

SUPPLEMENTARY PROSPECTUS

XPON TECHNOLOGIES GROUP LIMITED ACN 635 810 258

Important information

This Supplementary Prospectus is dated 22 November 2021 (**Supplementary Prospectus**) and is intended to supplement and amend the information contained in the Prospectus dated 15 November 2021 (**Prospectus**) issued by XPON Technologies Group Limited ACN 635 810 258 (**Company** or **XPON**) to raise between \$10 million and \$12.5 million through the issue of between 50,000,000 and 62,500,000 fully paid ordinary shares in the Company.

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) on 22 November 2021. Neither ASIC nor the ASX take responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus. This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

The Company has issued both a printed and electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions of both may be accessed at www.xpon.ai.

Contents

The information below is to supplement and amend the information presently contained in the Prospectus. Namely, the Prospectus is amended as follows:

XPON at a glance

- 1 In the 'XPON at a glance' metrics graphic on page 41 of the Prospectus, the 'Total Addressable Market AU & EU by 2025' figure is amended from 'A\$200B' to 'A\$201B'.

Financial performance metrics summary

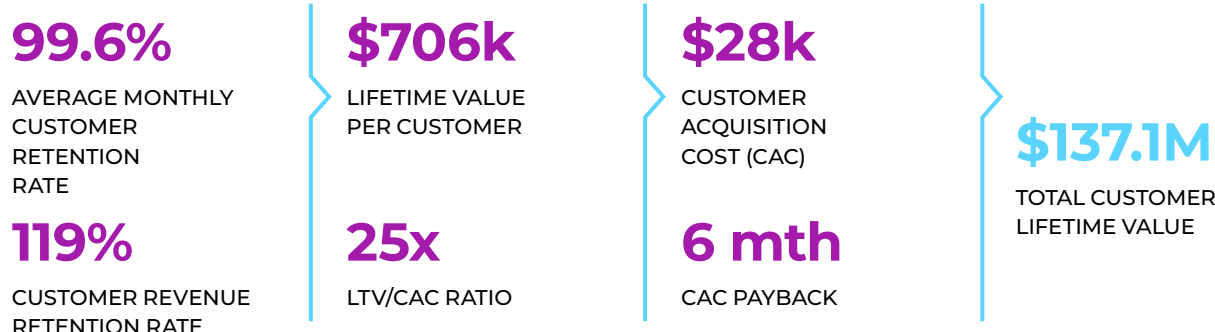
- 2 The 'Annualised Recurring Revenue' waterfall chart graphic on page 56 of the Prospectus is replaced with the following:



This is a supplementary prospectus intended to be read with the prospectus dated 15 November 2021 issued by XPON Technologies Group Limited ACN 635 810 258



3 The 'Unit Economics' metrics graphic on page 56 of the Prospectus is replaced with the following:



Corporate structure of XPON Group

4 The reference to 'Intermetrix Holdings Pty Ltd (Australia)' in the corporate structure chart on page 61 of the Prospectus is amended to 'Internetrix Holdings Pty Ltd (Australia)'.

Pro forma adjustments to the Statutory Historical Consolidated Results

5 The following table is included in section 5.3.2 (Pro forma adjustments to the Statutory Historical Consolidated Results) on page 83 of the Prospectus immediately after the Notes to Table 3:

Table 3a: Cost of sales – Historical to Pro Forma Reconciliation for FY19, FY20, and FY21

\$'000	Notes	FY19	FY20	FY21
Cost of sales – Historical		(358)	(732)	(2,240)
COS – UK Acquisitions	1	(64)	(48)	0
COS – Internetrix	2	(1,638)	(1,594)	(1,566)
Cost of sales – Pro Forma		(2,060)	(2,374)	(3,806)

Notes:

1. Cost of sales – UK Acquisitions – are included in the Pro forma Financial Information as if the businesses had been acquired from 1 July 2018; FY19, if adjusted to Xpon Groups' accounting standards, the COS-UK Acquisitions of \$64,000 would have been \$485,000. For FY20, if adjusted to Xpon Groups' accounting standards, the COS-UK Acquisitions of \$48,000 would have been \$702,000.
2. Cost of sales – Internetrix – are included in the Pro forma Financial Information as if the businesses had been acquired from 1 July 2018

Authorisation

This Supplementary Prospectus is issued by the Company. In accordance with section 720 of the *Corporations Act 2001* (Cth), each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Phillip Aris
Independent Non-Executive Chairman
XPON Technologies Group Limited