your financial adviser, accountant or other professional adviser.

If you have any questions in relation to how to participate in the Entitlement Offer, please contact the Registry on 1800 847 879 (callers within Australia) or +61 1800 847 879 (callers outside Australia) or consult your financial or other professional adviser.

E. Announcement and Investor Presentation

[insert]



Investor Presentation

November 2021

Disclaimer

This presentation (Document) has been prepared by IncentiaPay Limited ACN 167 603 992 (Company or INP). This Document is a presentation to provide background information on the Company and its subsidiaries and is not an offer or invitation or recommendation to subscribe for securities or financial product advice by the Company or any other person. The Company has prepared this Document based on information available to it to date. Certain information in this Document is based on independent third-party research. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Document. To the maximum extent permitted by law, neither the Company, its directors, officers, employees, advisers or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault, negligence or omission on the part of any person, for any loss or damage arising from the use of this Document or its contents or otherwise arising in connection with it. This information has been prepared by the Company without taking account of any person's objectives, financial situation or needs and because of that, you should, before acting on any information, consider the appropriateness of the information having regard to your own objectives, financial situation and needs. This document contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", event or result "may", "will", "can", "should", "could", or "might" occur or be achieved and other similar expressions. These forward-looking statements reflect the current internal projections, expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are, by their nature, subject to a number of risks and uncertainties and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside of the control of the Company and its Directors) which may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. There can be no assurance as to the accuracy or likelihood of fulfillment of any forward-looking statements, events or results. You are cautioned not to place undue reliance on forward-looking statements. Additionally past performance is not a reliable indication of future performance. The Company expressly disclaims any obligation to update or revise any such forward-looking statements. All references to dollars are to Australian dollars unless otherwise stated. This document may not be reproduced or published, in whole or in part, for any purpose without the prior written consent of IncentiaPay.



About Us



is Australia and NZ's Premier Entertainment, Lifestyle and Rewards Platform.

Founded in 1994, as The Entertainment Book, our company has evolved to become Australia and New Zealand's premier offers and rewards marketplace.

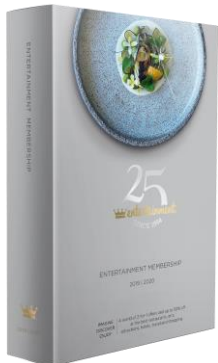
Our technology-enabled marketing programs connect merchants looking to generate incremental revenue with consumers seeking great offers on dining, entertainment, lifestyle and leisure experiences.

Our Evolution from The Entertainment Book



1994

Entertainment Publications established – eventually becomes known as “The Entertainment Book”



2016

Entertainment Publications acquired by ASX-Listed BPS Technology Limited which owns loyalty businesses Bartercard, Bucqi and a stake in Now Book It

May 2018

Acquisition of ASX-listed digital & enterprise software development company Gruden Group to grow technology function, purchasing capability and revenue

Dec 2018

Sale of Gruden Group's Government division

Apr 2018

BPS changes its name to IncentiaPay

Sept-Nov 2018

Corporate restructure sees divestment of Now Book It Pty Ltd and sale of Bartercard and Bucqi

2H 2019

Company is recapitalised. New Board, CEO, and Executive Team

Apr 2019

Divestment of Gruden Group's Performance Marketing division



June 2020

Incentiapay's B2C Channel moves online: Entertainment Memberships are now exclusively available as an App

TODAY

Incentiapay is Australia's premier rewards marketplace offering both B2C and B2B offerings

Since its inception in 1994, The Entertainment Book has: delivered over \$500m in revenue and raised over \$100m for Not For Profits (NFPs).

The IncentiaPay Platform

Connecting merchants who want growth with consumers looking for great offers and experience



Benefit for Merchants

Trusted brand

No fee payable and success based

Closed-end user group allows merchants to provide offers not generally available via the free models



Benefit for Consumers

Wide product offering across dining, entertainment, lifestyle and leisure experiences

"Always on" and high-value "one-time incentive" offers

Up to 50% savings value

Key industry drivers

Shift to consumer personalisation is lifting the relevance of rewards platforms:

- Global loyalty management market projected to grow from US\$2.47bn in 2019 to \$US10.02bn in 2027¹
- More than 90 percent of companies currently employ some form of customer engagement or loyalty program²

Enterprise clients looking for:

- Increased engagement with customer and associated data insights
- Increase retention & reduce lapse
- Additional channel to communicate with members, keeping client front of mind
- Increase perceived value of related client service
- Greater customer satisfaction and loyalty
- Increased sales and revenues

Consumers looking for:

- "Feel Good" purchases post Covid
- Value - Product discounts and offers
- Sense of "exclusivity"

1. Source: Fortune Business Insights:

<https://www.fortunebusinessinsights.com/industry-reports/loyalty-management-market-101166>

2. Accenture: "Seeing Beyond the Loyalty Illusion: It's Time You Invest More Wisely" report.

Our Consumer Channels

Two main Channels to market: B2C and B2B

B2C Channel



150,000+
Members

- The B2C Channel is a Membership program providing consumers with entertainment offers on an App, for an annual membership fee.
- Not for Profits (NFPs) have been core to the B2C Channel as a fundraising activity for 27 years.
- INP currently supports more than 13,000 NFPs who retain up to 20% of the subscription revenues raised by memberships sold to their networks.
- Revenues: One-time purchase model.

B2B Channel



30+
Enterprise
Clients

250,000+
Customers Of
Enterprise Clients

- INP's current B2B channel provides tailored custom and white-label entertainment-based incentives, loyalty and rewards programs for large enterprises to offer to their employees and customers.
- Revenues: Fee and member usage model.



