



PROSPECTUS

BirdDog Technology Limited

ACN 653 360 448

For the Offer to issue
50,769,231 Shares at an
issue price of \$0.65 per Share
to raise up to \$33 million

This Offer is not underwritten.

This Prospectus has been
signed in accordance
with section
351 of the Corporations
Act 2001 (Cth) by John
Dixon:



IMPORTANT INFORMATION:

This is an important document and it should be read in its entirety. If after reading this Prospectus, you do not fully understand it or the rights attaching to the Shares offered by it, you should consult an accountant, solicitor or other professional adviser for assistance. The Shares offered by this Prospectus should be considered speculative.

Legal Adviser

Lead Manager

K&L GATES

PAC
PARTNERS

1. Important Notices

Offer

The Offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares (**Shares**) in BirdDog Technology Limited ACN 653 360 448 (**BirdDog** or **Company**).

Lodgement and Listing

This Prospectus is dated 18 November 2021 (**Prospectus Date**) and a copy was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Company will apply to ASX Limited (**ASX**) within 7 days after the Prospectus Date for admission of the Company to the official list of ASX and quotation of its Shares on ASX. None of ASIC, ASX or their officers take any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the 7 day period after the date of Prospectus Lodgement (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further 7 days. The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of funds. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Note to Applicants

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to invest in Shares. Some of the key risk factors that should be considered by prospective investors are set out in section 9. There may be risk factors in addition to these that should be considered in light of your personal circumstances. You should also consider the assumptions underlying the financial information and the risk factors that could affect the Company's business, financial condition and results of operations. No person named in this Prospectus, nor any other person guarantees the performance of the Company or the repayment of capital or any return on investment made pursuant to this Prospectus.

No offering where offering would be illegal

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares and Existing Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of a U.S. Person, except in a transaction exempt from the registration requirements of the U.S. Securities Act and applicable United States state securities laws. The Offer is not being extended to any investor outside Australia, other than to institutional investors as part of the Offer. This Prospectus does not constitute an offer or invitation to potential investors to whom it would not be lawful to make such an offer or invitation.

Important notice to New Zealand investors

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 Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

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

Important notice to Hong Kong investors

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and

Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Important notice to Singapore investors

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire

Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Important notices to Norway investors

This Prospectus has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75 (**Securities Trading Act**). Accordingly, this Prospectus shall not be deemed to constitute an offer to the public in Norway within the meaning of the Securities Trading Act.

This Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Norway other than a "qualified investor" as defined in Prospectus Regulation 2017/1129 Article 2(e), cf. Securities Trading Act Section 7-1.

The contents of this document have not been reviewed by any Norwegian regulatory authority. You are advised to exercise caution in relation to this Prospectus. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Financial information presentation

Section 7 sets out in detail the financial information referred to in this Prospectus. The basis of preparation of that information is set out in section 7. All financial amounts contained in this Prospectus are expressed in Australian dollars and rounded to the nearest dollar unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Forward looking statements

Various statements in this Prospectus may be in the nature of forward looking statements, including statements of current intentions, statements of opinion and predictions as to future events. You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

Forward looking statements are subject to various inherent risks and uncertainties (many of which are outside the Company's control) that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. As a result, forward looking statements should be read in conjunction with risk factors as set out in section 9 and other information in this Prospectus.

Suitability of investment and general risk factors

This Prospectus provides information to help investors decide whether they wish to invest in the Company. Before deciding to invest in the Company,

potential investors should read this entire Prospectus, and in particular the technical information and the risk factors that could affect the future operations and activities of the Company. The Offer contained in this Prospectus does not take into account the investment objectives, financial situation and particular needs of individual investors. Please read the Application Form carefully. Professional advice should be sought before deciding to invest in any securities the subject of this Prospectus.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied on as having been authorised by the Company, or any other person in connection with the Offer. You should rely only on information in this Prospectus.

The Company, the Lead Manager and the Share Registry disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statement.

Obtaining a copy of this Prospectus

A paper copy of the Prospectus is available free of charge to any person in Australia by calling the Company Offer Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 9:00am until 5:00pm AEDT Monday to Friday during the offer period.

This Prospectus is also available to Australian resident investors in electronic form at the Offer website, <https://birddog.automic.com.au/>. The Offer constituted by this Prospectus in electronic form is available only to Australian residents accessing the website from Australia. It is not available to persons in the United States. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

Applications for Shares may only be made on the appropriate Application Form attached to, or accompanying, this Prospectus in its paper copy form, or in its electronic form which must be downloaded in its entirety from <https://birddog.automic.com.au/>. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus.

Defined terms and abbreviations

Defined terms and abbreviations used in this Prospectus are explained in section 12. Unless otherwise stated or implied, references to times in this Prospectus are to ADST.

Privacy

By completing an Application Form, you are providing personal information to the Company, and the Share Registry, which is contracted by the Company to manage Applications. The Company, and the Share Registry on their behalf, collect, hold and use that personal information to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

Once you become a Shareholder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included in the Company's public register. The information must continue to be included in the Company's public register if you cease to be a Shareholder. If you do not provide all the information requested, your Application Form may not be able to be processed. The Company, and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers as disclosed in the Company's Privacy Policy or as otherwise authorised under the *Privacy Act 1988* (Cth).

You may request access to your personal information held by or on behalf of the Company. You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the Share Registry or the Company. The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

In accordance with the requirements of the Corporations Act, information on the Shareholder register will be accessible by members of the public.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are illustration only and should not be interpreted to mean that any person endorses this Prospectus or that assets shown in them are owned by the Company.

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in graphs, charts and tables is based on information available as at the date of this Prospectus.

If you have any Questions

If after reading this Prospectus, you do not fully understand it or the rights attaching to the Shares offered by it, you should consult an accountant, solicitor or other professional adviser for assistance. The Company is unable to advise applicants on the suitability or otherwise of an investment in the Company.

This document is important and should be read in its entirety.





Contents

1.	Important Notices.....	IFC
	Key Offer Information.....	4
	Message from the Chair	7
2.	Investment Overview.....	8
3.	Industry Overview.....	25
4.	Company overview.....	41
5.	Board, Management and Corporate Governance.....	68
6.	Details of the Offer	86
7.	Financial Information.....	97
8.	Investigating Accountant's Report.....	118
9.	Risk Factors	125
10.	Taxation	135
11.	Additional information.....	139
12.	Glossary.....	153
	Appendix 1. Significant Accounting Policies.....	159
	Appendix 2. Trade Marks	166
13.	Corporate Directory.....	IBC

Key Offer Information

THE OFFER

BirdDog Technology Limited (ASX code: 'BDT') is seeking to raise \$33 million by the issue of 50,769,231 Shares at an Offer Price of \$0.65 per Share.

Following the completion of the Offer the shareholding structure in the Company will be as follows:

Existing Shares on issue ¹	153,846,154
Shares offered under this Prospectus	50,769,231
Total number of Shares on Completion of the Offer ²	204,615,385
Offer Price	\$0.65
Gross proceeds from the Offer	\$33.0 million
Indicative market capitalisation at the Offer Price ³	\$133.0 million

Notes:

1. As at the date of this Prospectus, there will be 7,066,695 Options, 1,706,538 Share Rights and 729,167 Performance Rights on issue in the Company. The Company will also issue up to 550,000 Employee Options under this Prospectus (see sections 5.5, 6.8 and 11.12(e) of this Prospectus for more detail).
2. The percentage of Shares in the total share capital of the Company available at Listing for investors to freely trade in the public market (i.e. "free float") will be approximately 41% based on the \$33 million raise.
3. This represents the Offer Price multiplied by the total number of Shares at Listing.

INDICATIVE KEY DATES*

Prospectus lodged with ASIC	Thursday 18 November 2021
Exposure Period	Thursday 18 November 2021 – Wednesday 24 November 2021
Opening Date	Thursday 25 November 2021
Closing Date	Thursday 2 December 2021
Expected date for allocation of Shares	Wednesday 8 December 2021
Holding Statements sent to Shareholders	Thursday 9 December 2021
Expected date for quotation of the Company's securities on ASX	Monday 20 December 2021

* The Directors reserve the right to vary the Offer dates and to extend the Issue or to close it at an earlier date. The above dates are indicative only and may change. The Directors reserve the right to amend any and all of the above dates without notice to you including (subject to the ASX Listing Rules and the Corporations Act), to close the Offer early, to extend the Offer, to accept late Applications, either generally or in particular cases, or to withdraw the Offer before settlement. If the Offer is withdrawn before the issue of the Shares, then all Application monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.





... to provide capital to accelerate BirdDog's global growth strategy to expand product ranges, increase R&D capabilities, and expand into adjacent markets...

John Dixon
Chair
BirdDog Technology Limited

Message from the Chair

Dear Investor,

On behalf of our Board of Directors and executive, I am pleased to offer you the opportunity to become a shareholder in BirdDog Technology Limited ACN 653 360 448 (**BirdDog** or **Company**).

BirdDog is a global video technology company that develops and manufactures high quality hardware and software solutions. These solutions greatly increase the quality, speed and flexibility of video that can be delivered over existing network infrastructure. BirdDog's solutions can therefore be implemented without significant capital outlay, effectively democratising broadcast quality video content in an industry historically dominated by highly specialised operators. BirdDog has achieved this by embedding its solutions with NDI®, a royalty-free software standard developed by NewTek Inc. (**NewTek**) to enable video-compatible products to communicate, deliver, and receive high-definition video over a computer network in a high-quality, low-latency manner that is frame accurate and suitable for switching in a live production environment (NDI®).

The Company was founded in 2016 by Dan Miall and Eamon Drew after they identified an opportunity to disrupt the broadcast industry. They did this by solving many of the complex workflow problems encountered by creators in delivering high-quality and low-latency video connections with affordable video technologies. BirdDog's first solution came in the form of the world's first NDI® converter device, Studio NDI®. A revolutionary product, Studio NDI® enabled non-NDI® cameras, computers, and other sources to be retrofitted with, and use, NDI® technology. It did this by encoding and decoding traditional audio and video signals to enable compatibility with the NDI® software standard.

BirdDog's business has since flourished, driven by a number of key factors. An insatiable demand for high-quality video content. A sharp rise in the number of content creator groups servicing platforms such as YouTube and Twitch. And a surge in the installations of video solutions by corporates wanting to provide a seamless work from home experience for their employees. The product range now encompasses 30 products across cameras, converters, embedded NDI® technologies, software, and a range of accessories. BirdDog's solutions are now used by many globally recognised corporations.

This Prospectus offers for subscription Shares in the Company at \$0.65 each to raise a total sum of \$33 million. PAC Partners has been appointed as Lead Manager to the Company's initial public offering (**IPO**).

The purpose of the Offer is to provide capital to accelerate BirdDog's global growth strategy to expand product ranges, increase research & development capabilities, and expand into adjacent markets, including an exciting opportunity in the fast-growing segment of video walls and signage displays following the launch of BirdDog's M1 and M2 smart display modules in partnership with Sharp/NEC. The listing on the Australian Securities Exchange (**ASX**) will also provide liquidity for shareholders and provide the Company with the benefits of an increased profile as a listed entity.

The Company is led by a Board and Management Team with experience across ASX listed companies, the broadcast and AV industries, and a proven track record of driving significant growth. The Board and Management Team will own approximately 50.33% of the Company's diluted issued share capital, following listing on the ASX.

This Prospectus contains detailed information about the Offer, the historical financial results of the Company, its operations, its management team and future plans of BirdDog.

It is important that you understand section 9 because it includes a description of the key risks associated with an investment in BirdDog. Section 9 identifies risks associated with reliance on key distribution networks, manufacturing and supply chain disruption, the Company's NDI® licence agreement with NewTek, and the development, launch and market acceptance of new products in order to achieve the Company's growth objectives.

The Closing Date for Application and payment is 5.00pm AEDT on Thursday, 2 December 2021, unless the subscription amount is reached earlier, or later as determined by the Directors.

I encourage you to read this document carefully and in its entirety before making an investment decision. In addition, you should also consult with your stockbroker, solicitor, accountant or other independent professional adviser.

On behalf of my fellow Directors and the BirdDog team, I look forward to the prospect of welcoming you as a shareholder of the Company.

Yours sincerely,



John Dixon
Chair
BirdDog Technology Limited



BirdDog Flex turns any camera with
HDMI into an NDI® camera.



2. INVESTMENT OVERVIEW

2. Investment Overview

This section is a **summary only** of the information contained in this Prospectus. Investors should read and consider this Prospectus in its entirety before applying for Shares in the Company.

Topic/Details	Where to find more information										
A. COMPANY AND BUSINESS MODEL OVERVIEW											
Who is the issuer of this Prospectus? The issuer of this Prospectus is BirdDog Technology Limited ACN 653 360 448 (BirdDog or the Company).	Section 6										
Who is BirdDog? BirdDog is a global video technology company that enhances the quality, speed and flexibility of video through a range of solutions, augmented with NDI®, a royalty-free software standard developed by NewTek Inc. (NewTek). This enables video-compatible products to communicate, deliver, and receive high-definition video over a computer network in a high-quality, low-latency manner that is frame accurate and suitable for switching in a live production environment (NDI®). BirdDog develops and manufactures these solutions, including standalone hardware, embedded hardware, and software. It then sells via a network of distributors and resellers, and direct, to individuals and organisations within professional video, corporate AV and digital signage solutions market who demand broadcast quality video content.	Section 4.1										
What is NDI® and how does it work? NDI® is developed by San Antonio Texas-based video technology development company NewTek, a subsidiary of Vizrt Group. As mentioned above, the technology was developed to enable video-compatible products to communicate, deliver and receive high-definition video over a computer network in a high-quality, low-latency method, that is frame accurate and suitable for switching in a live production environment. NDI® functionality is included free of charge to users of BirdDog products, however enterprise users or hardware developers, like BirdDog, pay a royalty fee on terms agreed with NewTek.	Section 4.6										
What is BirdDog's relationship with NewTek? NDI® is licensed by NewTek to various technology development companies, including BirdDog, to embed or underpin their products. BirdDog's NDI® license agreement with NewTek was renegotiated and refreshed, effective from 17 September 2021 with the renegotiated terms providing for a lower average fee rate than prior license agreements. Key terms of the NDI® license agreement are summarised below:	Section 4.6										
<table><tr><th colspan="2">Key License Terms</th></tr><tr><td>Licensor</td><td>NewTek Inc.</td></tr><tr><td>Location</td><td>San Antonio, Texas</td></tr><tr><td>Effective Date</td><td>17 September 2021</td></tr><tr><td>Term</td><td>5 years</td></tr></table>		Key License Terms		Licensor	NewTek Inc.	Location	San Antonio, Texas	Effective Date	17 September 2021	Term	5 years
Key License Terms											
Licensor	NewTek Inc.										
Location	San Antonio, Texas										
Effective Date	17 September 2021										
Term	5 years										

2. Investment Overview Continued

Topic/Details	Where to find more information										
What is BirdDog's relationship with NewTek? <i>(continued)</i> <table><tr><th colspan="2">Key License Terms</th></tr><tr><td>Renewal Terms</td><td>3-year renewal terms. Unless either party provides at least 6 months' advance notice prior to the end of the current term that it does not wish to renew, the agreement will renew for a further term</td></tr><tr><td>License Fee</td><td>Calculated as a percentage of the "average licensee sell price" (or ALSP) which is set out in the agreement</td></tr><tr><td>Royalty Payment</td><td>Quarterly</td></tr><tr><td>Termination</td><td>Either party materially defaulting subject to written notice and a 30-day remediation period</td></tr></table> <p>The quarterly license fees paid to NewTek are detailed further in section 4.6, and are broadly expected to increase in-line with sales volumes.</p>	Key License Terms		Renewal Terms	3-year renewal terms. Unless either party provides at least 6 months' advance notice prior to the end of the current term that it does not wish to renew, the agreement will renew for a further term	License Fee	Calculated as a percentage of the "average licensee sell price" (or ALSP) which is set out in the agreement	Royalty Payment	Quarterly	Termination	Either party materially defaulting subject to written notice and a 30-day remediation period	Section 4.6
Key License Terms											
Renewal Terms	3-year renewal terms. Unless either party provides at least 6 months' advance notice prior to the end of the current term that it does not wish to renew, the agreement will renew for a further term										
License Fee	Calculated as a percentage of the "average licensee sell price" (or ALSP) which is set out in the agreement										
Royalty Payment	Quarterly										
Termination	Either party materially defaulting subject to written notice and a 30-day remediation period										
What is BirdDog's history? <p>BirdDog Australia (the previous parent company of the Group) was incorporated in 2016 by Dan Miall and Eamon Drew. Both founders recognised a gap in the market and an opportunity to disrupt the sector by solving many of the complex workflow problems encountered by individuals and organisations in delivering high-quality and low-latency video connections, with affordable video technologies.</p> <p>BirdDog delivered its first product in December 2017, the world's first NDI® converter device, Studio NDI®. BirdDog went on to deliver almost 1,000 units of Studio NDI® in the financial year ended 30 June 2018 and has since expanded the range to include 30 products across camera's, converters, embedded NDI® technologies, software and a range of accessories.</p>	Section 4.2										
What are BirdDog's key products? <p>BirdDog designs, develops, manufactures and markets a range of standalone hardware, embedded hardware and software solutions designed to integrate with, or operate directly on an NDI® powered platform. BirdDog's key product range includes:</p> <ul style="list-style-type: none">• PTZ Cameras;• Box Cameras;• Converters – Encoders & Decoders;• AV products, controllers & other accessories;• NDI® Embedded Smart Display Modules; and• Software.	Section 4.3										
Who uses BirdDog's products <p>BirdDog's primary customers are individual consumers and organisations who produce and utilise broadcast quality video content. Given the recent rise of working-from-home and the reliance on virtual meetings, BirdDog's products have also been adopted by organisations and employees as part of their everyday business operations.</p>	Section 3										

Topic/Details	Where to find more information
<p>Who uses BirdDog's products <i>(continued)</i></p> <p>End users of BirdDog's products cover a wide range of market segments, including:</p> <ul style="list-style-type: none"> • Professional video and corporate AV: broadcasters, live streaming, corporate installations, TV production, education and events; • Digital signage solutions: retail advertising and transport advertising (roadside, airport and transit). Customers include Sharp/NEC among others; and • Corporations and organisations: companies are increasingly relying on virtual meetings to conduct their operations. This includes a wide range of corporations and organisations seeking high-quality, low-latency video broadcast over an internet protocol. 	Section 3
<p>What are the key drivers of the professional video, corporate AV and digital signage solutions market segments?</p> <p>The key trends driving demand in these market segments includes:</p> <ul style="list-style-type: none"> • Fragmentation in the broadcast sector; • Expansion of professional or semi-professional content creator groups; • Surge in the use of video solutions in corporate use cases; • Surge in online classes in the education vertical; • Strong uptake in 'house of worship' vertical; • Recovery in live sport/events vertical; • Expansion in Pan Tilt Zoom (PTZ) camera use; and • Growth in digital signage. 	Section 3
<p>Where does BirdDog operate?</p> <p>BirdDog is headquartered in Melbourne, Australia with additional offices in Michigan, USA. The Company has 27 full time employees, excluding Board members, with 16 of these employees, including the Company's CEO, CFO and CMO located in Melbourne, Australia.</p> <p>BirdDog's manufacturing is currently facilitated via both Shenzhen and Guangzhou, with two additional prospective parallel manufacturer facilities respectively located in Batam, Indonesia and Busan, South Korea.</p> <p>BirdDog also has a global network of Third-Party Logistics (3PL) warehouses, primarily centred in Hong Kong, enabling logistical supply coverage of BirdDog's global market.</p>	Section 4.7
<p>What is BirdDog's business model and how does it generate revenue?</p> <p>BirdDog generates the majority of its revenue from the sale of PTZ Cameras. The remaining revenue is generated from the sale of converters, accessories and software.</p> <p>BirdDog sells its products through a network of distributors and resellers across the world. These distributors and resellers then sell to a broad retail network into over 100 countries globally. BirdDog has long-standing relationships with the majority of its distributors and resellers.</p>	Section 4.4

2. Investment Overview Continued

Topic/Details	Where to find more information
<p>What is BirdDog's growth strategy?</p> <p>BirdDog aims to continue building its market presence and sales in the professional video, corporate AV and digital signage solutions market. BirdDog further intends to grow through the following strategies:</p> <ul style="list-style-type: none"> • Supply Chain and Inventory Holdings: BirdDog will focus on maintaining supplier relationships and building out inventory to take advantage of quick win opportunities. The Company is also assessing additional manufacturing capacity in other regions to diversify and mitigate any unforeseen potential regional interruptions; • Improvements to Existing Products and Product Portfolio Expansion: BirdDog sees opportunities to unlock further growth drivers by focusing on the improvement of existing products and increasing market presence, in addition to developing new products and solutions to expand BirdDog's existing portfolio including software subscriptions, and a camera range refresh; • Technology Alliances & Co-operation Programs: BirdDog plans to unlock growth by building out an alliance network of large multi-nationals who will push its enterprise solutions to a larger audience. Further, continuing to build brand recognition through a "halo" effect as well as enhancing our sales team by an order of magnitude. Current technology alliances and co-operation programs in place include those with Sharp/NEC; • Resources: BirdDog plans to recruit more people knowledgeable across BirdDog's product portfolio in key strategic regions to build confidence and longevity in the BirdDog brand, improve margin growth by building out support and 'Q&A' teams to improve end user "out of box" experience and reduce return merchandise authorisations (RMA); • IP Development: A strategy to adopt new and innovative technologies to further build-out BirdDog's cache in markets and impose our brand to be the logical choice for customers; • New Markets: BirdDog identifies significant additional growth opportunities by driving into new vertical markets. Addressable markets BirdDog are focusing on, and targeting specific products at, include: <ul style="list-style-type: none"> – Corporate communications; – AV installations; – Digital signage; – Cinema and episodic television production; – AI and automated productions; – Medical imaging and telemedicine; and – Realtime global collaboration. • Acquisition Opportunities: BirdDog will continue to search and identify strategically complimentary businesses as potential acquisition targets where any resulting acquisition would underpin significant growth and market access opportunities. 	<p>Section 4.8</p>

What are BirdDog's proprietary technologies, intellectual property and competitive advantages?

Section 4.5

All of the Company's intellectual property in its operating system and products is either owned by the Group or licensed to the Company or an affiliate. The Company has entered into agreements with its staff (employees and consultants) under which intellectual property they develop is assigned to the Group, in order to protect the confidentiality of its proprietary information.

- **Internal know-how:** BirdDog has a team of 10 engineers with a diverse range of skill sets. The business has invested heavily in technology development over a 5-year period, resulting in a number of proprietary processes, systems and trade secrets being developed and a first-to-market advantage.
- **Customised silicon chip:** The technology employed in BirdDog's customised silicon chip is key to the operation of all its hardware products and allows for lower power usage, zero external memory and higher throughput. BirdDog's unique implementation of its customised silicon chip allows for implementation with devices such as the multi-channel Wall-Plates and QUAD products.
- **Patents:** The Group does not hold any registered Australian patents, and rather chooses to hold its intellectual property as trade secrets, which are subject to extensive protection through the utilisation of encryption technology.
- **Trademarks:** The group also holds registered trademarks across Australia and is in the process of applying for United States and EU/UK trademarks, as summarised in Appendix 2.
- **Brand Development & Position:** BirdDog's standing within the global NDI® market provides significant advantage. Since launching the NDI hardware converter category in 2016, BirdDog has built tangible brand and product awareness through social media, sustained marketing campaigns, industry events and strategic alliances. Offering a breadth of products on offer for sale, BirdDog's position of strength within its target market has been built in via providing a more complete solution comprising of hardware and software components, creating workflow solutions.

What is BirdDog's market opportunity?

Section 3

Frost & Sullivan estimates that BirdDog's current addressable market across all verticals was approximately USD \$214 billion in 2020, but with a significant rebound expected in 2021 to USD \$232 billion and growing at a 7.2% compound annual growth rate (**CAGR**) to reach USD \$329 billion by 2026.

Across BirdDog's relevant market verticals, including streaming media, storage & distribution, capture & production equipment, video displays, infrastructure and software (including products currently in BirdDog's portfolio and those not in its portfolio), it is estimated that BirdDog's total addressable market in 2021 was approximately USD \$132 billion.

2. Investment Overview Continued

Topic/Details	Where to find more information
B. KEY RISKS	
<p>Company specific risks</p> <p>Key risks involved with an investment in the Company include the general and Company specific risks detailed in section 9. A summary of the most significant Company specific risks is detailed below:</p> <ul style="list-style-type: none"> • Speculative nature of investment: Any potential investor should be aware that subscribing for Shares involves various risks. The Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. An investment in Shares of the Company should therefore be considered very speculative. • OEM model risk: The Company's business is based on an OEM model, which means some of its products are designed to be embedded in, and used as components of, products manufactured by others. If demand for it or its OEM's products are reduced, this could materially impact BirdDog's growth prospects, financial performance and/or the price or value of the Shares. • Distribution network risk: In addition to direct online sales, the Company's other key source of revenue is its distribution network. If the Company's arrangements with any of its key distributors are damaged, this could have a negative effect on the Company's business, financial condition, results of operations and/or the price or value of the Shares. • Manufacturing and supply chain risk: BirdDog's current manufacturing terms (which in some cases are more favourable to the manufacturer – see sections 11.11(e), 11.11(f) and 11.11(g) for details), combined with lengthy supply chain timeframes, are cumbersome and require BirdDog to expend significant working capital. While BirdDog is taking steps to re-locate its manufacturing, there is no guarantee that this strategy will be viable. A failure to improve the Company's manufacturing arrangements could be materially detrimental to its long term growth strategy. • Reliance on key personnel: The Company's business is heavily dependent on its key management and technical personnel (particularly the members of its executive team, Dan Miall, Eamon Drew, Barry Calnon and Jamie Ambrose), and the Company's future depends on retaining and attracting suitably qualified personnel. A loss of key personnel could materially and adversely affect the business, operating results, financial prospects and/or the price or value of the Shares. • Product development risk: While in recent years, BirdDog has experienced an exponential increase in customer demand for its products, BirdDog has only relatively recently moved into the sales and marketing phase for its core products and so the long-term results of these efforts remain to be seen. If BirdDog is unable to effectively grow its product portfolio, this could be damaging to its business, financial condition, future prospects and/or the price or value of the Shares. • Intellectual property risk: The value of the Company's products is dependent in large part on the Company's ability to protect its IP. A failure to protect the Company's IP could erode the Company's competitive advantage and materially harm its business. • Infringement of third party IP: If a third party accuses the Company of infringing its IP rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. • Trade marks: BirdDog has a suite of trade marks that are registered in Australia. However, BirdDog is in the process of seeking trade mark protection in a number of the other key jurisdictions in which it operates. If BirdDog fails to obtain trade mark protection in any of its key markets, this could prejudice BirdDog's reputation and the goodwill in its brand. 	Section 9

Topic/Details	Where to find more information
<p>Company specific risks <i>(continued)</i></p> <ul style="list-style-type: none"> • New markets risk: A key part of BirdDog's growth plan is to expand its product offerings into new geographies and markets. Usually, entries into new markets are costly, and where an attempted entry is unsuccessful, this could harm BirdDog's financial performance, future prospects and/or the price or value of the Shares. • NewTek: As detailed in section 11.11(c), BirdDog licences NDI® protocol from NewTek, a business based in the United States. The continuity of this licence is essential to many pieces of technology in BirdDog's product line, and there are certain terms of this licence agreement that are more favourable to the licensor. Any adverse events occurring in connection with BirdDog's licence with NewTek could materially harm BirdDog's business. • Sufficiency of funding: The funding proposal set out in section 4.11 is based on the Company's best estimation of cash flow projections and estimated expenditures to carry out its stated objectives as detailed in section 4.11. While the Company is profitable, it has limited financial resources and may need to raise additional funds from time to time to finance the complete development and commercialisation of its products and its other longer term objectives. <p>Other key Company-specific risks include:</p> <ul style="list-style-type: none"> • Product diversification risk; • Failure to gain market share and attract new customers; • Competition; • Regulatory risk; • Foreign exchange risk; • Reputational risk; • Product liability; • Disruption of business operations; • Loss and theft of data/failure to implement secure data controls; • Insurance risk; • Litigation; and • Privacy and data protection. 	Section 9
<p>General risks</p> <p>Further detail on the general risks can be found in section 9. A summary of the general risks is detailed below:</p> <ul style="list-style-type: none"> • Liquidity of shares; • Stock market volatility; • General economic conditions; • Risk of shareholder dilution; • Changes in law and government policy; • Taxation laws and their interpretation; • Government actions, force majeure and other events; • Foreign regulatory structures and laws; and • Unforeseen expenses. 	Section 9

2. Investment Overview Continued

Topic/Details	Where to find more information
---------------	--------------------------------

C. KEY FINANCIAL INFORMATION

What is the key financial information of the Company?

Section 7

The summarised statutory historical financial performance of the Company is set out below:

	Notes	Statutory Historical Results			Pro Forma Historical Results		
		FY2019	FY2020	FY2021	FY2019	FY2020	FY2021
Sales Revenue	1	2,030,485	9,485,007	38,215,539	2,030,485	9,485,007	38,215,539
Other Revenue	2	3,748	828	12,451	3,748	828	1,925
Other Income	3	248,059	524,372	261,358	248,059	466,673	226,739
Total Revenue & Other Income		2,282,292	10,010,207	38,489,348	2,282,292	9,952,508	38,444,203
Cost of sales	4	1,520,828	6,989,912	28,739,095	1,520,828	6,989,912	28,739,095
Advertising expense	5	170,759	139,415	71,492	170,759	139,415	71,492
Employee benefits expense	6	491,501	828,441	3,295,136	2,123,830	2,439,161	3,457,520
Research and development costs	7	300,205	317,785	991,244	300,205	317,785	991,244
Professional fees	8	43,426	145,079	523,468	43,426	102,298	133,583
Software licensing fees	9	50,854	483,816	2,063,080	50,854	483,816	2,063,080
Other expenses	10	243,047	276,806	434,935	812,580	876,406	966,418
EBITDA		(538,328)	828,953	2,370,898	(2,740,190)	(1,396,285)	2,021,771
Depreciation and amortisation expense	11	4,822	55,103	74,186	36,157	55,103	74,186
EBIT		(543,150)	773,850	2,296,712	(2,776,347)	(1,451,388)	1,947,585
Finance costs	12	87,526	237,247	616,212	88,904	237,247	383,316
Profit Before Tax		(630,676)	536,603	1,680,500	(2,865,251)	(1,688,635)	1,564,269
Income tax expense/(benefit)	13	–	(131,747)	326,466	(616,775)	(356,931)	300,204
Net profit after Tax		(630,676)	668,350	1,354,034	(2,248,476)	(1,331,704)	1,264,065
Exchange difference on translation of foreign operations		(8,481)	(3,241)	(8,068)	(8,481)	(3,241)	(8,068)
Total comprehensive income		(639,157)	665,109	1,345,966	(2,256,957)	(1,334,945)	1,255,997

Investors should note that past performance may not be an indicator of future performance.

What is the key financial information of the Company? *(continued)*

Section 7

The summarised pro-forma financial position of the Company after the Offer is set out below:

As at 30 June 2021	Notes	Statutory	Webcast Norge IP Acquisition	Convertible Note impact to conversion	Impact of conversion of Convertible notes	Impact of the offer	Transaction costs	Pro Forma
Current assets								
Cash and cash equivalents	1	9,257,521				21,850,000	(1,955,774)	29,151,747
Receivables		620,903						620,903
Inventories	2	11,269,815				11,150,000		22,419,815
Other assets	3	187,853					(105,924)	81,929
Total current assets		21,336,092				33,000,000	(2,061,698)	52,274,394
Non-current assets								
Deferred tax assets	4	107,601		(31,834)			386,855	462,622
Intangible assets	5		400,000					400,000
Lease assets		122,179						122,179
Property, plant and equipment		63,342						63,342
Total non-current assets		293,122	400,000	(31,834)			386,855	1,048,143
Total assets		21,629,214	400,000	(31,834)		33,000,000	(1,674,843)	53,322,537
Current liabilities								
Payables		1,649,195						1,649,195
Lease liabilities		53,709						53,709
Borrowings	6	13,963,312		1,850,340	(10,493,088)			5,320,564
Provisions		256,459						256,459
Current tax liabilities	7	302,320		(57,637)			(102,089)	142,594
Other financial liabilities	8	4,833,378		(267,104)	(4,566,274)			0
Other liabilities		46,142						46,142
Total current liabilities		21,104,515		1,525,599	(15,059,362)		(102,089)	7,468,663
Non-current liabilities								
Lease liabilities		73,203						73,203
Provisions		36,572						36,572
Total non-current liabilities		109,775						109,775
Total liabilities		21,214,290		1,525,599	(15,059,362)		(102,089)	7,578,438
Net assets		414,924	400,000	(1,557,433)	15,059,362	33,000,000	(1,572,754)	45,744,099
Equity								
Share capital	9	250,010			15,059,362	33,000,000	(1,838,578)	46,470,794
Reserves	10	249,031	400,000				488,000	1,137,031
Retained earnings/ (accumulated losses)	11	(84,117)		(1,557,433)			(222,176)	(1,863,726)
Total equity		414,924	400,000	(1,557,433)	15,059,362	33,000,000	(1,572,754)	45,744,099

2. Investment Overview Continued

Topic/Details	Where to find more information
Where can I find financial information in relation to the Company? See section 7 and the Investigating Accountant's Report in section 8.	Section 7 & 8

Topic/Details	Where to find more information
---------------	--------------------------------

D. THE COMPANY'S DIRECTORS & SENIOR MANAGEMENT

Who are the directors of the Company? <ul style="list-style-type: none">• John Dixon – Independent Non-Executive Director and Chair• Dan Miall – Co-Founder, Managing Director and Chief Executive Officer• Andrew Baxter – Independent Non-Executive Director• Joanne Moss – Independent Non-Executive Director	Section 5.1
Who are the senior management of the Company? <ul style="list-style-type: none">• Dan Miall – Co-Founder, Managing Director and Chief Executive Officer• Eamon Drew – Co-Founder and Chief Marketing Officer• Barry Calnon – Co-Founder and Chief Financial Officer• Richard (Jamie) Ambrose – Global Chief Revenue & Operations Officer• Justin Mouchacca – Company Secretary	Section 5.2

What are the interests of the directors or related parties in the Company?