Our Merchant Numbers are a Key Differentiator

Our Merchant Channel

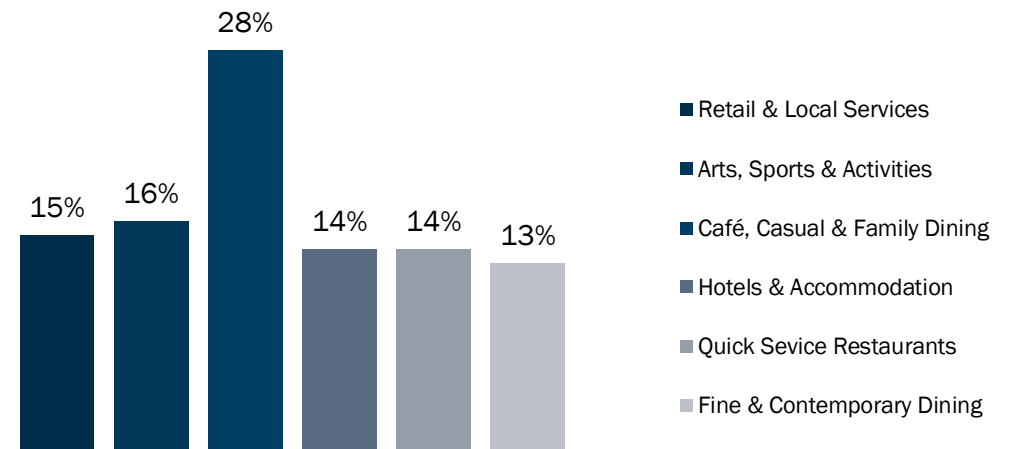
Current key metrics	
Merchants (merchant contracts)	6,500+
Offers	9,500+
Locations (merchant outlets)	14,500+
Fundraisers (NFPs supported)	13,000+

Merchant numbers vs competitors ¹	
INP	6,500+
MyRewards	4,000*
Cashrewards	1,700+
PocketPal	1,000
Gratific	250+

¹Source: Published figures from competitors and media sources.



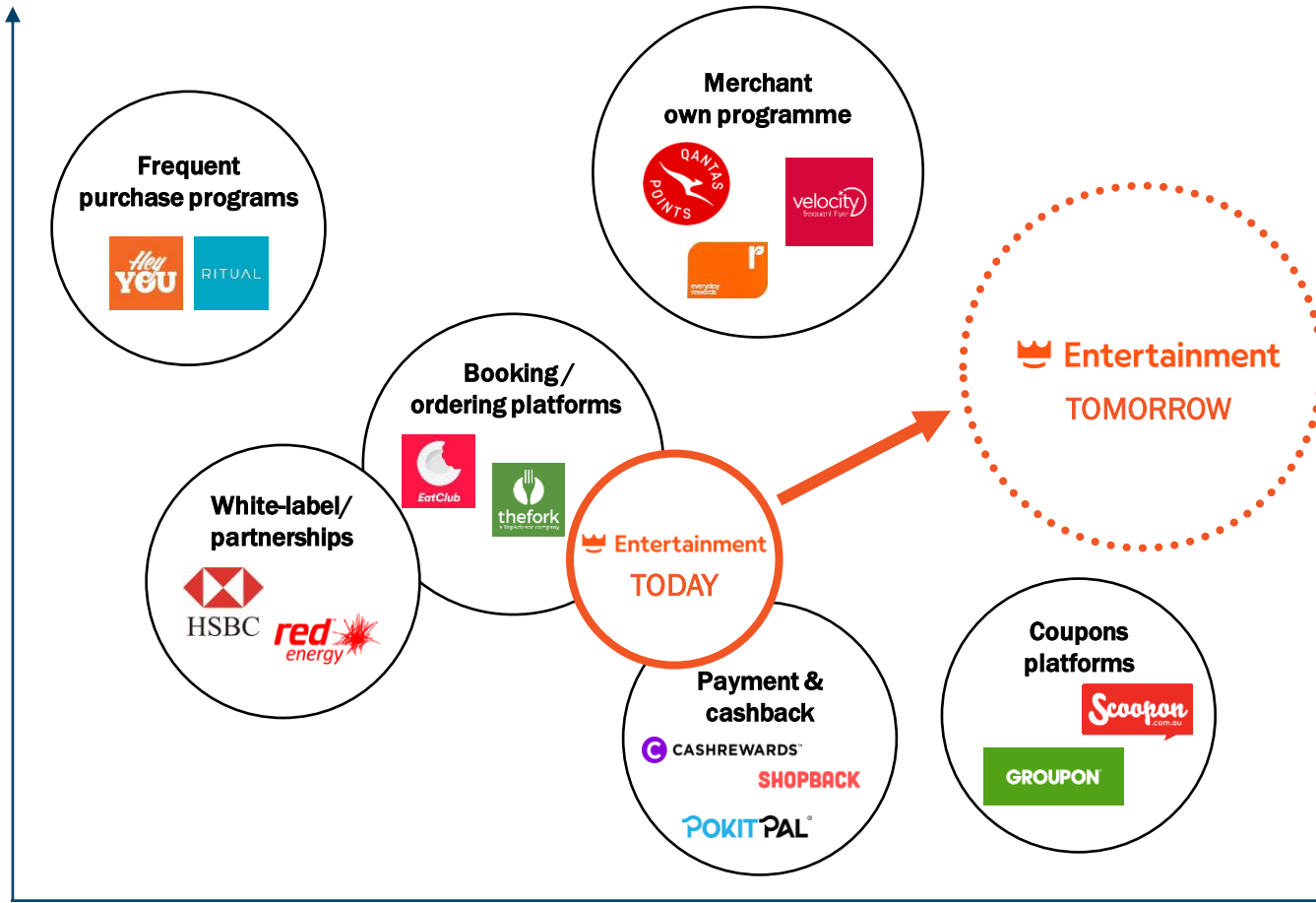
Number of Offers across Merchant categories, June 30 2021



Market Positioning

Member stickiness

Reach of member base
Propensity to drive loyal behaviour (vs deal hunter)
Emotional connection to brand
Increased stickiness will ensure member levels remain high, lifting revenue



Increasing product and breadth of offering will attract greater B2B clients, while providing a more flexible platform tailored to clients' particular needs and better aligned with business strategy e.g., custom client tailored offers