Section 5.3

Name	Position	Annual Remuneration*	Shares held	Options held	Share Rights	Performance Entitlement
Dan Miall	Co-founder, Managing Director and Chief Executive Officer	295,000 ⁴	44,602,564 ¹	Nil	395,769	
Eamon Drew	Co-founder and Chief Marketing Officer	245,000 ⁵	44,602,564 ²	Nil	395,769	
Barry Calnon	Co-founder and Chief Financial Officer	245,000 ⁶	18,846,154 ³	Nil	395,769	
Jamie Ambrose	Chief Revenue and Operating Officer	225,000	Nil	Nil	519,231	729,167 Performance Rights*
* In addition to the Performance Rights, Jamie is also entitled to a cash award of a value equivalent to the value of the vested Performance Rights (see section 5.5(d) for details).						
John Dixon ⁸	Chair and Non-Executive Director	95,000	Nil	300,000	Nil	
Joanne Moss ⁷	Non-Executive Director	60,000	Nil	200,000	Nil	
Andrew Baxter ⁹	Non-Executive Director	60,000	Nil	200,000	Nil	

Notes:

1. Shares held indirectly via Restless Robot.
 2. Shares held indirectly via Home Made Robots.
 3. Shares held indirectly via Khlebny Pereulok.
 4. To be increased from \$180,000 to \$245,000 plus a \$50,000 Director Fee (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
 5. To be increased from \$180,000 to \$245,000 (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
 6. To be increased from \$180,000 to \$245,000 (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
 7. Joanne Moss intends to subscribe for 115,384 Shares under the Offer.
 8. John Dixon intends to subscribe for 76,922 Shares under the Offer.
 9. Andrew Baxter intends to subscribe for 115,384 Shares under the Offer.
- * Annual remuneration is quoted excluding Superannuation.
- ** Other than as expressly stated, the above table does not take into account Shares the above parties may subscribe for under the Offer.

2. Investment Overview Continued

Topic/Details

Where to find more information

E. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Who are the major Shareholders and what are their interests in the Company on completion of the Offer?

Section 11.8

Shareholder Name	Shares held as at date of Prospectus	Shares held after completion of Offer	% of total Shares held after completion of Offer
Home Made Robots Pty Ltd ACN 154 662 594 ATF Robot Super Awesome Extreme 3000 Trust (controlled by Eamon Drew)	44,602,564	44,602,564	21.8%
Khlebny Pereulok Pty Ltd ACN 154 662 610 ATF 525 Romashkavaya Trust (controlled by Barry Calnon)	18,846,154	18,846,154	9.2%
Restless Robot Pty Ltd ACN 154 662 585 ATF Miall Family Trust (controlled by Dan Miall)	44,602,564	44,602,564	21.8%
Gregory Robert Thomson ATFT GT Discretionary Trust	12,564,103	12,564,103	6.1%

The table above does not include any equity to be issued under BirdDog's EIP, the details of which are set out in section 5.5.

Are there any significant related party transactions?

Section 5.4

None.

F. OVERVIEW OF THE OFFER

What is the Offer?

Section 6.1

The Offer is an initial public offer of 50,769,231 Shares at an Offer Price of \$0.65 per Share. The amount to be raised under this Prospectus is \$33.0 million.

The Company has determined that the Subscription amount to be raised under this Prospectus is \$33.0 million (being 50,769,231 Shares). If this Subscription amount is not raised within 3 months from the date of this Prospectus, all Application money will be refunded in full (without interest).

All Shares issued under to this Prospectus will be fully paid and will rank equally in all respects with the Shares already on issue.

What is the purpose of the Offer and how will the proceeds of the Offer be used?

Section 4.11

Following close of the Offer, the Company expects to have raised \$33 million from investors.

The Company intends to use these funds to:

- achieve a listing on the ASX to broaden the Company's investor base;
- accelerate R&D activities for next-generation product development;
- bring forward new product release dates;
- build-up inventory to continue to manage supply chain issues associated with global chip shortages;
- invest in diversifying manufacturing capabilities and locations to meet market demand and opportunities;
- increase headcount in commercial teams within BirdDog to meet and better customer demand;
- improve marketing activities to increase awareness in new market verticals; and
- meet the Company's ongoing administration and corporate overhead expenses.

The listing will also provide liquidity for shareholders and provide the Company with the benefits of an increased profile as a listed entity.

2. Investment Overview Continued

Topic/Details		Where to find more information
Use of funds/Expenditure Program It is intended that the funds raised under this Offer will be used as summarised in the table below:		Section 4.11
Use of Funds/Expenditure Program*		
Subscription amount		\$33,000,000
<hr/>		
Use of Proceeds	Year 1	Year 2
Inventory Build	\$11,150,000	\$6,250,000
IP Management	\$100,000	\$100,000
Product Engineering & Design	\$1,750,000	\$1,250,000
Manufacturing Development	\$750,000	\$1,250,000
Regulatory Management	\$250,000	\$250,000
Marketing Expenses	\$750,000	\$750,000
Working Capital	\$3,100,000	\$3,380,000
Expenses of the Offer	\$1,920,000	\$0
Total	\$19,770,000	\$13,230,000
<hr/>		
* This anticipated Expenditure Program may vary from the actual expenditure.		
Based on the Subscription amount, the Company intends to undertake a program of work described in its Expenditure Program (above) over a 24-month period commencing from the date of Listing.		
How does the Company expect to fund its operations?		Section 4.11
The Company expects to principally fund its future operations through cash flow generated by the business and through the funds raised under this Offer. The Directors confirm that the Company will have sufficient cash flow from the Company's operations to meet its business needs during the next two years.		
Who is eligible to participate in the Offer?		Section 6.2
This Offer comprises the:		
a) Broker Firm Offer: open to Australian resident retail clients of Brokers who have received a firm allocation for their Broker (see section 6.4 for more details);		
b) Institutional Offer: an invitation to bid for Shares made to Institutional Investors in Australia and in certain other eligible jurisdictions (see section 6.5 for more details); and		
c) Priority Offer: open to select investors nominated by the Company in eligible jurisdictions, who receive a Priority Offer invitation to acquire Shares under this Prospectus (see section 6.6 for more details).		
No general public offer for Shares will be made under this Prospectus.		
What is the Employee Offer?		Section 6.8
The Employee Offer is an offer to Eligible Employees to subscribe for Employee Options (see section 6.8 for more details).		

Topic/Details	Where to find more information
<p>Is the Offer underwritten?</p> <p>This Offer is not underwritten.</p> <p>PAC Partners has agreed to act as Lead Manager to this Offer.</p>	
<p>ASX listing application</p> <p>Not later than 7 days after the date of this Prospectus, application will be made to the ASX for the Company to be admitted to the Official List of the ASX and for the Official Quotation of the Shares. The fact that the ASX may admit the Company to its Official List is not to be taken in any way as an indication of the value or merits of the Company or of the Shares offered under this Prospectus.</p> <p>Official Quotation, if granted, will commence as soon as practicable after the issue of transaction holding Statements to successful Applicants. If permission for quotation of the Shares is not granted within 3 months after the date of this Prospectus, all Application money will be refunded without interest.</p>	
<p>How do I apply for Shares?</p> <p>Applicants can apply under the Broker Firm Offer, Priority Offer, Institutional Offer by completing and submitting a valid Application Form accompanying this Prospectus. All Application money will be held on trust in a separate bank account which has been opened only for this purpose until the Shares are issued and allotted under the Offer or the Application money is returned to the unsuccessful Applicants.</p> <p>Applications must be for at least 4,000 Shares at an aggregate subscription price of \$0.65 or a greater number in multiples of 1,000 Shares at an aggregate subscription price of \$0.65. The Offer Price of \$0.65 per Share is payable in full on Application.</p> <p>Cheques must be in Australian currency and made payable to “BirdDog Technology Limited – Shares/Share Subscription Account” and crossed “Not Negotiable”.</p> <p>Eligible Employees can apply for Employee Options by completing an Application Form and returning it to the Company as per the instructions in the Employee Offer Letter.</p>	<p>Section 6.5(b), 6.6(a), 6.7(b) & 6.8(a)</p>
<p>Opening and closing of the Offer</p> <p>Applications may be lodged at any time after the Opening Date until 5.00pm (AEDT) on the Closing Date.</p> <p>The same dates apply for the Employee Offer.</p>	<p>Please see the Key Offer Information section</p>
<p>Allocation policy</p> <p>The Company reserves the right to authorise the issue of a lesser number of Shares or Employee Options (as applicable) than those for which Application has been made or to reject any Application. Where no issue or allocation is made or the number of Shares issued is less than the number applied for, surplus Application money will be refunded without interest.</p> <p>If an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be treated as valid. The Company’s decision as to whether to treat an Application as valid, and how to construe, amend or complete it, will be final. The Company’s decision on the number of Shares to be allocated to an Applicant will also be final.</p>	<p>Section 6.5(d), 6.6(b), 6.7(c) & 6.8(b)</p>

2. Investment Overview Continued

Topic/Details	Where to find more information
<p>Are there any additional costs payable by the Applicant?</p> <p>No brokerage, commission, stamp duty or any other costs are payable by Applicants on acquisition of the Shares under the Offer or the Employee Offer.</p> <p>See section 11.12(e) for details of various fees payable by the Company to the Lead Manager.</p>	Section 6.4 & 11.12(e)
<p>Will I be paid dividends?</p> <p>The Directors do not envisage that the Company will be in a position to declare any dividends in the foreseeable future.</p> <p>The financial prospects of the Company are dependent on a number of factors, including without limitation the general business environment, the operating results and financial condition of the Group, the Group's cash flow including cash from operations, working capital requirements, potential acquisition and expansion opportunities, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by the Group, and any other factors that the Directors of the Group may consider relevant.</p> <p>It is the Board's current intention to establish a dividend payout policy in the six months following listing.</p> <p>No assurances can be given by any person, including the Directors of the Group, about the payment of any dividend and the level of franking on any such dividend.</p> <p>In light of these factors and having regard to ASIC Regulatory Guide 170, the Directors consider at this stage the Company is unable to provide potential investors with reliable revenue, profit or cash flow projections or forecasts. An investment in BirdDog is a long term investment, with long development time frames and no dividends should be expected in the short term.</p>	Section 7.9
<p>What are the tax implications of investing in the Shares?</p> <p>The tax treatment and consequences of the Offer will vary depending on the particular circumstances of the Applicant. The Company accepts no liability or responsibility in relation to any taxation consequences connected to the Offer. Therefore, regarding the appropriate tax treatment that applies to the Offer, it is the responsibility of any Applicant who makes an Application to satisfy themselves by consulting their own professional tax advisers prior to investing in the Company.</p>	Section 10
<p>Where can I find more information about this Prospectus or the Offer?</p> <p>Further information can be obtained by reading this Prospectus in its entirety. For advice on the Offer you should speak to your stockbroker, accountant or other professional adviser. If you require assistance or additional copies of this Prospectus please contact the Lead Manager on 03 9114 7400 (within Australia) or on +61 3 9114 7400 (outside Australia).</p>	Section 6.4



Cam Control is the easiest and most user-friendly way to access all features of the BirdDog cameras.



3. INDUSTRY OVERVIEW

3. Industry Overview

Market Report

Global Networked Broadcast & Audio Visual Solutions Market

This report describes the global networked broadcast and audio visual (AV) solutions market, and has been commissioned from Frost & Sullivan by BirdDog Australia Pty. Ltd. (hereafter referred to as BirdDog or the Company) to support its initial public offering (IPO) process.

1. Introduction and Background

BirdDog is a global leader in the networked broadcast and AV solutions market, supplying hardware and software products including pan-tilt-zoom (PTZ) cameras, converters, software platforms, AV wall plates, accessories, keyboards, chips and boards to clients that include broadcasters, streaming service providers and enterprises. BirdDog's products are based on the Network Device Interface (NDI®) - a protocol for Video over Internet Protocol (IP), developed by NewTek, which offers the ability to provide high quality video without the high cost associated with traditional solutions.

1.1 Scope and Definitions

NDI® is an AV over IP protocol enabling high quality, low latency,¹ frame-accurate video and audio (and bidirectional data) over existing network-connected devices and standard network infrastructure. NDI® is provided by NewTek (a subsidiary of Vizrt Group).

Competing video signal standards include point-to-point connections such as High Definition Multimedia Interface (HDMI) and Serial Digital Interface (SDI) and IP video suite of standards such as Society of Motion Picture and Television Engineers (SMPTE 2110).

The advantages of NDI® include:

- Overcomes the limitation of dedicated one-way cabling (needed with SDI and HDMI)
- Works on existing computer networks and in the cloud
- Facilitates multiple video sources simultaneously on Gigabit Ethernet networks, and can scale up to 10Gbit and more
- Has efficient compression with no video signal loss in further decode-to-encode sequences
- Flexible - can be used with diverse resolutions, aspect ratios, frame rates and formats

¹ Processes high data volumes with minimum delay, which makes it ideal for live broadcast/streaming

- Uses WiFi networks as another path to smartphones, tablets and other devices
- Bi-directional operation on a local area network (**LAN**) ensures that every source is also a destination; thus creating a connected network
- Auto-discovery services built in so that NDI® enabled devices automatically connect to each other with no configuration required

The table below highlights NDI® in comparison to other AV over IP protocols:

Table 1: Top level Feature Comparison, Major AV over IP Protocols

Feature	Benefit	NDI	SMPTE2110	Dante AV	HDBaseT
Low Latency	Minimal delay enables better outcomes for live content, interactive content or video conferencing	✓	✓	✓	✓
High Quality	Facilitates enhanced viewer experience through High Definition and above video	✓	✓	✓	✓
Low Networking Requirements	Enables high performance over existing networks without the need for significant investments in new high-speed networks	✓	X	✓	X
Auto Configuration	Auto discovery allows devices to connect seamlessly without IT level administration required	✓	X	✓	X
Bi-directional Control	Every source is also a destination; thus creating a connected network	✓	X	X	X
Software-defined	The core of the operating environment is based around software allowing adoption en masse across all modern devices	✓	X	X	X
Freely Available Community Development Tools	Free access to tools and resources for developers	✓	X	X	X

Source: BirdDog

As the comparison suggests, NDI offers broadcast quality pictures in low latency. The built in auto-discovery services means NDI enabled devices ‘just work’ without the need for IT level administration of the network.

The table below compares traditional live video production / distribution setup with NDI® live video production / distribution setup.

3. Industry Overview Continued

Table 2: Comparison of Traditional Live Video Production/Distribution Setup with NDI® Live Video Production/Distribution Setup

	‘Traditional’ live video production/ distribution setup = DEDICATED RESOURCES/ Expensive	NDI® live video production/distribution setup = FLEXIBILITY/Cost Effective for more organisations
People	Broadcast engineers Dedicated resource	IT engineering Shared and highly available resource
Equipment	Video Routers/ Distribution Dedicated Video Processors Limited in capabilities/scale Video Transmission Complex, specialist	Network Routers/ Distribution Commodity hardware Software Processors Unlimited in scale and upgradeable Video Transmission Inherent in NDI®/ software
Infrastructure	Point to point Masses of dedicated cabling Serial process Single use per cable run	Standard computer networking Embedded Massively parallel Any device can reach any device

Source: BirdDog

PTZ cameras are video cameras that can be remotely controlled to pan horizontally, tilt vertically and diagonally, and zoom in or out of subjects to record or live stream.