More products and opportunities will increase member interaction and lift ARPU

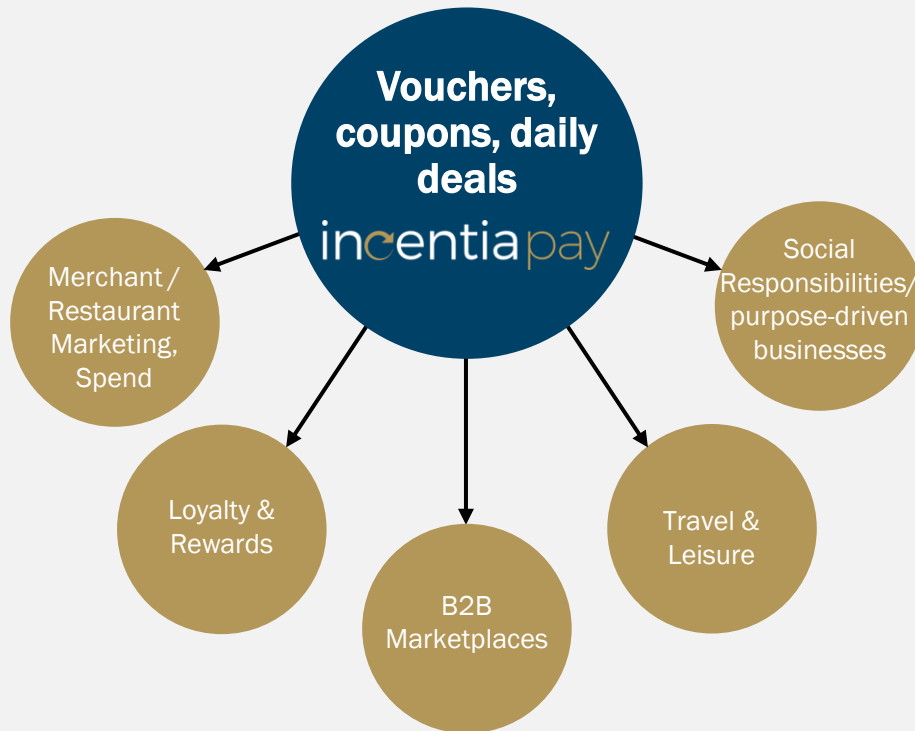
Increased stickiness will ensure member levels remain high, lifting revenue

Strong member stickiness will also drive member referrals, further lifting penetration levels

Market Opportunity and Growth Strategy

Expand merchant offering to deliver increased loyalty, customer numbers and revenue opportunities

Market Segments



Our Growth Drivers

- 01 Normalise B2C Revenue**
 Normalise revenues post COVID-19 through better management of renewals and reactivations, improved marketing campaigns and new payment options
- 02 Grow Enterprise Sales Channel**
 Complete Frequent Values product re-platforming, improve Enterprise Member engagement and activations
- 03 New Card Linked Offer-based Business (Seamless Rewards)**
 Build CLO content services business that provides end customers with Seamless Rewards experience, conduct trials with select CLO partners
- 04 Invest In Our Merchants**
 Stabilisation and diversification of our Merchant and Location base across all our channels; greater capability and training to our Merchants to improve their sales through our channels

B2C Stabilisation and Growth Strategy



Objective

Stabilise and grow membership numbers through better management of renewals and reactivations, improved marketing campaigns and new payment options

How

Digital Only

v.1 of new App and website in Feb 2021 sets the platform for new value propositions for members, merchants and fundraisers

New Content

Nearly 800 new merchants added in last 12 months

New Sales Channels

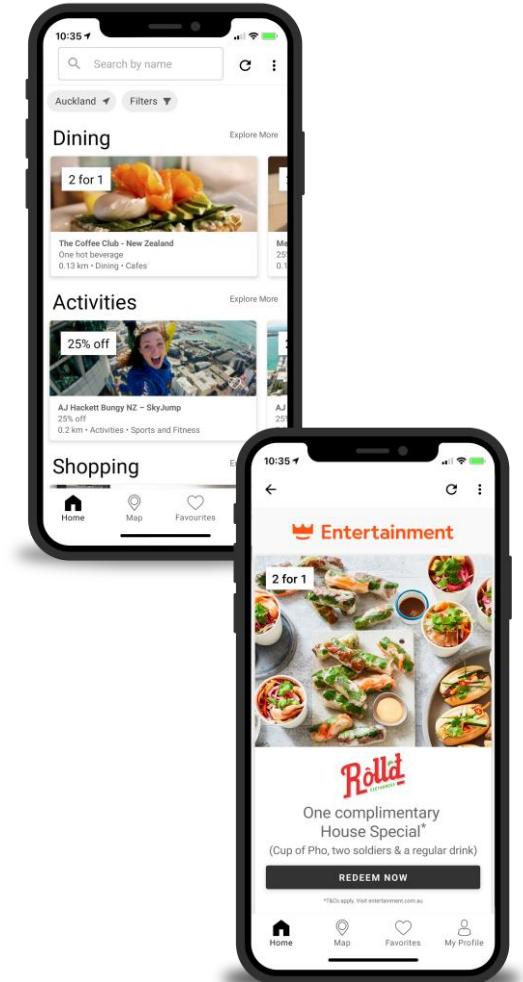
Supplement access to members beyond core NFP channel – introduce digital marketing and new corporate channels

Brand + Marketing

New strategic relationship with M&C Saatchi to develop the marketing and brand strategy for the Company

Outcome – significant growth potential

Every 100K members delivers: \$7.8m of revenue, and \$5m in gross margin



B2B Growth Strategy

Objective

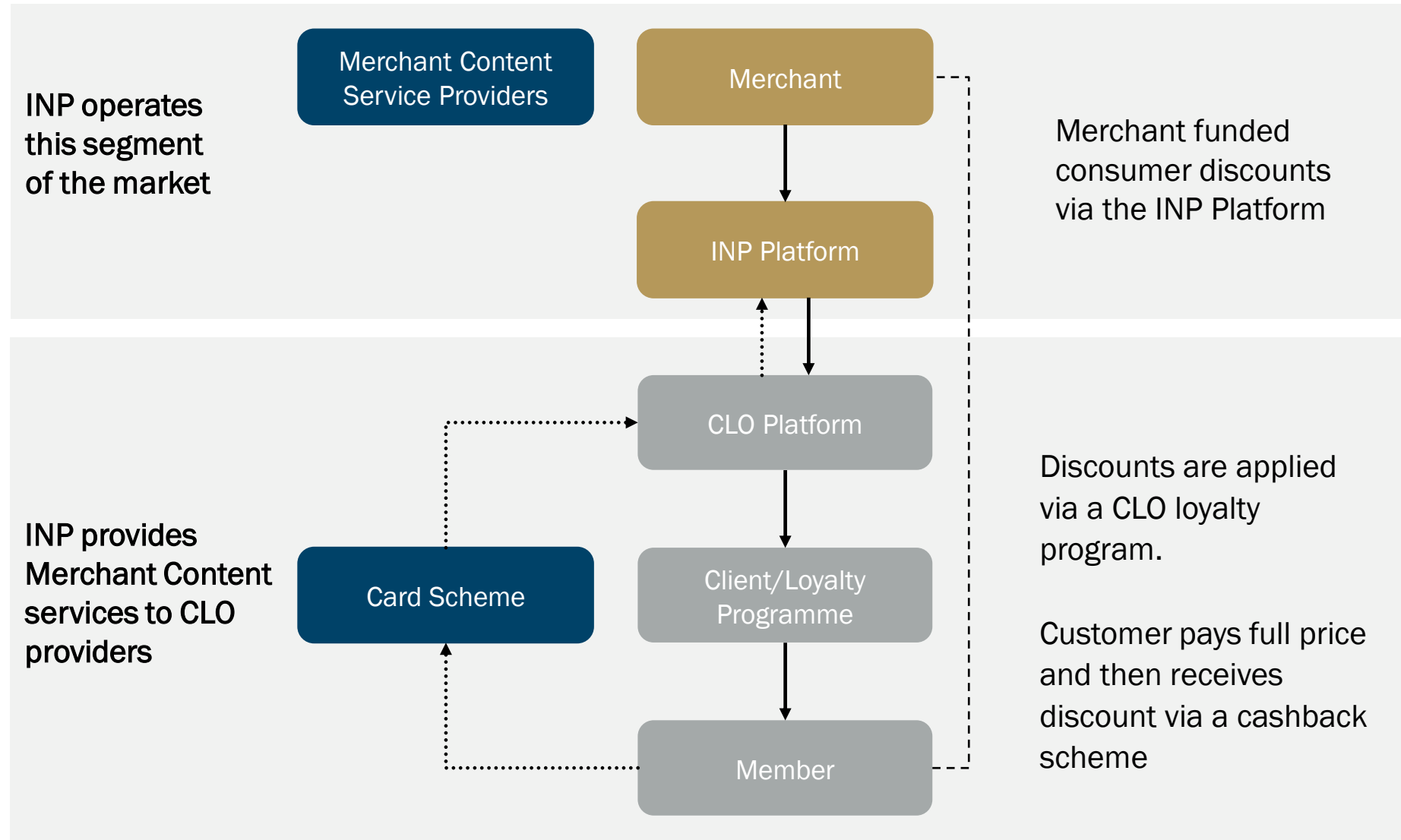


- Significantly grow the number of consumers via enterprise clients using our white label loyalty and rewards programs
- Reduced cost to service
- Growing revenues based on adopting a transactional pricing model

How

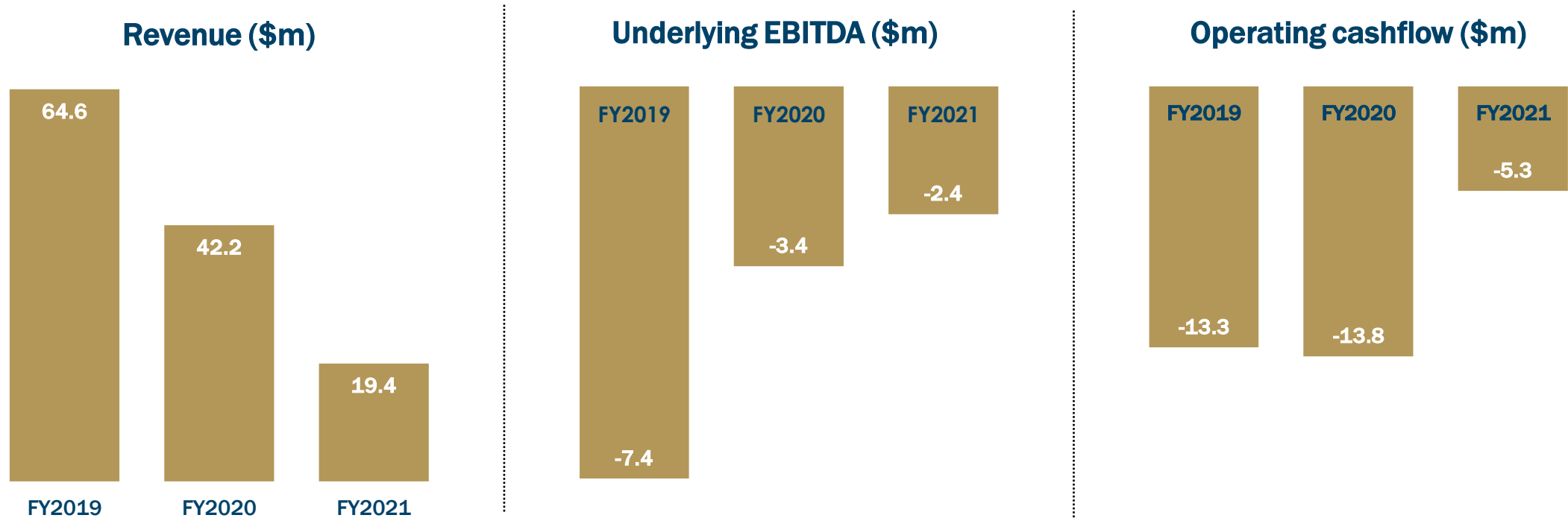
- **Key Trends:** Personalisation and privacy driving the need for zero / first party data
- **Key Growth Focus:** The large and growing loyalty and rewards marketplace
- **Leverage our competitive position**
 - Exceptional entertainment, lifestyle and community content
 - Extensive relationships and contracts, built over 20+ years
 - Investments in new technology platform
- **New business model:** Seamless rewards and transactional pricing model
- **Card Linked Offer:** Provide tailored, entertainment-based incentives, loyalty and rewards