NDI® Converters are encoders and decoders that allow non-NDI cameras, computer and other sources to be retrofitted with NDI®.

Digital signage refers to a network of connected screens that are typically managed remotely and whose core business model revolves around advertising and/or merchandising. This market includes displays, digital content management and media player software, media players and services (network design, installation, networking services, tech support, etc.)

Figure 1: Main Verticals served by BirdDog's Solutions

Addressable Verticals for Networked Broadcast & AV Solutions	Broadcast (Media & Entertainment)
	Corporate
	Venues & Events
	Education
	Healthcare
	Retail & Hospitality
	Government & Military
	House of Worship

Source: BirdDog

1.2 Methodology

In writing this report, Frost & Sullivan has used existing published data sources from government statistics, journals, articles, analyst reports and company reports and presentations, which are considered reliable. All currency refers to US dollars (\$) unless stated otherwise.

2. Market Drivers

The key trends driving demand for BirdDog's solutions globally are described below:

Growth in digital signage: With the increased use of omni-channel² marketing strategies, synergies between cross-platform technologies (such as touchscreens, mobile phones, and tablets) and digital signage are being explored. The popularity of smartphone/tablet use amongst consumers is driving tighter integration between mobile devices, touchscreens, and digital signage as network owners seek to tap into the potential that lies in sending highly targeted and contextually relevant messages to specific customers in real time. With digital signage, network owners can adopt an audience-centric approach wherein real-time hyper-targeted messages that are tailored for specific user demographics can be displayed. Digital displays are also equipped to respond quickly to external real-world conditions and dynamically modify the content being played. Responsive displays keep the content fresh and relevant, making it versatile in terms of both ads and the dissemination of public announcements and updates (weather, traffic, time of day, stock tickers, and emergency broadcasts).³

Historically, one of the factors holding back investments in digital signage was the perceived lack of metrics such as those available for traditional TV ratings or click-through rates for online campaigns. Today, digital signage is tightly integrated with technologies such as smartphones,

² Online presence and brick-and-mortar presence

³ Global Digital Signage Systems Market, Forecast to 2025, Frost & Sullivan, Jun 2019

3. Industry Overview Continued

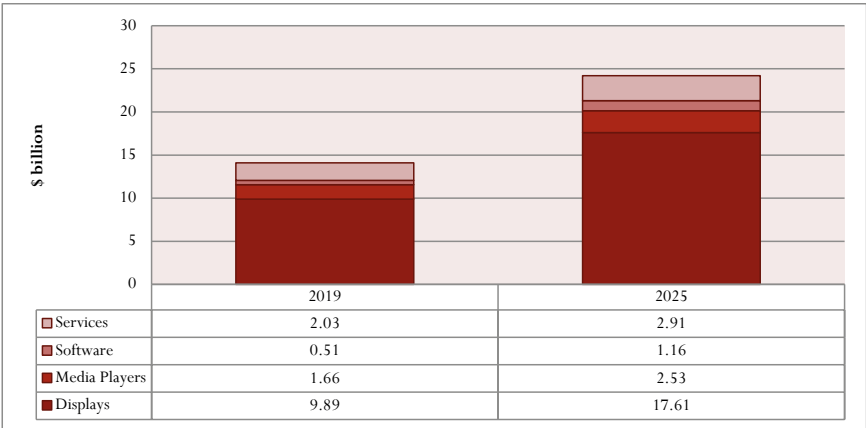
tablets, Near-Field Communication (NFC),⁴ radio frequency identification (RFID)⁵, touchscreens, kiosks, point-of-sale systems, and social media for the collection of detailed, anonymous viewer data that can be used to optimise ads and messaging in real-time. Further, the use of facial recognition and eye tracking through proximity cameras and sensors can help detect if the viewer is looking at the content or is within the range of the display.

In addition, display and media player costs have declined sharply over the past five years. And following the shift to cloud-based hosting and content delivery models, software costs have become more attractive.

Finally, partnerships and alliances have been formed between different participants in the ecosystem—hardware and software vendors, media player providers, value-added resellers (VARs), system integrators (SIs), network connectivity providers, consultants, and ad agencies. For network operators, this creates a single point of contact between them and the host of suppliers that then take ownership of the complicated process of setting up the network and running it (signage-in-a-box or signage-as-a-service model).⁶

The global digital signage systems market is projected to grow at a CAGR of 9.4% from \$14.09 billion in 2019 to \$24.20 billion in 2025.⁷

Figure 2: Total Digital Signage Systems Market: Revenue Forecast, Global, 2019 and 2025



Source: Global Digital Signage Systems Market, Forecast to 2025, Frost & Sullivan, Jun 2019

⁴ Wireless communication between two electronic devices in close proximity to each other

⁵ System of wireless communication between tags and readers

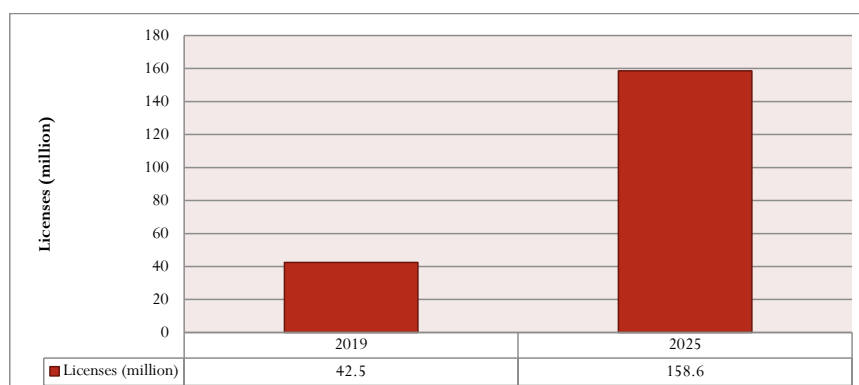
⁶ Global Digital Signage Systems Market, Forecast to 2025, Frost & Sullivan, Jun 2019

⁷ Ibid

Surge in the use of video solutions in corporate use cases: As travel and proximity restrictions triggered the implementation of work-from-home (WFH) policies, the global conferencing and collaboration market is witnessing a reset that is expected to persist beyond the pandemic. This can take the form of staggered shifts/hot desking (resulting in reduced office footprint), use of co-working/serviced office spaces, move to distributed offices (hub-and-spoke models), as well as move to fully remote with no physical office.

Post-pandemic, the number of remote workers is anticipated to be six to seven times greater than pre-pandemic, creating an unprecedented and sustainable demand for video meetings. Video is becoming the linchpin to unified communications (UC)⁸ adoption, with video usage having grown over 350% compared to pre-pandemic levels.⁹ The number of cloud web/video meeting licenses is projected to grow at a compound annual growth rate (CAGR) of 24.6% between 2019 and 2025.¹⁰

Figure 3: Cloud Web/Video Meetings Market: Licenses Forecast, Global, 2019 and 2025



Source: Transformative Mega Trends Shaping Post-COVID Consumer Behaviour, Frost & Sullivan, Apr 2021

In a global survey of IT decision-makers, Frost & Sullivan found that, while 58% currently use meeting room-based video conferencing tools for in-office and remote employees, an additional 30% plan to invest in these systems in the next two years.¹¹ The same survey found that webcams and USB conference cameras are most commonly used in meeting rooms. Almost one-half of

⁸ UC is the integration of the various tools and applications used within an enterprise and with external partners for business communications (including enterprise telephony, email, messaging, conferencing and collaboration, mobility solutions, contact centre applications, etc.)

⁹ Communications and collaboration investment priorities: IT/Telecom buyers' perspective", Frost & Sullivan Global Customer Survey, n=3,284, Feb 2021

¹⁰ Transformative Mega Trends Shaping Post-COVID Consumer Behavior, Frost & Sullivan, Apr 2021

¹¹ Communications and Collaboration Investment Priorities, Frost & Sullivan Global Customer Survey, n=3,284, Feb 2021

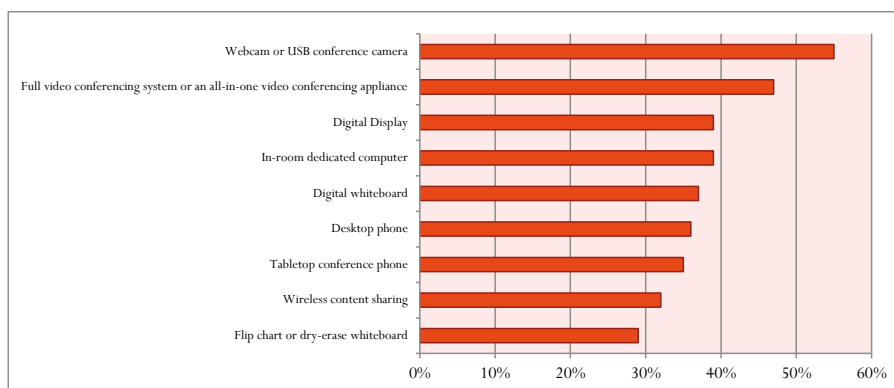
3. Industry Overview Continued



Market Report

respondents also use full video conferencing systems and all-in-one video conferencing appliances.¹²

Figure 4: Video Collaboration Technologies Used Today in at Least One Meeting Room, Global, 2020



Source: *Communications and collaboration investment priorities: IT/Telecom buyers' perspective*, Frost & Sullivan Global Customer Survey, n=3,284, Feb 2021

Fragmentation in the broadcast sector: At the start of 2020, there were over 500 live and on-demand streaming services globally.¹³ This proliferation of mainly direct-to-consumer¹⁴ services such as subscription-based on-demand services, free advertising-supported services and live pay TV is translating into a scenario where many of these content services have matured to the tune of tens of millions of subscribers. This rapid growth in streaming services is supporting demand for networked broadcast solutions.

Expansion of professional or semi-professional content creator group: The rise of user-centric video sharing services (e.g. YouTube, Twitch and Facebook Gaming) has spawned a diverse range of influencers and celebrities who generate income¹⁵ via the professional or semi-professional content they create and share. For example, the number of Twitch¹⁶ partners (popular broadcasters with a large following who receive a share of the advertising revenue from Twitch) has risen from 3,400 in 2012 to 51,500 as of mid-2021 and the total number of monthly

¹² Ibid

¹³ *Streaming Video to Get Disrupted Again with Rising Costs and D2C Models*, Frost & Sullivan, Jan 2020

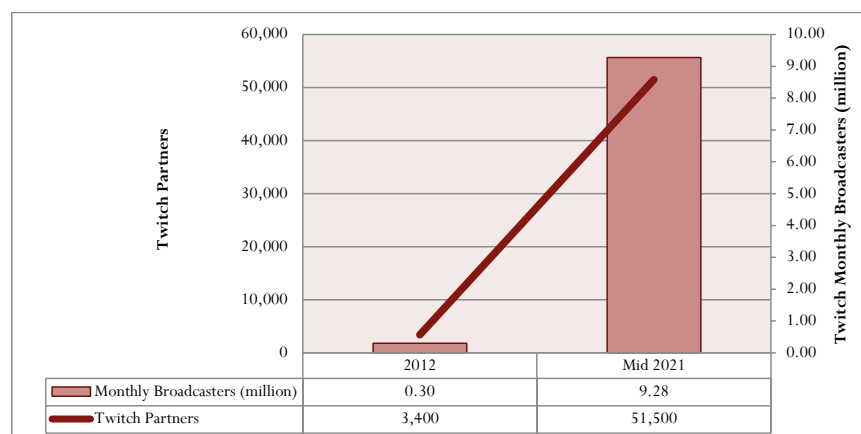
¹⁴ Bypassing traditional distribution platforms

¹⁵ From advertising revenue, donations, subscriptions, endorsements, sponsorships, merchandise sales, etc.

¹⁶ Twitch is the Amazon-owned platform that is the global market leader in live broadcasts of gamers playing video games

broadcasters has risen from 300,000 to 9.28 million over the same period.¹⁷ This has driven uptake of higher quality hardware and software for AV content creation and sharing.

Figure 5: Twitch Monthly Broadcasters and Partners, 2021 and mid-2021



Source: TwitchTracker, <https://twitchtracker.com/statistics>, accessed 20 Jul 2021

Surge in online classes in the education vertical: The COVID-19 pandemic-induced changes in the education vertical have been profound and pervasive. Schools, universities and other tertiary education institutions have learnt from the rapid pivot to online learning during the series of lockdowns and are becoming more adept at deploying (1) synchronous learning for group learning and exchange of ideas and (2) asynchronous sessions when students need to engage at their own pace, do homework before a class, or if the level of prior knowledge of a subject among students varies significantly.¹⁸

Apart from the pandemic-driven disruption, improvements in collaboration tools and connectivity, declining mobile device prices, increased comfort levels amongst teachers with online delivery tools and processes, intense competition for international higher education students, as well as the rising population of non-traditional learners will contribute to long term growth in online education content creation and sharing.

Growth in telehealth uptake: Globally, by the end of 2021, approximately 35% of patient interactions are anticipated to be virtual (compared to 20% currently) as the physician will no

¹⁷ TwitchTracker, <https://twitchtracker.com/statistics>, accessed 20 Jul 2021

¹⁸ Growth Opportunities for Communications, Collaboration, and Contact Center Technologies in the Education Industry, Frost & Sullivan, Feb 2021

3. Industry Overview Continued

FROST & SULLIVAN

Market Report

longer be the automatic first touch point.¹⁹ The global telehealth market will near \$50 billion in 2021.²⁰ Moving forward, as reimbursement and regulation support for virtual care expands and as patients become more accustomed to digital healthcare, they will proactively demand it from their providers. Providers will focus on building the most effective 'digital front door' strategies to stay relevant to a hyper-connected audience.

Expanded use in the government/military vertical: Similar to other vertical sectors, government institutions aim to enhance staff productivity and improve the customer (i.e. citizen) journey, whilst reducing costs. In this context, video collaboration tools are viewed as one long term solution to a wide array of inefficiencies that plague the public sector beyond the challenges created by COVID-19 (such as pivoting to remote/hybrid team collaboration workflows and supporting the surge in online engagement on citizen-facing platforms). Video has also found expanded use cases during the lockdowns (e.g. remote court trials, executive and legislative meetings).

Strong uptake in 'house of worship' vertical: Whilst projection within church/religious venues and broadcasting from one church/religious venue to multiple venues has been an established practice, the COVID-19 pandemic triggered a surge in church use of professional PTZ cameras, software and relevant hardware to enable live streaming (and playback) of services to congregations unable to attend in person on account of lockdowns. Moving forward, churches are expected to increase budgets for live stream equipment and services.

Recovery in live sport/events vertical: There remains considerable variation in the extent and pace of reopening of economies globally (based on vaccine roll-outs and COVID-19 case numbers). In those countries where recovery has been quick, the return of live sport/events is expected to support near-term recovery in demand for relevant broadcasting and display solutions. Over the long term, strong consumer interest in live sports/events, the intrinsic attractiveness of the sector to sponsors/advertisers, the expansion of broadcast options per event, and the proliferation of innovative fan engagement platforms will underpin a return to growth for the sector.

Expansion in PTZ camera use: The PTZ camera is witnessing rapid expansion in uptake across a number of verticals, including telehealth, online education, live streaming, sporting events, and government and military. In a post-COVID-19 world, the ability to set up three cameras for a shoot

¹⁹ Developing Innovative ROI Streams and Patient-centric Virtual Care Approaches will Shape the Global Healthcare Industry, Outlook 2021, Frost & Sullivan, Mar 2021

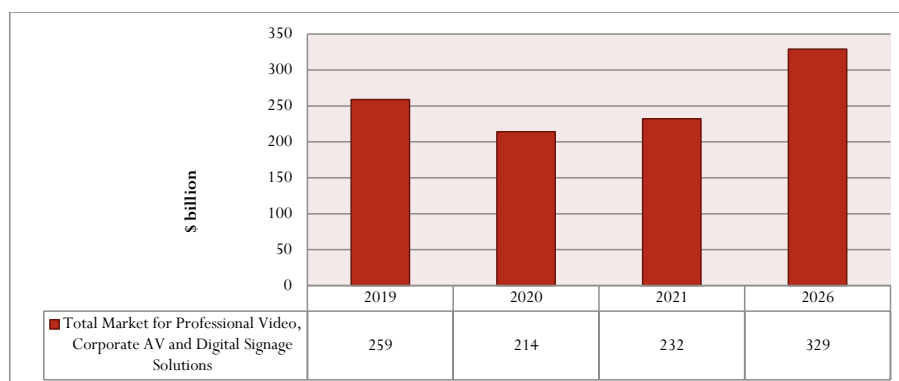
²⁰ Ibid

without the need for operators helps in enabling content creation remotely, reduction in crew required and a consequent reduction in production costs. Also, the industry is seeing an increased number of cameras used per shoot to provide more immersive viewing experiences. Currently, it is estimated that close to 150,000 professional PTZ cameras are sold annually across the globe.²¹

3. Global Market Opportunity

The total global market for professional video, corporate AV and digital signage solutions across all verticals was estimated at \$214 billion in 2020, but with a significant rebound expected in 2021 to \$232 billion and growing at a 7.2% CAGR to reach \$329 billion by 2026.²²

Figure 6: Total Market Revenue for Professional Video, Corporate AV and Digital Signage Solutions, Global, 2019-21 and 2026



Source: AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA)

²¹ UCC Drives PTZ Camera Sales Growth in ProAV Market, Futuresource Consulting quoted in Rave Pubs, <https://www.ravepubs.com/ucc-drives-ptz-camera-sales-growth-proav-market/>, accessed 21 Jul 2021

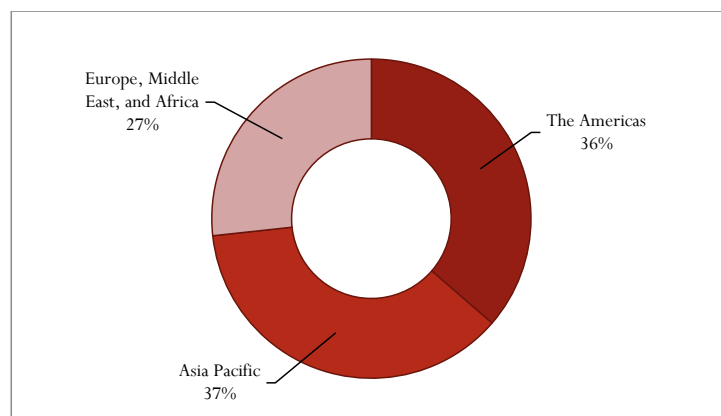
²² 2021 AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA)

3. Industry Overview Continued



Market Report

Figure 7: Professional Video, Corporate AV and Digital Signage Solutions Market Revenue Split by Major Region, 2020



Source: AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA)

Of this total market, BirdDog's hardware and software products can be used in solution segments²³ that account for around 69% of the total revenue.

Table 3: BirdDog Addressable Market by Relevant Solution Segments, Global

Solution Segments	Proportion of Global Market Revenue (%)	\$ billion (2021)
Conferencing and collaboration	18.8%	43.5
Digital signage	13.8%	32.0
Learning	13.7%	31.9
Live events solutions	11.2%	26.0
Content distribution	11.2%	26.0
Solution segments not addressed*	31.4%	72.8

Solution segments not addressed include Performance/entertainment solutions, Security & Surveillance, Command & Control, Simulation & Visualisation, and Others (although some proportion of the 'Others' category may include addressable opportunities for BirdDog)

Source: AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA), Frost & Sullivan and BirdDog

Of the total market, BirdDog's hardware and software products can be used in product/service segments²⁴ that account for around 57% of the total revenue.

²³ Segmentation by solution focuses on the major use cases

²⁴ Segmentation by product/service focuses on actual categories of products/services

Table 4: BirdDog Addressable Market by Relevant Product/Service Segments, Global

Product/Service Segments	Proportion of Global Market Revenue (%)	\$ billion (2021)
Streaming Media, Storage & Distribution	22%	51.0
Capture & Production Equipment	15%	34.8
Video Displays	13%	30.2
Infrastructure	5%	11.6
Software	2%	4.6
Product/service segments not addressed*	43%	99.8

Product/service segments not addresses include Services, Audio Equipment, Control, Environmental, and Video Projection

Source: AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA), Frost & Sullivan and BirdDog

Considering the relevant product/service segments (57% of total market) and relevant solutions (69% of total market) globally, it can therefore be estimated that BirdDog's current total addressable market, at a very broad level, ranges between \$132 billion to \$161 billion. However, this is based on broad product/service and solution category definitions and therefore also includes revenues for products that are not in BirdDog's current portfolio.

Focusing on the two main products offered by BirdDog currently (NDI® PTZ cameras and NDI® converters) which account for 85% of the company's total sales at this stage,²⁵ and applying BirdDog's average price,²⁶ the addressable market (assuming penetration of all professional PTZ camera sales²⁷ and all AV over IP encoder and decoder sales²⁸) for these main products is estimated at over \$770 million per year, based on estimated total global unit sales.²⁹

4. Competitive Landscape

The figure below outlines the networked broadcast and AV solutions industry structure:

Figure 8: Networked Broadcast and AV Solutions Industry Structure

²⁵ BirdDog last twelve months sales data to end of Jun 2021

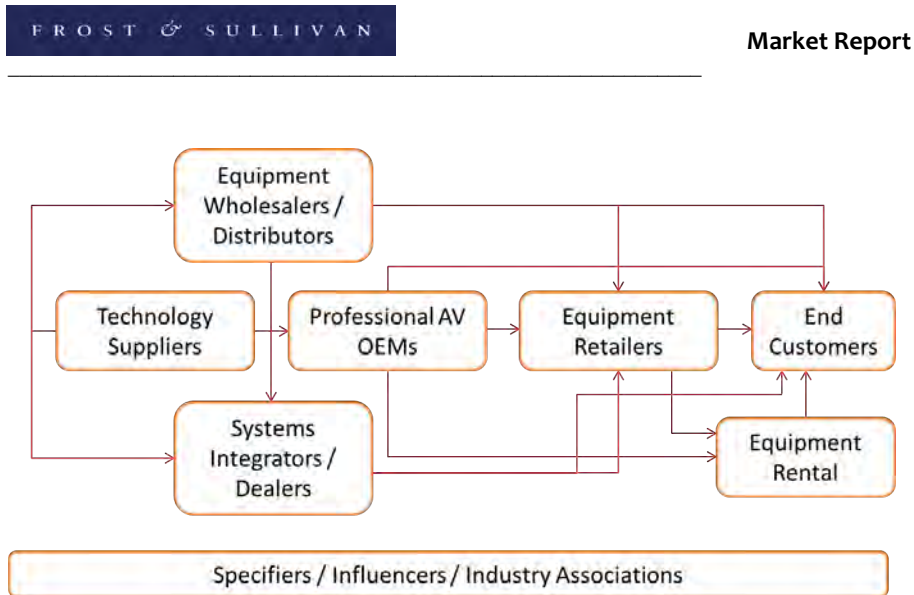
²⁶ Ibid

²⁷ 150,000 professional PTZ cameras sold annually (UCC Drives PTZ Camera Sales Growth in ProAV Market, Futuresource Consulting quoted in Rave Pubs, <https://www.ravepubs.com/ucc-drives-ptz-camera-sales-growth-proav-market/>, accessed 21 Jul 2021)

²⁸ Over 1 million AVoIP encoder and decoder units sold annually by 2023 (AV Over IP: Challenges, Opportunities and the Unreachable Mainstream, <https://www.futuresource-consulting.com/insights/av-over-ip-challenges-opportunities-and-the-unreachable-mainstream/?locale=en>, accessed 21 Jul 2021)

²⁹ Frost & Sullivan analysis using Futuresource Consulting market estimates and BirdDog's last twelve months sales data

3. Industry Overview Continued



Source: Frost & Sullivan

OEMs may sell direct to end customers, through wholesalers/distributors, retailers and/or system integrators/service providers. Often, channel intermediaries bundle equipment from various suppliers and provide services as part of their solution offering to end-customers. For larger projects, AV consultants, architects and systems integration firms with design/build capability are key influencers in the project.

Competitive Tools

Key competitive tools providing competitive advantage in the networked broadcast and AV solutions industry include:

- A planned product roadmap and ongoing R&D to drive design, prototype and validation for new product development
- Continuous engagement with customers to address changing customer needs and drive product innovation based on a continuous improvement approach
- In-house technical expertise and collaboration / alliances with external industry experts
- Product specific attributes (for example, for PTZ cameras: resolution, colour rendition, quick and stable auto focus, multiple output interfaces, variety of presets, multicamera synchronisation, continuous firmware updates, etc.)
- Level of product integration with a diverse range of partners
- Ease of product installation and operation

- Established distribution network
- Sales and marketing team presence in target geographical markets

Competitors

Apart from the BirdDog, other companies active in this market include the following:

Table 5: Competitive Landscape by Major Segment

Segment	Key Competitors
Professional PTZ Cameras	PTZ Optics, Lumens, NewTek,* Marshall, Canon, Sony, Panasonic, Vaddio (Legrand), VHD, Minrray, JVC, Axis Communications, Aver, etc.
Converters	Kiloview, Magewell, NewTek,* JVC, etc.
Digital Signage	Samsung, LG Electronics, NEC Display Solutions, Panasonic, Sony, Leyard/Planar, Goodview, etc.

Source: Company Reports

*While BirdDog licenses NewTek's NDI®, NewTek is also a competitor through its relevant competing products such as PTZ cameras and converters.

The segments show differing levels of market concentration, with a lower number of competitors in the professional PTZ camera and converter segments, whereas digital signage comprises more than 250 vendors, including those that manufacture hardware such as LCDs/LED displays, video walls and media players, and software solution providers.

Whilst the large networked broadcast and AV hardware original equipment manufacturers (OEMs) leverage their large capital base, high R&D spend and global presence for competitive advantage, NDI®-specialist competitors focus more on expanding their NDI-specific product range to underline NDI® focused positioning. Whilst many PTZ camera OEMs have products in their portfolio that support NDI®, in a number of cases, this is not by default, but rather an optional upgrade. BirdDog's embedding of the full NDI® protocol allows it to offer higher image quality with low latency; a significant point of differentiation to both professional and semi-professional end-users. Having NDI® built in also gives BirdDog some competitive price advantages.

5. Conclusions

The growth in the digital signage systems market, the surge in the use of video solutions in corporate use cases, proliferation of mainly direct-to-consumer broadcasting services, expansion of the professional or semi-professional content creator group, the shift towards increased online education delivery, the growth in telehealth consultations, expanded use of video in the government/military vertical, strong uptake in house of worship vertical, the expected recovery

3. Industry Overview Continued

FROST & SULLIVAN

Market Report

in live sport/events, and expansion in PTZ camera use are expected to drive demand for networked broadcast and AV solutions.

The total global market for professional video, corporate AV and digital signage solutions across all verticals is projected to grow from \$232 billion in 2021 at a 7.2% CAGR to reach \$329 billion by 2026.³⁰

6. Disclosure

This is an independent report prepared by Frost & Sullivan. Save for the preparation of this report and services rendered in connection with this report for which normal professional fees will be received, Frost & Sullivan has no interest in BirdDog Australia Pty. Ltd. and no interest in the outcome of the IPO. Payment of these fees to Frost & Sullivan is not contingent on the outcome of the IPO. Frost & Sullivan has not and will not receive any other benefits (including any commissions) and there are no factors which may reasonably be assumed to have influenced the contents of this report nor which may be assumed to have provided bias or influence. Frost & Sullivan consents to the inclusion of this report in the Prospectus in the form and context in which it is included. As at the date of this report, this consent has not been withdrawn. Frost & Sullivan does not hold a dealer's license or Financial Services License. This report does not constitute advice in respect of the IPO.

³⁰ 2021 AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA)



BirdDog PF120 is BirdDog's first NDI® box camera.



4. COMPANY OVERVIEW

4. Company overview

4.1 ABOUT THE COMPANY

BirdDog is a global video technology company that enhances the quality, speed, and flexibility of video through a range of solutions, augmented with NDI®.

Broadcasters, large enterprises, small and medium sized enterprises, education, and social organisations require audio-visual and broadcasting technology with strong functionality, flexibility and high image quality. Existing serial protocols do not provide the solution for their next generation needs. For example, historically, high-quality broadcasting has required significant investment in equipment (e.g. a broadcast truck parked outside a stadium) to achieve low latency broadcast quality video transmission.

BirdDog delivers custom video solutions based on NDI®, augmented with select high-performance technologies. NDI® is a high-performance standard that allows anyone to use real time, ultra-low latency video on existing networks, enabling a step-change in the quality of video able to be implemented without a significant capital outlay.



4.2 BIRDDOG BACKGROUND & HISTORY












BirdDog Australia (the previous parent company of the Group) was incorporated in 2016 by Dan Miall and Eamon Drew. Both founders recognised a gap in the market and an opportunity to disrupt the sector by solving complex workflow problems encountered by individuals and organisations in delivering high-quality and low-latency video connections, with affordable video technologies.

BirdDog delivered Studio NDI, the world's first NDI® converter device in December 2017. Studio NDI bridged the divide between video interfaces found on cameras, computers and other devices, and generated NDI® network streams to deliver the highest level of production at a fraction of the cost of traditional broadcast infrastructure. BirdDog recorded a little over 1,000 sales of Studio NDI units in the financial year ended 30 June 2018 and has since expanded the range to over 30 products across cameras, converters, embedded NDI® technologies, software and a range of accessories.

Timeline and Key Milestones

April 2016	Studio NDI product announced NAB Show Las Vegas	
June 2016	BirdDog incorporated	
December 2017	First customer shipments of Studio NDI	
April 2018	Mini announced at NAB Show Las Vegas	
April 2018	Comms Pro software announced at NAB Show Las Vegas	
April 2018	Central Pro software announced at NAB Show Las Vegas	
September 2018	P100 NDI® PTZ camera debuted at IBC Amsterdam	
September 2018	P200 NDI® PTZ camera debuted at IBC Amsterdam	
September 2018	A200 NDI® PTZ camera debuted at IBC Amsterdam	
September 2018	A300 NDI® PTZ camera debuted at IBC Amsterdam	

4. Company overview Continued

April 2019	BirdDog launches 4K family of converters	
June 2019	USA support presence established	
September 2019	UK and European sales presence established	
September 2019	BirdDog Cloud launched at IBC Show in Amsterdam	
September 2019	BirdDog joined SRT Alliance	
September 2019	P4K, 4K PTZ camera debuted at IBC Amsterdam	
December 2019	USA sales presence established	
February 2020	NDI® Wallplates debuted at ISE Amsterdam	
February 2020	Strategic technology partnership with NEC announced at ISE Amsterdam	
February 2020	SDM Modules debuted at ISE Amsterdam	
April 2020	P400, 4K PTZ camera announced	

April 2020	Cam Control software launched	
June 2020	Flex family announced and shipping	
January 2021	LATAM sales presence established	
May 2021	BirdDog Celebrates 10,000 LinkedIn followers	
June 2021	PLAY announced	
June 2021	BirdDog Cloud Connect software apps announced	
June 2021	A200 Gen 2 camera launched	
June 2021	A300 Gen 2 camera launched	
June 2021	PF120, NDI® Box Camera announced and shipping	
June 2021	SDM modules announced	
October 2021	BirdDog Celebrates customers in over 100 countries	

4. Company overview Continued

World First Achievements

First NDI® Silicon Implementation
First NDI® Hardware Encoder
First NDI® Hardware Decoder
First NDI® Hardware Tally System
First NDI® Audio Intercom Software
First PoE Powered NDI® Converters
First High Bandwidth NDI® PTZ Cameras
First High Bandwidth Outdoor NDI® PTZ Cameras
First 4K High Bandwidth NDI® Camera
First NDI® Camera Shading Software
First NDI® PTZ Controller
First hardware-based Multi-Channel NDI® Converter
First High Bandwidth NDI® Box Camera
First NDI® Wallplates
First NDI® SDM Modules
First NDI® in ARM Stand-Alone Hardware Decoder

4.3 BIRDDOG PRODUCT PORTFOLIO

BirdDog develops and manufactures a range of standalone hardware, embedded hardware, and software solutions designed to integrate with or operate directly on an NDI® powered platform.

PTZ Cameras

BirdDog currently manufactures and sells 6 different models of robotic Pan-Tilt-Zoom (**PTZ**) cameras embedded with NDI® technology. The sale of these cameras currently represents over 60% of BirdDog's revenue, with each camera ranging in price between RRP USD\$1,495 to \$7,995. PTZ cameras are a growing product category and are designed to be more economical by requiring fewer camera operators. Cost savings can be delivered due to less complexity in cabling, which leads to time savings during set ups and break downs.