New B2B Business: Card Linked Offer



- Proposed new channel to provide tailored, entertainment-based incentives, loyalty and rewards programs via a card-linked offer (CLO)/card scheme and an existing loyalty program
- Target market: Large enterprise customers
- Revenues: Transaction-based

Financial Update



- Revenues impacted by pivot from book to digital; heavily impacted by COVID-19
- INP has been able to continue its transformation program
- Company has been focused on lowering costs which has:
 - Lowered the cash burn rate
 - Improved EBITDA to better position the company for future growth

Investment Summary



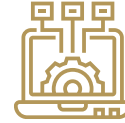
Well-known Platform

Australia and NZ's premier entertainment + lifestyle offers and rewards platform



Positive Macro Trends Towards Loyalty

Corporates increasingly want everyday purchases and experiences to drive customer engagement and are looking for seamless solutions such as "card-linked" content and a variety of ways to engage and redeem with merchants, such as dynamic offers.



Marketing and Technology Investment

Investing in customer experience, product and technology

B2C: new platform, app, website and lifecycle management

B2B: new marketplace platform, app and model for customer value and revenue



Accelerate Growth via B2B

A clear and focussed B2B-led growth strategy to reinvigorate and unlock value in business assets and position



Strong, Established NFP Support

Over the past 27 years, INP has been providing over 15,000 NFPs across Australia and New Zealand with a significant revenue stream, totalling \$100m



Appendix

Board

A diverse, experienced and committed team



Stephen Harrison
Chairman

Stephen Harrison has over 35 years of experience in the financial services, funds management, private equity, and accounting fields. He has held director positions with Investec Funds Management and the Australian subsidiary of US based fund manager Sanford C. Bernstein. He has been a founder and held Directorships in a number of listed companies both in Australia and overseas. He is currently Chairman of NobleOak Life Limited.



Jeremy Thorpe
Non-Executive Director

Jeremy Thorpe holds BA and LLB degrees, is a qualified attorney in South Africa, and the Managing Director and Chief Executive Officer of Skybound Capital Australia. He serves on the boards of all subsidiary and associate companies within Skybound Australia's diverse range of investments and is directly responsible for their performance and investment returns. He has over 30 years of experience in corporate finance, private equity, consumer and business credit, and structured finance. In the recent past he has served on the Board of the National Credit Providers Association in Australia.



Charles Romito
Non-Executive Director

Charles Romito is an experienced management consultant and investment professional. He was previously in the London office of the global strategy consultancy McKinsey & Company and a co-founder of their Innovation & Growth Strategy practice. As a PE professional, Charles has held senior roles including as a COO and General Operating Partner in a Venture and Growth Equity fund. He has 15+ years track record and held Board positions in 5 countries. Charles is also an accomplished management-academic with expertise in Business- Model Innovation, Growth Strategy and Business Transformation.



Dean Palmer
Non-Executive Director

Dean Palmer is a chartered accountant with more than 20 years of experience. He is the founder and CEO of Skybound Fidelis Investment Limited - a specialist structured finance, commercial credit, and property fund manager. He has held numerous senior executive roles both in Australia and the UK. He has a Bachelor of Commerce, Bachelor of Laws and is a member of Chartered Accountants Australia and New Zealand.

Management Team

A diverse, experienced and committed team



Henry Jones
CEO

Henry Jones has more than 25 years of executive experience, predominantly in the technology sector, having held senior positions at IBM across Australia, New Zealand, and North America. He is considered an entrepreneur, having been involved in a number of small disruptive ventures. His role as CEO is key to leading and accelerating the Company's turnaround and building on our existing and solid foundation. Henry has an MBA from Harvard Business School, and an LLB (Law) and BA (Economics and Politics) from the University of Melbourne.



Ben Newling
COO

Ben Newling has more than 15 years of experience across general management and corporate advisory within investment banking, retail banking and technology. His executive experience spans equities, capital markets, M&A's, and people management. His role as COO spans finance, operations, human resources and commercial and legal compliance. Ben has a Master of Business Administration (MBA) focused in Finance and Financial Management Services from MGSM.



Ani Chakraborty
CTO

Ani has over 20 years' experience working in challenging situations in Australia, India, and Southeast Asia, with deep experience in strategy and transformation in Digital, Service Operations, and capital-intensive industries. A well-rounded, highly motivated and impact-driven executive skilled in strategy, program design and technology and operations implementation. Highly regarded for his proven capacity to bring superior thinking to solve problems related to complex, large-scale business and technology transformations.



Linda McDonald
CCXO

Linda McDonald has more than 20 years of experience in delivering exceptional results in the retail, FMCG and consumer healthcare industries, having held several senior executive leadership roles. Her role as CCXO is key to driving significant revenue, the creation of a transformation digital program and a clear focus on customer acquisition, retention, and value growth. Linda has a Bachelor Commerce (Marketing) from the University of Wollongong



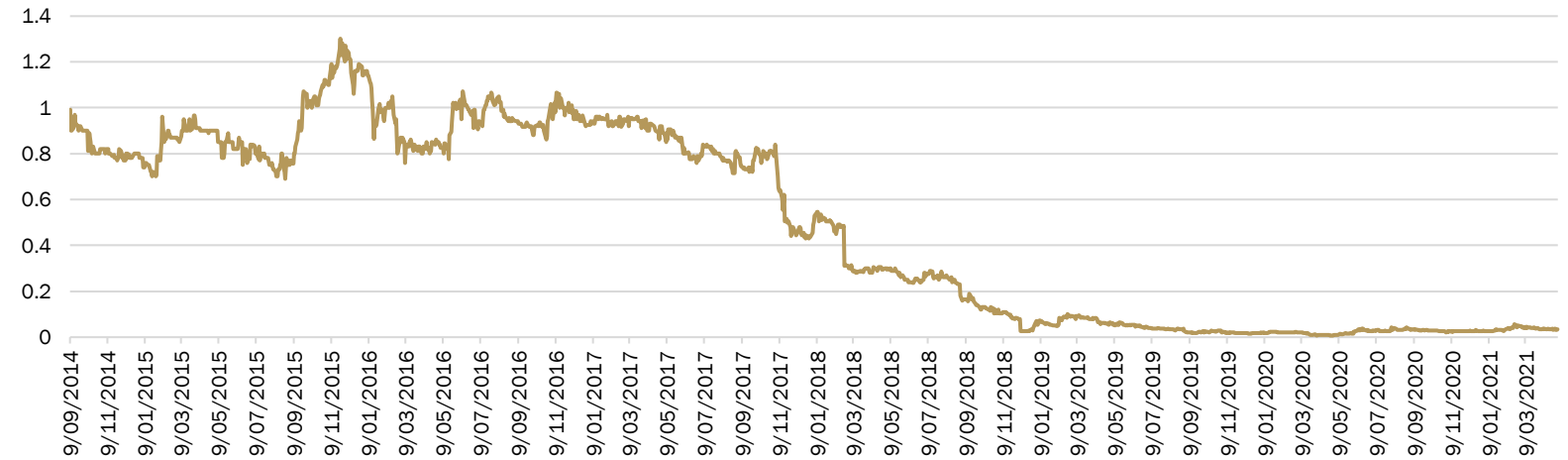
Stacey Hampton
GM People

Stacey Hampton has over 18 years of experience managing people and culture across finance and technology companies, with previous roles focused on building a culture of engagement, diversity, and inclusion. Her role as GM of People is key to leading the Company through transformational change, focusing on employee lifecycle and workforce planning, attraction and selection performance management, talent identification, leadership, learning and development, and reward and recognition. Stacey has a Bachelor of Business (Human Resources) and a Graduate Diploma of Human Resources and Industrial Relations.

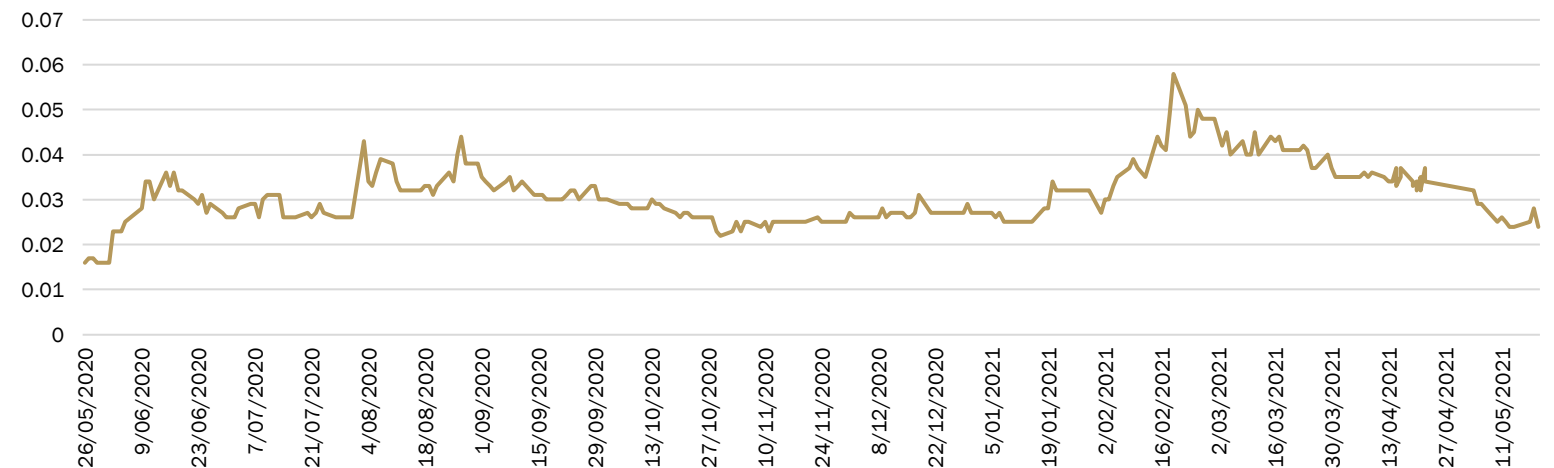
Market Snapshot

ASX Code	INP
Total Issued Shares	1,011m
12 months High/Low	6.8c/0.02c
Share price (3 November 21)	2.7c
Market capitalisation	\$27.3m
Substantial shareholders	Suzerain Investment Holdings Limited and its associates

INP Share Price Since Listing



INP Share Price – 12 Months Closing



Offer Overview



17.2% discount to 5-day VWAP as at 3 November 2021

Theoretical Ex-Rights Price (TERP) of **\$0.027**



At current price, a fully underwritten **1 for 4.3** renounceable entitlement offer to issue **235m** fully paid ordinary shares (Shares) at an issue price of **\$0.022** per Share to raise **\$5.1m**. Shares issued will rank pari passu with the Company's existing quoted fully paid ordinary shares (ASX:INP)



Panthea Capital has been appointed as the manager. Suzerain Investments Holdings Limited, the Company's largest shareholder intends to take up its rights

Sources of funds	Amount
Cash proceeds from the offer	\$5.1m
Total	\$5.1m

Use of funds	Amount
Sales and Marketing	\$0.5m
New Business Model (Seamless rewards)	\$1m
Capital investment (tech - existing business model)	\$2.5m
Merchant	\$0.9m
Transaction costs and underwriting fees	\$0.2m
Total	\$5.1m

Summary Financials – Proforma Balance Sheet



The Proforma Consolidated Statement of Financial Position (Balance Sheet) is based upon the audited financial statements as at 30 June 2021 and adjusted for the effect of the capital raising.