Box Cameras

BirdDog's PF120 is designed to capture static shots of a specific area of an environment, such as meeting rooms, video conferencing applications, practical demonstrations, sporting Point of View ('POV'), game-streaming, and locked off production shots. PF120 is BirdDog's first Box Camera, released in June 2021 with an RRP of USD\$1,295.

Converters – Encoders and Decoders

Encoder circuits convert the applied information signal into a coded digital signal, a Decoder performs a reverse operation and recovers the original information signal from the coded bits. BirdDog's Encoders and Decoders use the NDI® protocol and bridge the gap between traditional baseband video to NDI®. These products allow for non-NDI® cameras, computers, and other sources to be retrofitted to enable the use of NDI® technology. BirdDog has 9 distinct products in this range, the sales of which represent over 21% of the Company's revenue.

AV products, controllers and other accessories

BirdDog manufactures and sells accessories to enhance the use of its technologies, including NDI® PTZ Keyboards, various camera mounting options, power over Ethernet (PoE) adapters and cables. These controllers and accessories represent over 3% of the Company's sales.





NDI® Embedded Smart Display Modules

In February 2021 Sharp NEC Display Solutions launched the NEC MESSAGE Series product line, a range of smart display solutions designed to deliver best-in-class, tailored digital signage. This product range integrates BirdDog's NDI® powered Encoder and Decoder SDM solution, offering full NDI® powered screens. The SDM products started being sold through select channel partners in October 2021 and is expected to form a growing component of BirdDog's revenue mix, with the Signage Display and Video Wall markets representing two of the largest addressable markets for BirdDog's technology.

Software

BirdDog has several stand-alone software products based on NDI® along with cloud-based NDI® remote delivery and management software products which are sold through a SaaS ('Software as a Service') model. Software sales currently represent a small component of BirdDog's revenue.

The below table represents BirdDog's current product line:





Product	Product	Description
Pan Tilt Zoom (PTZ) Range		
	P100	<ul style="list-style-type: none">• Built on BirdDog's custom NDI® silicon chip• Broadcast quality image sensor• High Definition (HD)• NDI® video output
	P200	<ul style="list-style-type: none">• Built on BirdDog's custom NDI® silicon chip• Broadcast quality image sensor• High Definition (HD)• Long zoom lens• NDI® video output
	P400	<ul style="list-style-type: none">• Built on BirdDog's custom NDI® silicon chip• Broadcast quality image sensor• Ultra-High Definition (4K)• Long zoom lens• NDI® video output
	P4K	<ul style="list-style-type: none">• Built on BirdDog's custom NDI® silicon chip• Large size image sensor• Ultra-High Definition (4K)• Zoom lens• NDI® video output

4. Company overview Continued

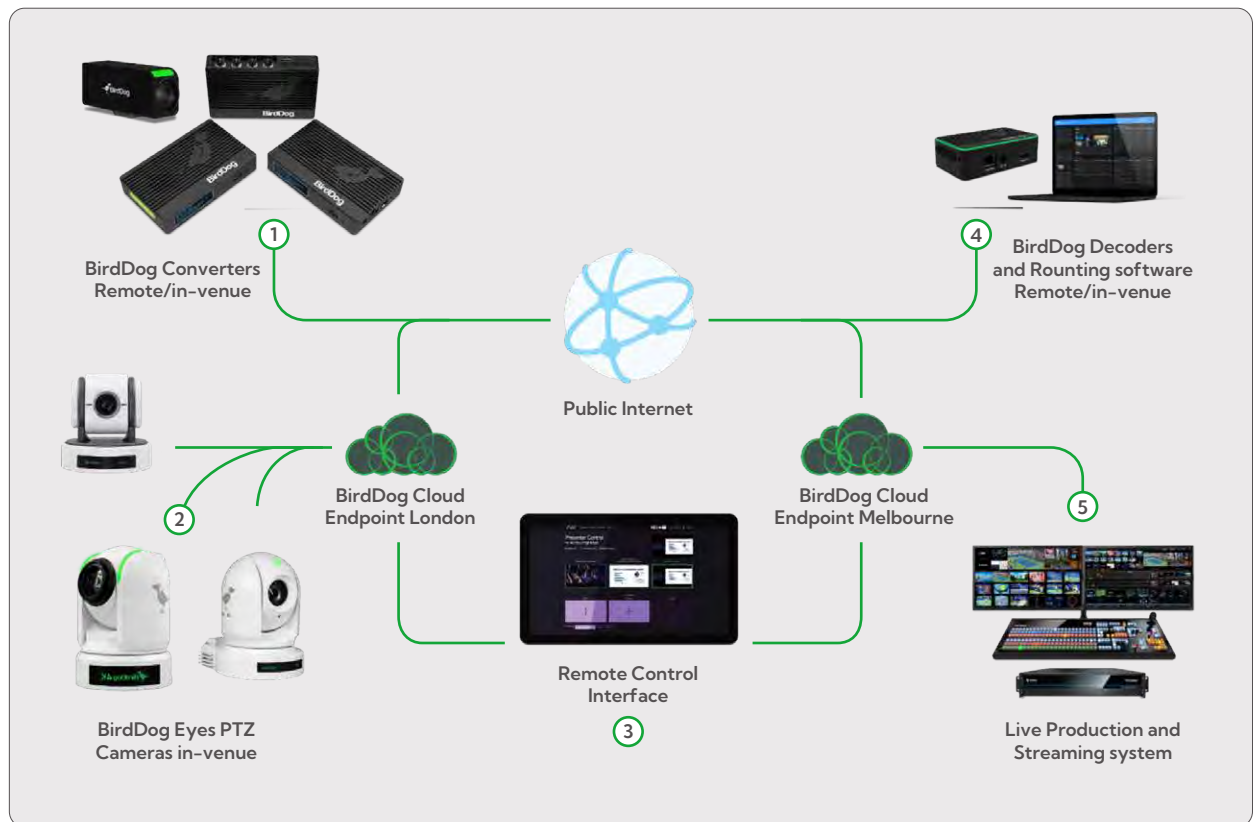
Product	Product	Description
	A200	<ul style="list-style-type: none"> • Built on BirdDog's custom NDI® silicon chip • Broadcast quality image sensor • High Definition (HD) • Long zoom lens • Weatherproof for outdoor use • NDI® video output
	A300	<ul style="list-style-type: none"> • Built on BirdDog's custom NDI® silicon chip • Broadcast quality image sensor • High Definition (HD) • Long zoom lens • Weatherproof for outdoor use • NDI® video output
	PF120	<ul style="list-style-type: none"> • Built on BirdDog's custom NDI® silicon chip • Broadcast quality image sensor • High Definition (HD) • NDI® video output
	PTZ Keyboard	<ul style="list-style-type: none"> • PTZ Camera controller to move cameras around • Connect up-to 255 cameras • NDI® compatible
Converters		
	BirdDog Mini	<ul style="list-style-type: none"> • Built on BirdDog's custom silicon chip • Converts standard HDMI video to NDI® • High Definition (HD)
	Studio NDI	<ul style="list-style-type: none"> • Built on BirdDog's custom silicon chip • Converts standard HDMI video to NDI® • High Definition (HD)
	Flex 4k Family	<ul style="list-style-type: none"> • Built on BirdDog's custom silicon chip • Converts standard HDMI video to NDI® • Ultra-High Definition (4K) • 3 different models
	4K Family	<ul style="list-style-type: none"> • Built on BirdDog's custom silicon chip • Converts standard HDMI video to NDI® • Ultra-High Definition (4K) • 3 different models

Product	Product	Description
AV Products		
	SDM M1 & M2	<ul style="list-style-type: none"> • Smart Display Module (SDM) is a technology platform designed by Intel® • BirdDog SDM enables NDI® connectivity • SDM is designed to be installed into the TV screen itself
	PLAY	<ul style="list-style-type: none"> • Ultra-High Definition (4K) NDI® Player • Connects to a TV via HDMI • Use a compatible TV remote control to change NDI® video sources. Just like changing channels on a TV
	NDI® Wall Plate	<ul style="list-style-type: none"> • Built on BirdDog's custom NDI® silicon chip • Converts standard HDMI video to NDI® • High Definition (HD) • Designed for permanent NDI® installations
	Crestron Control	<ul style="list-style-type: none"> • BirdDog's Crestron Control Library allows for integration between BirdDog products and Crestron Electronics products
Software		
	BirdDog Cloud	<ul style="list-style-type: none"> • BirdDog Cloud allows for a secure connection of independent NDI® networks over the public internet
	Cloud Connect	<ul style="list-style-type: none"> • Cloud Connect is a suite of applications for mobile devices • Cloud Connect extends the functionality of BirdDog Cloud to mobile devices • Control BirdDog PTZ cameras from anywhere in the world using a smart phone or tablet
	NDI® Multiview	<ul style="list-style-type: none"> • NDI® Multiview is software to create mosaic style video output of multiple NDI® sources
	Comms Lite	<ul style="list-style-type: none"> • Comms Lite is free software that connects to BirdDog Converters such as Mini, Studio NDI, Flex Family, and 4K Family to allow for camera operators to talk to each during a video shoot

4. Company overview Continued

Product	Product	Description
	Comms Pro	<ul style="list-style-type: none">• Comms Pro is software that connects to BirdDog Converters such as Mini, Studio NDI, Flex Family, and 4K Family to allow for camera operators to talk to each during a video shoot
	Central Lite	<ul style="list-style-type: none">• Central Lite is free software to route NDI® sources to BirdDog devices
	Central Pro	<ul style="list-style-type: none">• Central Pro is software to route NDI® sources to BirdDog devices
	Cam Control	<ul style="list-style-type: none">• Cam Control is free software for accessing and adjusting all features of the BirdDog PTZ cameras

NDI® Workflow Solution Example:



- 1 Converters transfer video over local network or the internet. Easily take a computer or camera source and instantly makes it available on any network
- 2 Multiple BirdDog PTZ cameras located on-site at event. Cameras are remotely controllable and configurable, with real-time crew communication
- 3 BirdDog Cloud enables centralised control and management of the whole organisation regardless of geographic locations
- 4 BirdDog Decoders coupled with BirdDog Central management software make it easy to control what video is displayed on each screen
- 5 Live production tools which are NDI® compatible allow for broadcast productions from global BirdDog NDI® sources

BirdDog's end-to-end workflows combine highly integrated software, hardware and cloud services to provide cutting edge production, AV & communication services for organisations of any scale and in any industry.

By combining hardware sales with on-premise software and SaaS models, BirdDog aims to provide flexible, scalable, and integrated solutions which deliver higher levels of customer retention and repeat purchases.

4. Company overview Continued

NDI® Embedded Smart Display Module Example



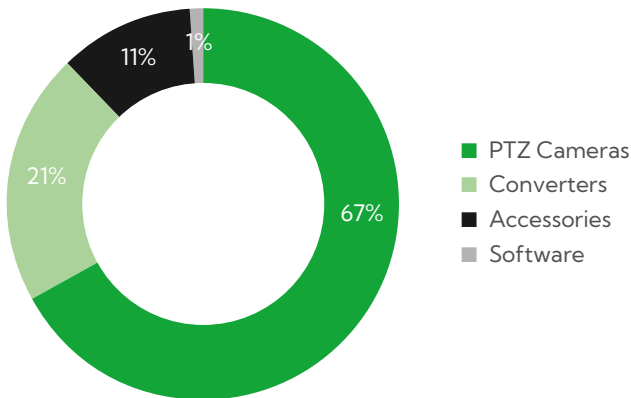
The BirdDog SDM range enhances the way AV content is streamed to the NEC MESSAGE series displays. The BirdDog SDM hardware is housed inside the NEC display itself, so that installation requires only a single Ethernet cable to stream AV content. The one cable solution eliminates external wall boxes, receivers and patch panels.

M1 is an NDI® Sender and Receiver module based on the SDM-L specification. The Receive function will accept any NDI® stream, from anywhere on the network, and display on screen. With the Send function, a user can take any NDI® source, such as a laptop, over Ethernet and then duplicate that across any number of additional BirdDog SDM activated screens.

M2 is an NDI® Receiver module based on the SDM-S specification. M2 will receive any NDI® stream, from anywhere on the network, and display on screen.

4.4 THE COMPANY'S BUSINESS MODEL

FY21 Revenue by Product Category



BirdDog generates the majority of its revenue (67.1% in FY21) from the sale of PTZ Cameras. The remaining revenue is generated from the sale of converters, accessories, and software.

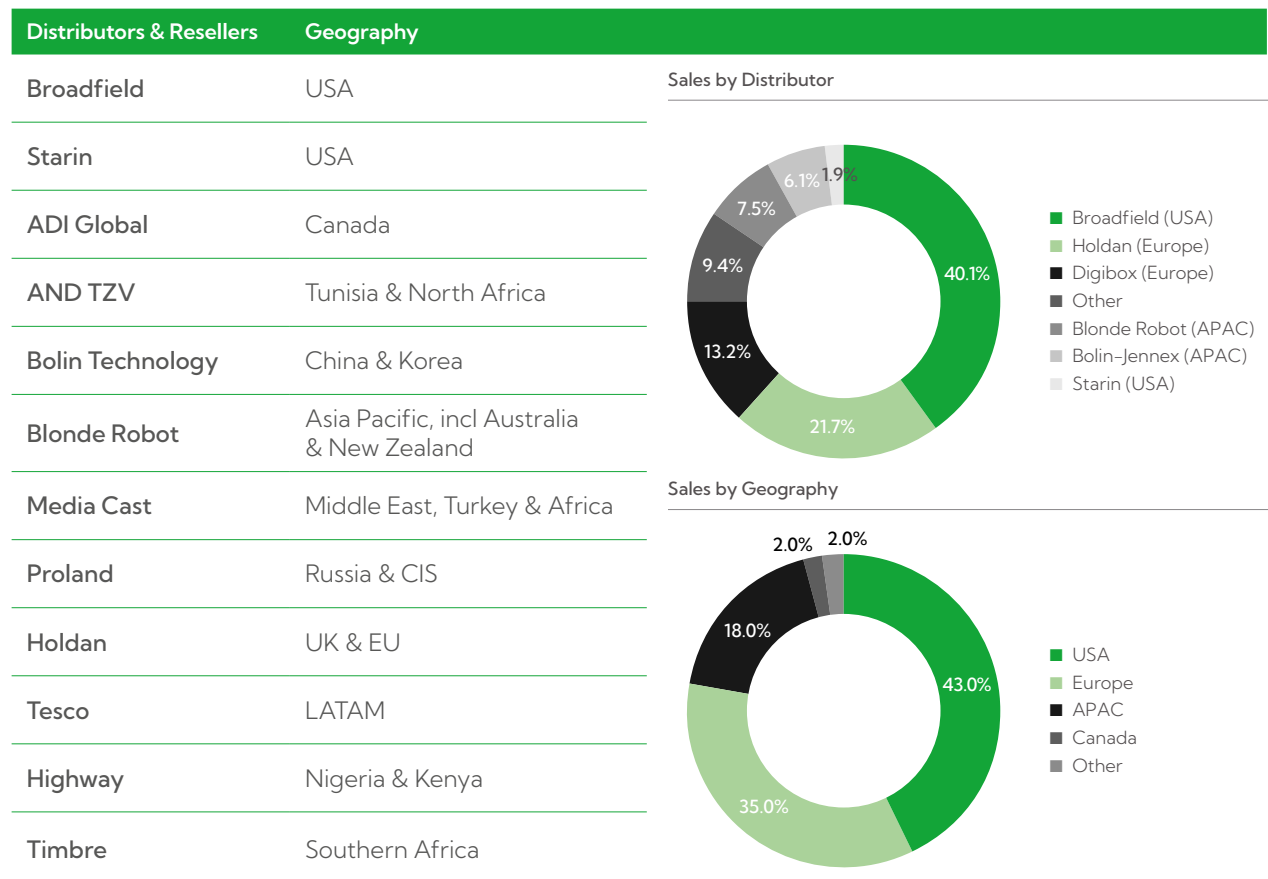
A small but growing amount of revenue is anticipated to be generated by software as BirdDog moves to begin to monetise its existing base of software users.

In addition, BirdDog expects to increase the sale of its AV Products, particularly SDM M1 and M2 products, embedded within NEC's smart display modules as the market for these products continues to accelerate (as highlighted in section 3).