Notes:

1. As at 20 October 2021, there has been \$2.2m of additional debt drawn from Suzerain
2. \$3.448m of Suzerain debt has been converted to equity

	As at 30 June 2021	Adjustments	30 June 2021 Proforma
Current Assets			
Cash and cash equivalents	3,228	5,000	8,228
Trade receivables	1,000		1,000
Inventories	155		155
Other Assets	1,968		1,968
Total Current Assets	6,351		11,351
Non-Current Assets			
Trade receivables	523		523
Right of use asset	158		158
Property Plant and Equipment	811		811
Intangibles	15,813		15,813
Total Non-Current Assets	17,305		17,305
Total Assets	23,656		28,656
Current Liabilities			
Trade and other payables	5,981		5,981
Lease liabilities	1,055		1,055
Borrowings	4,579		4,579
Current tax liabilities	0		0
Deferred Revenue	4,526		4,526
Provisions	1,042		1,042
Total Current Liabilities	17,183		17,183
Non-Current Liabilities			
Lease liabilities	1,123		1,123
Borrowings	28		28
Deferred revenue	32		32
Provisions	132		132
Total Non-Current Liabilities	1,315		1,315
Total Liabilities	18,498		18,498
Net Assets	5,158		10,158
Equity			
Issued capital	122,984	5,000	127,984
Reserves	733		733
Accumulated losses	-118,559		-118,559
Total Equity	5,158		10,158

Business – Key Risks

Risk



- **COVID-19** – The travel and leisure industry has been heavily impacted by COVID-19.
- **Membership Subscription Revenue** – INP's revenues are highly seasonal. Short term decline in revenues will impact the profitability and cash runway of the Company
- **Non-Fundraiser channels** – The Company has been reliant on the fundraiser channel for its membership subscription revenue, which has been in decline.
- **Technology/Vendor Risk** – INP is reliant on its key technology vendors to deliver and maintain its key products
- **Merchant re-contracting** – Seamless rewards is dependent on being able to re-contract a critical mass of existing merchants

Mitigant



- A \$5m contingent unsecured working capital debt facility has been secured from the Company's largest shareholder (Suzerain)
- This facility is to be used as an overdraft to manage seasonality and timings of cashflows
- Investment in direct and other non-fundraiser channels (i.e. schools and corporates)
- Team is resourced to test effectiveness of physical and digital contracting processes

Business – Key Risks

Risk	Mitigant
Share Price Risk	There are general risks associated with an investment in the share market. As such, the value of the shares may rise above or below the offer price, depending on the financial position and operating performance of IncentiaPay. Further, broader market factors affecting the price of IncentiaPay shares are unpredictable and may be unrelated or disproportionate to the financial or operating performance of IncentiaPay. Such factors may include the economic conditions in Australia and overseas, investor sentiment in the local and international stock markets, consumer sentiment, changes in fiscal, monetary, regulatory and other government policies, national and international political and economic instability or the instability of national and international financial markets, interest and inflation and foreign exchange rates. Volatility in global credit markets could negatively impact the value of the shares.
Failure to comply with laws and regulation	IncentiaPay is subject to substantial regulatory and legal oversight in Australia. The agencies with regulatory oversight of IncentiaPay and its subsidiaries include, among others, ASX and ASIC. Failure to comply with legal and regulatory requirements may have a material adverse affect on IncentiaPay.
Reputation	Reputation risk may arise through the action of IncentiaPay and adversely affect perceptions held by the public, shareholders, regulators or funders. These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, ethical issues, privacy laws, information security policies and sales and trading practices. Damage to IncentiaPay's reputation may have an adverse impact on IncentiaPay's financial performance, capacity to source funding, liquidity and by constraining business operations.
Competition / disruption	New technologies are constantly emerging in the incentive/ loyalty market, the price of developing these technologies continues to fall. Inability to adapt the business to a technical development could impact IncentiaPay's ability to attract and obtain customers and have a material impact on IncentiaPay's business.
Litigation	IncentiaPay is not currently involved in any material litigation and the Directors are not aware of any facts or circumstances that could give rise to any material litigation. However, given the scope of IncentiaPay's business and the wide range of parties it deals with, IncentiaPay may in the future be exposed to potential litigation from suppliers, customers or employees.
Funding	There is no certainty that IncentiaPay will remain well-funded, especially if existing financial resources are invested in growth or the development of IncentiaPay's technology platforms and that investment does not generate a timely return.
Personnel	IncentiaPay's success, in part depends on the continued performance, efforts, abilities and expertise of its key management personnel, as well as other technical personnel including those employed on a contract basis. The loss of these personnel, without replacement could have an adverse impact on the successful operation, management and marketing of IncentiaPay's product/service offerings.

International Offer Restrictions

This Document does not constitute an offer of new ordinary shares (New Shares) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below. Does not include British Virgin Islands or Jersey.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the entitlements or the New Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly this offer is being made on a private placement basis only and does not constitute a public offering. As such, this document has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. The document is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United Arab Emirates

Neither this document nor the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has the Company received authorisation or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the New Shares, including the receipt of applications and/or the allotment or redemption of New Shares, may be rendered within the United Arab Emirates by the Company.

No offer or invitation to subscribe for New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

A blue-tinted background image showing a business meeting. In the foreground, a person's hand is visible holding a pen over a document on a table. Another person's hand is visible in the background, gesturing. The overall scene is professional and collaborative.

Contact

Henry Jones
Chief Executive Officer

E: henry.jones@entertainment.com.au

F. Additional information

1 Quotation and trading

The Company will apply to ASX for the official quotation of the Offer Shares in accordance with the ASX Listing Rules. Subject to approval being granted by ASX, it is expected that normal trading of Offer Shares will commence on or about Tuesday, 7 December 2021.

2 Underwriting information

The Company has appointed Panthea as the manager of the Offer. Although the Offer is not underwritten, the terms of Panthea's appointment requires Panthea to procure approximately \$5 million of commitments for any shortfall after allocations are made under the Entitlement Offer and the Top-up Facility. However, Panthea's obligation is not an underwriting commitment. If Panthea is unable to procure commitments, there is no obligation on Panthea to take up any shortfall.

It is expected that Panthea will procure the commitments from third parties who are not related to the Company nor the substantial shareholders of the Company (or its associates).

3 Ranking of Offer Shares

Offer Shares (including any Additional Shares) issued under the Entitlement Offer will rank equally with existing Shares on issue.

4 Withdrawal

The Company reserves the right to withdraw all or part of the Entitlement Offer at any time, subject to applicable laws. If the Company exercises this right it will refund Application money in relation to Offer Shares not already issued in accordance with the Corporations Act without the payment of interest. The Company disclaims all liability (to the maximum extent permitted by law) to persons who trade Offer Shares before the Offer Shares are quoted or receiving their holding statement, whether on the basis of confirmation of the allocation provided by the Company or its share registry.