BirdDog aims to achieve a gross margin on new products developed of at least 30%, with key pricing considerations including maximising market penetration, competitor dynamics and the lifecycle of existing products driving management's decision making on R&D.

BirdDog sells its products through a network of distributors and resellers across the world. These distributors and resellers then sell to a broad retail network into over 100 countries globally. BirdDog has long-standing relationships with the majority of its distributors and resellers.

BirdDog also sells software directly to consumers via its online channel.



4. Company overview Continued

Business to business sales are typically facilitated via direct relationships, with a growing internal global sales & marketing capability being established across the U.S., Europe and Asia Pacific.

Over 90% of sales by both volume and revenue are distributed into the United States, European and Asia Pacific markets. BirdDog's target customers are broadly focused on the broadcast video industry and corporate audio-visual industry, with key customers spread across:

- a) Professional Video;
- b) Audio-Visual installations, commercial spaces, and digital signage; and
- c) Consumer Video.

4.5 PROPRIETARY TECHNOLOGY & INTELLECTUAL PROPERTY

Internal know-how – BirdDog has a growing team of 10 engineers with a diverse range of skill sets covering software engineering, firmware engineering, hardware engineering, mechanical design, and industrial design.

The business has invested heavily in technology development over a 5-year period, resulting in several proprietary processes, systems, and trade secrets being developed.

BirdDog holds significant internal and proprietary know-how via the development of both hardware and software products, providing a first-to-market advantage and a layer of protection from competitors.

Key to the operation of all BirdDog hardware products is the technology employed in its customised IP present on its processing chips. BirdDog have developed specific know-how and processes to convert incoming video from a video source to a video stream compatible with NDI®. Specific breakthroughs pertain to the speed and accuracy (quality) of this processing as well as the demands on the processor chip architecture.

BirdDog's implementation of its customised silicon chip allows for development of products with unique features otherwise impossible with the NDI® reference design. These products include the multi-channel Wallplates and 4K QUAD.

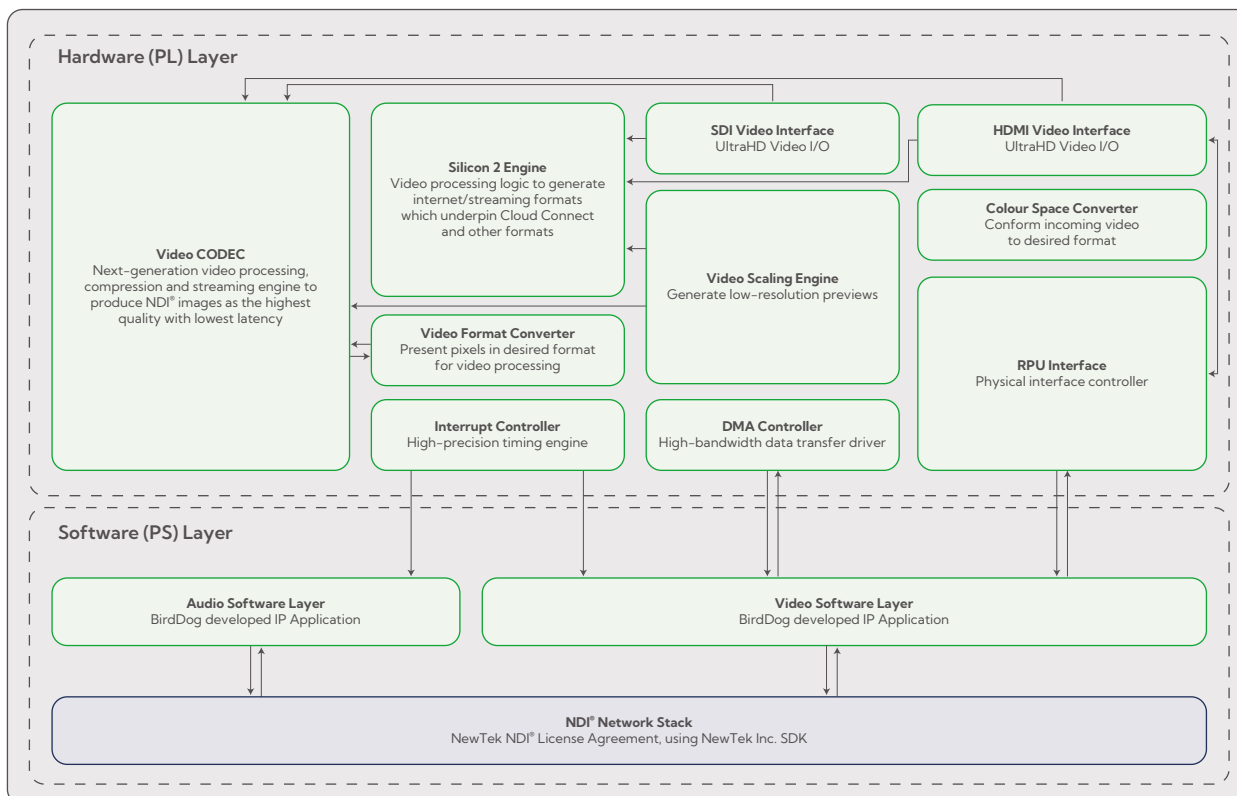
In addition, the efficiencies in the method of processing BirdDog employs in its chips allows for much lower power, zero external memory and higher throughput. These efficiencies result in lower bill of materials and product complexity.



IP TECHNOLOGY STACK

All items in green are BirdDog developed.

Blue is only code employed from NDI® License Agreement terms.



All of the Company's video and signal processing intellectual property is either owned by the Group or licensed to the Company or an affiliate. The Company has entered into agreements with its staff (employees and consultants) under which intellectual property they develop is assigned to the Group to protect the confidentiality of its proprietary information.

Patents – The Group does not hold any registered patents, and rather holds its intellectual property as trade secrets, which are subject to extensive protection through the product design and architecture.

Trademarks – The Group holds registered trademarks across Australia and have recently applied for trademarks in the United States and EU/UK, alongside Switzerland and Norway, as summarised in Appendix 1.

Brand Development and Position – BirdDog's standing within the global NDI® market provides significant advantage. Since launching the NDI® hardware converter category in 2016, BirdDog has built tangible brand and product awareness through social media, sustained marketing campaigns, industry events and strategic alliances. Offering a breadth of products on offer for sale, BirdDog's position of strength within its target market has been built via providing a more complete solution comprising of hardware and software components, creating workflow solutions. BirdDog will continue to invest in engineering to maintain current first-mover and competitive advantages over competition.

4. Company overview Continued

4.6 STRATEGIC RELATIONSHIPS

NDI® and NewTek

NDI® is a software standard developed by Texas-based video technology development company NewTek (a subsidiary of Vizrt Group). NDI® was developed to enable compatible products to communicate, deliver, and receive high-definition (and above) frame accurate video and audio over a computer network, in high quality and low latency. The software standard is licensed by NewTek to various technology development companies, including BirdDog, to embed or underpin their products.

BirdDog pays a quarterly license fee to NewTek, the terms of which are detailed in the table below. The license agreement with NewTek was renegotiated on 17 September 2021 and provides more favourable terms to BirdDog.

Key License Terms	
Licensors	NewTek Inc.
Location	San Antonio, Texas
Effective Date	17 September 2021
Term	5 years
Renewal Terms	3-year renewal terms. Unless either party provides at least 6 months' advance notice prior to the end of the current term that it does not wish to renew, the agreement will renew for a further term
License Fee	On commercial terms more favourable than the previous License Agreement
Royalty Payment	Quarterly
Termination	Either party materially defaulting; with a written notice and a 30-day cure period

License fees have increased broadly in-line with sales volumes, with BirdDog representing one of the largest licensees of NDI® technology globally.

SHARP/NEC

BirdDog and NEC Display Solutions developed a strategic alliance in March 2020 (**Strategic Alliance Partner Agreement**), resulting from two years of collaboration between Sharp/NEC and BirdDog, which is the BirdDog SDM product line. These products are designed to be installed in the NEC Messenger series display, BirdDog SDM provides a cost-effective solution for highly connected AV infrastructure. Targeted at education, corporate communications, and broadcast use-cases the combination of Sharp/NEC and BirdDog SDM offers the only range of NDI® connected displays in the market today.

Sharp/NEC and BirdDog have worked closely on co-marketing initiatives to drive demand globally through AV Resellers and Systems Integrators.

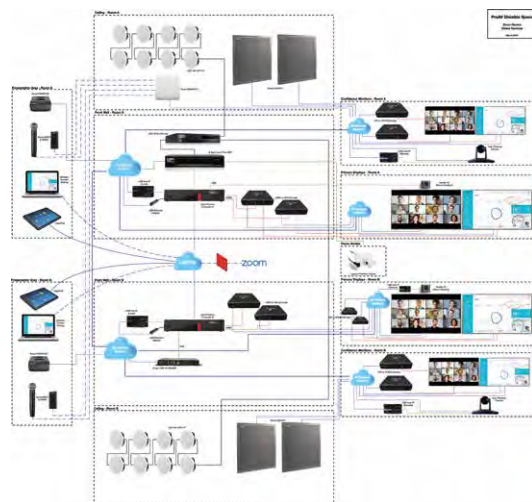
The agreement between Sharp/NEC and BirdDog consists of an agreed period of co-marketing, where Sharp/NEC are the only display vendor to offer the BirdDog SDM solution as a fully integrated product for customers to purchase. There is no transfer of ownership or ongoing agreement where Sharp/NEC holds specific charge over any BirdDog product, rather this arrangement is designed as a cooperative 'go-to-market' strategy to access the largest market share possible in the short to medium term. The Strategic Alliance Partner Agreement is discussed further in section 11.11(h).

ProAV video conferencing rooms

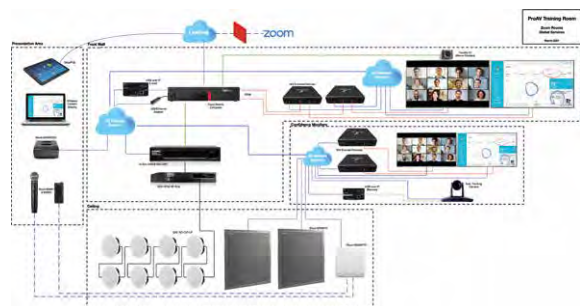
Based on extensive market consultation, BirdDog offers advantages for companies deploying video conferencing technology. Specifically, the traditional way of setting up a video conferencing for training or larger meeting capacity was to use AV HDMI extenders. BirdDog offer a drop-in replacement with its Mini product line that allows not only AV extension, but also full routing flexibility. This allows for much more dynamic usage of any meeting space underpinned by BirdDog technology.

Set out below are examples of 4 – 10 BirdDog Mini hardware fit out designs for four unique video conferencing arrangements.

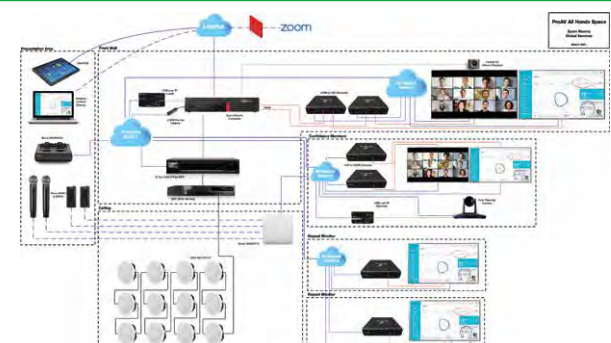
Divisible spaces



Training rooms

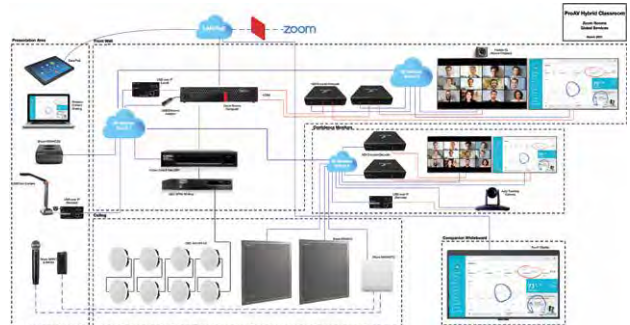


All hands spaces



4. Company overview Continued

Hybrid classrooms



Key agreements and relationships

BirdDog develop and manage all core IP technology in-house with direct employees. This extends to all IP-based development for its NDI® processing engine, all application development to support this, as well as software application logic to enable end user interaction.

In addition to BirdDog's direct employees, BirdDog engage some external development centres, on a contract basis, to add capability and speed up time to market. These development centres are engaged as described below:

Mobile application development – Laos

A small team of mobile application developers have been contracted to deliver, front-end applications to support the BirdDog Cloud Connect platform. This development team works closely with BirdDog internal engineering, however has no access to internal IP code or algorithms and all IP ownership is retained by BirdDog.

Tier2 interface development – Poland

BirdDog's contractors in Poland are working on additional video format support to add flexibility to the BirdDog product line. While the team is working on some specific integration points, they do not have access to internal IP code or algorithms.

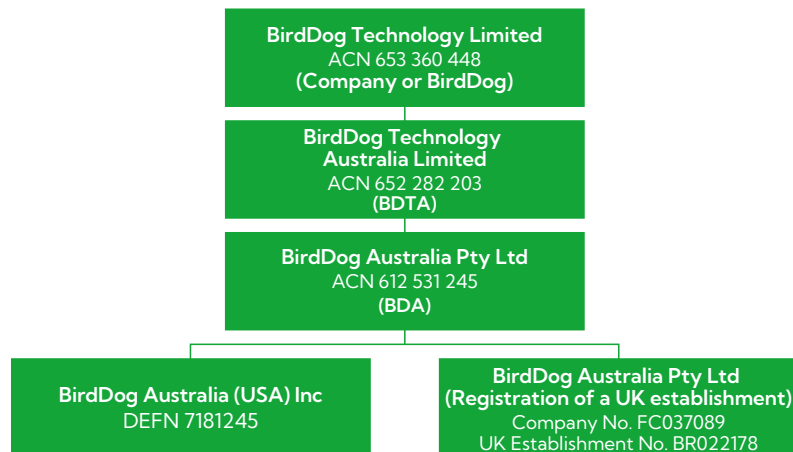
Software development – Germany

BirdDog engage software developers in Germany to maintain some application services associated with some cloud based applications. The German software development team works independently of any hardware IP BirdDog possesses and supplement in-house software development with some domain knowledge around cloud application interaction. All IP ownership is retained by BirdDog.

4.7 OPERATIONS

Corporate Structure

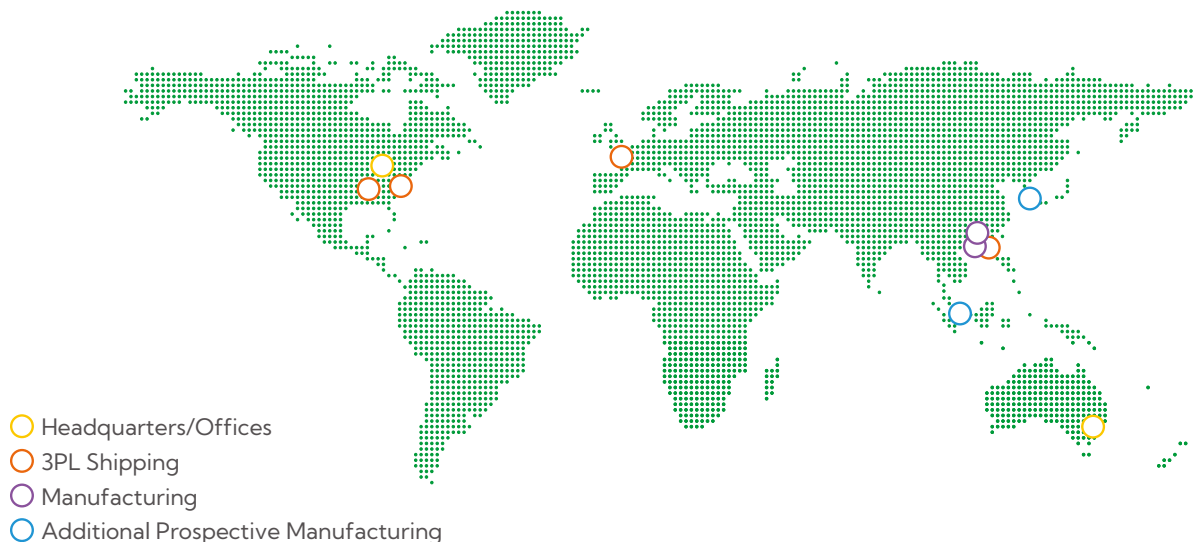
BirdDog's corporate structure is outlined below:



Global Offices & Employees

BirdDog is headquartered in Melbourne, Australia with an additional office in Michigan, USA. As of October 2021, the Company has 27 full time employees, excluding Board members, with 16 of these employees, including the Company's CEO, CFO, and CMO located in Melbourne, Australia.