5 Potential effect on control

The potential effect the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand.

The potential effect on control is summarised below:

- (a) If all Eligible Shareholders take up their Entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of the Company.
- (b) If some Eligible Shareholders do not take up all of their Entitlements under the Entitlement Offer, then the interests of those Eligible Shareholders in the Company will be diluted.
- (c) The proportional interests of Shareholders with registered addresses outside Australia, New Zealand, Mauritius, the British Virgin Islands, Jersey and the United Arab Emirates (and other ineligible Shareholders) will be diluted because such Shareholders are not entitled to participate in the Entitlement Offer.
- (d) Shareholders that apply for Additional Shares under the Top-Up Facility (under which any shortfall between applications received and the number of Offer Shares proposed to be issued under the Entitlement Offer may be applied for by those who have accepted their Entitlements in full) may increase their interests beyond their Entitlement. This could result in the dilution of holdings of those who failed to accept their Entitlements in full and those who failed to apply for Additional Shares.

6 Substantial Shareholders

As at the date of this Booklet and based on publicly available information, Suzerain Investment Holdings Ltd (together with its associates) (**Suzerain**) have a relevant interest in 20% or more of the Shares on issue and is the only shareholder holding more than 5% of the Shares on issue (**Substantial Holder**). This table sets out the shareholding and the voting power of Suzerain

assuming 100% of Entitlements are taken up under the Offer.

Shareholder	Current Shares	Current voting power	Share Entitlement	Post Offer Shares	Post Offer voting power
Suzerain Investment Holdings Ltd (and associates)	752,557,238	74.48%	175,013,312	927,570,550	74.48%

The following table shows each Substantial Holder's relevant interest in Shares and potential maximum voting power, assuming the relevant Substantial Holder takes up their full Entitlement, and:

- (a) Scenario 1: all other Shareholders take up 75% of their Entitlements (including each Substantial Holder), and no other Shareholders sell their rights;
- (b) Scenario 2: all other Shareholders take up 50% of their Entitlements (including each Substantial Holder), and no other Shareholders sell their rights; and
- (c) Scenario 3: no other Shareholders take up their Entitlements (including each Substantial Holder), and no other Shareholders sell their rights.

Substantial Holder	75% acceptance of Entitlements by other Eligible Shareholders		50% acceptance of Entitlements by other Eligible Shareholders		0% acceptance of Entitlements by other Eligible Shareholders	
	Number of Shares	Voting Power (%)	Number of Shares	Voting Power (%)	Number of Shares	Voting Power (%)
Suzerain Investment Holdings Ltd (and associates)	927,570,550	75.38%	927,570,550	76.31%	927,570,550	78.20%

As set out above, the maximum potential voting power of Suzerain resulting from it taking up its Entitlement, and assuming that no other Shareholders take up their Entitlements or sell their rights, would be 78.20%.

7 No cooling off rights

Cooling off rights do not apply to an investment in Offer Shares. You cannot, in most circumstances, withdraw your Application once it has been accepted. However, Entitlements may be traded on the ASX.

8 Taxation

The Directors do not consider it appropriate to give Eligible Shareholders advice regarding the taxation consequences of applying for Offer Shares (including any Additional Shares) under this Booklet.

Taxation implications will vary depending upon the individual circumstances of individual Eligible Shareholders. Eligible Shareholders are strongly recommended to obtain their own professional advice (including taxation advice) before deciding whether to accept the Entitlement Offer or apply for Additional Shares under the Top-Up Facility.

Neither the Company, nor any of its officers or employees or advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences, of the Entitlement Offer or the acquisition or disposal of securities in connection with the Entitlement Offer.

G. Glossary

In this Booklet, the following capitalised terms have the following meanings (unless the context requires otherwise).

Additional Shares	Offer Shares applied for by an Eligible Shareholder that are in excess of the Eligible Shareholder's Entitlement.
Announcement	the ASX announcement relating to the Entitlement Offer, as announced by the Company to ASX on Wednesday, 10 November 2021.
Application	an application for Offer Shares lodged in accordance with the instructions in this Booklet and the Entitlement and Acceptance Form.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the market operated by it, as the context requires.
Booklet	this entitlement offer booklet.
Closing Date	5:00pm (Sydney time) on Monday, 29 November 2021, or such other date as the Company determines.
Company	IncentiaPay Limited ACN 167 603 992.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Eligible Shareholder	a Shareholder who is a registered holder of Shares on the Record Date with a registered address in any of the following jurisdictions: Australia, New Zealand, Mauritius, the British Virgin Islands, Jersey and the United Arab Emirates, provided that such Shareholder is not in the United States or acting for the account or benefit of a person in the United States.
Entitlement and Acceptance Form	your personalised application form enclosed with this Booklet.
Entitlement	the number of Offer Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer (ignoring the Top-Up Facility).
Entitlement Offer or Offer	a 1 for 4.3 renounceable pro-rata entitlement offer to subscribe for Offer Shares at the Issue Price set out in this Booklet and the Entitlement and Acceptance Form as announced by the Company to ASX on Wednesday, 10 November 2021.
Investor Presentation	the presentation lodged by the Company with ASX on Wednesday 10 November and included in section E of this Booklet.
Issue Date	Monday, 6 December 2021, or such other date as the Company determines.
Issue Price	\$0.022, being the price per Offer Share.
Manager	the manager of the Entitlement Offer, being Panthea Capital Partners Pty Ltd ABN 32 159 381 638.
Offer Period	the period commencing on the Opening Date and ending on the Closing Date.
Offer Shares	the new Shares offered under the Offer.
Opening Date	Thursday, 18 November 2021.
Record Date	7.00pm (Sydney time) on Monday, 15 November 2021.
Register	the register of Shareholders.
Registry	Link Market Services Limited ACN 083 214 537.
Securities Act	the United States Securities Act of 1933, as amended from time to time.

Share	a fully paid ordinary share in the Company.
Shareholder	a registered holder of a Share.
Top-Up Facility	the mechanism by which Eligible Shareholders can apply for Additional Shares as described in clause 5 of section D.
U.S. Person	a “U.S. Person” as defined in Regulation S under the Securities Act.