BirdDog Global Operations



BirdDog's contract manufacturing is currently facilitated via Shenzhen and Guangzhou. The Company is in the process of diversifying its contract manufacturing and supply chain arrangements, with parallel contract manufacturers respectively located in Batam, Indonesia and Busan, South Korea.

BirdDog also has a network of 3PL warehouses that enable warehousing and distribution of BirdDog product globally. The hub of these is centrally located in Hong Kong that enables logistical supply coverage to BirdDog's global customers.

4. Company overview Continued

Marketing and Brand Recognition

BirdDog's positioning has been supported by its strong brand and reputation for bringing innovative high-quality cameras and converters to market, along with highly integrated and easy to use workflow solutions.

The BirdDog marketing strategy has traditionally focused on attendance at trade shows globally to demonstrate products to customers across the key verticals of the broadcast and AV market, in conjunction with fostering a loyal customer base via social media communities.

Marketing

BirdDog's marketing plan is focused on generating increased awareness of its products in existing markets, leading to an increase in sales volumes. This will be achieved via a range of various strategies.

- attendance at key trade shows and exhibitions all over the globe (including Barcelona, Dubai, Las Vegas, Singapore, London, Sydney, Amsterdam, New York City and Tokyo)
- BirdDog will continue to internally develop marketing collateral including:
 - Customer case studies and customer testimonials
 - Product overview videos
 - Product 'how to' videos
 - BirdDog founder livestreams

This content allows BirdDog to both develop brand and product awareness and interact with its customers via a range of social media channels. Product distributors and dealers enhance this by undertaking demonstration days, running regional product promotions, promoting BirdDog and its products on their own social media accounts, and interacting with customers via email newsletters and webinars.

BirdDog is also in the process of establishing a 'Brand Ambassador Program'. This has a focus on identifying and engaging key brand ambassadors for the promotion of BirdDog product in local markets. These ambassadors will be provided with either complimentary or discounted BirdDog products and attend key regional trade shows for the purpose of driving social media content and marketing.

BirdDog's sales and marketing strategy is multifaceted, with a portion of marketing activities driven by regional distribution partners and key resellers. Localised sales, promotions, campaigns and other initiatives drive brand recognition in the regional markets.

BirdDog also runs a significant internal marketing program with the use of both online advertising and social media marketing (particularly through LinkedIn, YouTube, and Facebook) which is also a material driver of sales.

Social media forms a significant part of the overall marketing and brand strategy with many advertising campaigns running across various social media platforms which are a material driver of sales.

The majority of the below subscribers are industry professionals across both the global broadcast and Audio-Visual industries.

	YouTube	LinkedIn	Instagram	Facebook	Twitter
Subscribers	1.6k	11.0k	2.5k	5.5k	1.1k

* As of 5 October 2021.

BirdDog management and the internal marketing team interact daily through social media, with both distributors of their product and end-customers. LinkedIn has proven to be a valuable sales tool, particularly for larger corporate sales opportunities.

The infield success of BirdDog's products is commonly shared across social media platforms and both BirdDog and its distributors generate significant sales opportunities via social media based word of mouth advertising, with minimal marketing expenditure.

In addition, distribution partners generate product focused content which is then published on various social media platforms to large, industry focused customer bases. Integration partners such as Sharp/NEC also run targeted marketing campaigns for products integrated with BirdDog technology which, in turn, drives sales growth of BirdDog product and develops brand association and recognition.

The implementation of a newly appointed Chief Revenue and Operations Officer has continued to develop the commercial go-to-market arm of the business. BirdDog will continue to invest in its global sales and marketing team to drive revenue growth across multiple strategic geographies and markets.

BirdDog has developed an integrated sales, marketing and advertising strategy to drive product sales, revenue growth, brand recognition and repeat customers.

Sales

BirdDog will focus its sales efforts on the expansion of existing market verticals and entry into new sales channels. The following market segments will be of core focus:

- Live streaming;
- Broadcast;
- Digital Signage and Audio Visual;
- Corporate;
- Education;
- Government;
- Houses of Worship; and
- Defence.

AV integration opportunities (similar to the SDM M1 and M2 products) will be a key focus of sales efforts. BirdDog is in the process of identifying additional integrators for these products and will establish a training and demonstration program for downstream customers of the products to better understand the benefits of NDI® embedded solutions.

Through this process BirdDog will seek to leverage its existing key technology partnerships, for example Sharp/NEC.

BirdDog will also look to establish new sales channels throughout Asia, with a particular focus on the Chinese (including Hong Kong) and South-East Asian markets.

Digital Advertising

BirdDog's digital advertising strategy is focused on three core pillars:

1. **Industry publications** – both published and online magazines that respectively hold large, established networks of broadcast and AV customers. BirdDog will increase investment in paid web-banners and email advertising via these key publications and their databases to drive sales.
2. **Social Media** – BirdDog will increase its investment in retargeting campaigns using cookies across key social media platforms. These campaigns provide a highly effective advertising tool and are able to reach an engaged and relevant audience at a very limited cost.
3. **Reseller Advertising** – Resellers of BirdDog's products offer premium listing positioning on online stores and websites and paid inclusion in reseller email campaigns. BirdDog will invest in advertising through the largest and most active dealers of its products to bolster sales to their customer base.

4. Company overview Continued

Manufacturing & Supply Chain

BirdDog uses several contract manufacturers to assemble its products. The Company employs its own production and quality assurance team, all located in Melbourne, Australia, who schedule, plan, and manage production and maintain tight on-site control over third party contract manufacturing to ensure product quality standards are maintained.

In addition to production, the quality assurance team ensures all components received from suppliers are checked and verified prior to inclusion in the contract manufacturing process.

All finished products are dispatched to a 3PL warehouse facility in Hong Kong before being freighted, primarily by air, to their destination.

BirdDog has a clear strategy to optimise its manufacturing and supply chain arrangements to improve its working capital cycle and open new supply opportunities:

- BirdDog is currently deploying four contract manufacturers (OEMs).
- BirdDog is strategically pursuing re-location of manufacturing with two of its OEMs to Batam, Indonesia and South Korea respectively.
- A partial divergence away from existing manufacturing arrangements should allow for GSA accreditation in the USA. In turn, this should directly reduce tariffs charged on selected BirdDog products imported and sold within the United States, consequently improving margins generated on BirdDog Product sales.

Suppliers

BirdDog uses several established electronics distributors and suppliers to source components, circuit boards, screens and other parts used to construct their products. Many of BirdDog's suppliers have global supply operations mitigating any potential production risk due to supply uncertainty or liquidity.

The Company has ongoing relationships with its suppliers, with the majority supplying the Company for at least 3–4 years.

During the design and engineering phase for new products, BirdDog engineers, based on a variety of criteria, will select the appropriate components and distributor for that product.

4.8 THE COMPANY'S BUSINESS STRATEGY

Growth Strategy

BirdDog continues to benefit from having established itself as the most renowned brand in NDI® enabled video technology and continues to invest in developing this market positioning.

The market for BirdDog's product portfolio is substantial. The total global market for professional video, corporate AV and digital signage solutions across all verticals was estimated at \$214 billion in 2020, but with a significant rebound expected in 2021 to \$232 billion and growing at a 7.2% CAGR to reach \$329 billion by 2026.¹

Across BirdDog's relevant market verticals, including streaming media, storage & distribution, capture & production equipment, video displays, infrastructure and software (including products currently in BirdDog's portfolio and those not in its portfolio), it is estimated that BirdDog's total addressable market in 2021 is approximately USD \$132 billion.

BirdDog's near-term focus is targeting the markets that are experiencing the most rapid growth.

In addition to targeting high growth market segments, BirdDog has several strategies to support future growth outlined below.

Supply Chain and Inventory Holdings

Over the next 18 to 24 months, BirdDog can benefit significantly by ensuring adequate supply chain and inventory holdings are available to meet forecast demand, with additional units accessible for when alternative competitor products are not available. BirdDog plans to achieve this with the following initiatives:

- **Inventory Build-out:** Increasing stock holdings across all SKUs to mitigate supply chain interruptions as supply chain lead times for components continue to extend outwards;
- **Supply Chain Relationships:** Continue to develop strong relationships to ensure prioritised supply and manufacturing; and
- **Off-shore Manufacturing:** Prove-out existing off-shore manufacturing projects to enable additional and parallel manufacturing capabilities in other regions. This will support governmental purchasing mandates in key markets as well as to insulate and mitigate any unforeseen potential regional interruptions.

Products

BirdDog see significant opportunities to unlock further growth drivers by focusing on the improvement of existing products and increasing market presence, in addition to developing new products and solutions to expand BirdDog's existing portfolio.

Existing Products

- **Cost-down Design:** Working through each product range and optimising hardware design to limit the amount of silicon chip components and underlying production costs to drive incremental margin enhancement; and
- **Quality Systems:** By improving all elements of product quality, including manufacturing, the out of box experience, documentation, and support, BirdDog can improve both the product portfolio and BirdDog's brand reputation subsequently driving growth.

¹ Frost & Sullivan's August 2021 Independent Market Report, specifically: 2021 AV Industry Outlook and Trends Analysis (IOTA), Audiovisual and Integrated Experience Association (AVIXA).

4. Company overview Continued

Product Portfolio Expansion

BirdDog's product portfolio contains many world first engineering achievements, with a significant number of products on the product roadmap to continue this tradition for innovation, and to drive extensive growth for the business. These include:

- **Software Subscriptions:** Moving software offerings to a recurring revenue model, improving business gross margins, revenue contribution and EBITDA;
- **Camera Range Refresh:** By refreshing the entire product range, BirdDog's brand promise of BirdDog being the "best and brightest" is maintained and can be achieved with minimal capital expenditure; and
- **Infrastructure Products:** Expand product range with higher average selling price (ASP) ranges for core infrastructure in broadcast and AV markets.

Technology Alliances & Co-operation Programs

BirdDog plans to unlock growth by building out an alliance network of large multi-nationals who will push BirdDog's enterprise solutions to a larger audience. The incremental benefits of these partnerships are increasing BirdDog's brand recognition through a halo effect, and leveraging the sales teams of BirdDog's partners to help promote and sell the BirdDog solution. Current significant technology alliances and co-operation programs include:

- **Sharp/NEC:** Education and Corporate AV market access via SDM module; and
- **NewTek:** First hardware partner support for next-generation NDI® functions.

Resources

Ensuring customers understand how BirdDog's products work, directly impacts their purchasing decision. Having more BirdDog product advocates and staff in region doing demonstrations, training, and front line support will have a direct and positive impact on BirdDog's revenue growth. BirdDog see two key areas of focus:

- **Regional Presence:** Having more people in key strategic regions builds confidence and longevity in BirdDog's brand; and
- **Efficient Processes:** Margin growth can be achieved by building out BirdDog's support and Q&A teams to provide extensive domain expertise to customers and ensure they use their BirdDog products to the fullest.

IP Development

A strategy to adopt new and innovative technologies to further build-out BirdDog's reputation in markets and meet BirdDog's ambition to be the preferred choice for customers. Technologies under review include, but are not limited to:

- **Enhanced image processing:** New processing systems to push technology further in enhancing image quality;
- **Cloud Connected Fleet:** Applicable to all BirdDog devices;
- **Automation Control:** Application Program Interface (API) control for all devices to work and synchronise with automation platforms;
- **AI Integration:** Implementation of tracking and analytics/telemetrics;
- **Advanced Video metrics:** Additional technical monitoring tools for professionals to view, judge and adjust their content to meet or exceed quality expectations; and
- **Higher Resolution Imagery:** 8K resolution and higher for cameras and converters.

New Markets

Driving into new vertical markets provides significant additional growth opportunities for BirdDog. Addressable markets BirdDog is focusing on, and targeting specific products at, include:

- Corporate communications;
- AV installations;
- Digital Signage;
- Cinema and episodic television production;
- AI and automated productions;
- Medical imaging and telemedicine; and
- Realtime global collaboration.

Acquisition Opportunities

BirdDog will continue to search and identify businesses as potential acquisition targets who would offer complimentary or incremental technology and products, while offering revenue growth and market access opportunities. Areas of specific interest to BirdDog are:

- Cloud and software enablement;
- Manufacturing capabilities;
- Camera hardware domain experts;
- Live production technology;
- Strategic IP knowledge;
- Advanced design capabilities; and
- Specific market access.

4.9 COMPETITIVE ADVANTAGES OF THE COMPANY

BirdDog's key competitive advantages include:

- The growing market in which it operates;
- A portfolio of hardware and software products;
- Intellectual property, concerning high quality video products, converters and devices and software operating systems and apps;
- Developed R&D capability;
- Established distribution networks;
- Strong brand recognition;
- Strategic relationships with leading technology companies;
- In-house proprietary technologies; and
- An experienced management team.

4. Company overview Continued

4.10 OTHER POTENTIALLY COMPETITIVE COMPANIES

Established companies in the broadcast sector include:

- Blackmagic Design/Atomos/AJA Video Systems/Teradek;
- Cisco/Poly;
- Sony/Panasonic/Canon/JVC; and
- Non-branded, tier 3 camera and converter vendors.

4.11 OVERVIEW OF THE COMPANY'S EXPENDITURE PROGRAM AND ANTICIPATED USE OF FUNDS FROM THE PROCEEDS OF THE OFFER

The purpose of the Offer is to raise funds to:

- achieve a listing on the ASX to broaden the Company's investor base;
- accelerate R&D activities for next-generation product development;
- bring forward new product release dates;
- build-up inventory to continue to manage supply chain issues associated with global chip shortages;
- invest in diversifying manufacturing capabilities and locations to meet market demand and opportunities;
- increase headcount in commercial teams within BirdDog to meet and better customer demand;
- improve marketing activities to increase awareness in new market verticals; and
- meet the Company's ongoing administration and corporate overhead expenses.

The Directors are satisfied that following the successful close of the Offer and from the application of existing funds, the Company will have sufficient working capital to meet its stated objectives.

The following table shows the sources and application of funds over the next 2 year period:

		Subscription	
Amount		\$33,000,000	
Use of Proceeds		Year 1	Year 2
Inventory Build		\$11,150,000	\$6,250,000
IP Management		\$100,000	\$100,000
Research & Development including Product Engineering & Design		\$1,750,000	\$1,250,000
Manufacturing Development		\$750,000	\$1,250,000
Regulatory Management		\$250,000	\$250,000
Marketing Activities		\$750,000	\$750,000
Working Capital		\$3,100,000	\$3,380,000
Expenses of the Offer		\$1,920,000	\$0
Total		\$19,770,000	\$13,230,000

Under ASX Listing Rule, in order to be eligible for admission to the official list of ASX under the asset test, BirdDog must satisfy ASX that either:

- (a) less than half of BirdDog's total tangible assets (after raising any funds) are cash or in a form readily convertible to cash; or
- (b) BirdDog has commitments consistent with its stated objectives to spend at least half of its cash and assets in a form readily convertible to cash (Listing Rule 1.3.2(b)).

The disclosure below demonstrates BirdDog's compliance with ASX Listing Rule 1.3.2(b), reflecting spend commitments B exceeding the required commitment spend A, taking into account cash on hand as at 30 June 2021:

Pro forma cash and cash equivalents

Item	\$A
Cash on hand as at 30 June 2021 (see section 7.6, Table 4)	\$9,257,521
Amount raised under the Offer	\$33,000,000
Total	\$42,257,521

A – At 50% required commitment to satisfy Listing Rule 1.3.2(b) = \$21,128,761.

B – Spend commitment = \$26,483,472 (as set out in the table below).

Commitments

Commitments	Source of funds	\$A
Cash expenses associated with the Offer	Proceeds of Offer	\$1,955,774
Inventory build ¹	Cash at bank prior to offer	\$7,127,698
Inventory build ²	Proceeds of Offer	\$17,400,000
Spend commitment		\$26,483,472
<i>Working capital, corporate administration and other costs and reserves</i>	Proceeds of Offer	\$13,644,226
	Cash at bank prior to offer	\$2,129,823
Total		\$42,257,521

Note:

1. Inventory build from 1 July 2021 to 31 October 2021.
2. Inventory build to be undertaken with proceeds of the Offer.

This statements in the above tables concerning use of the proceeds of the Offer are statements of current intentions as at the date of this Prospectus. Actual use of funds may differ from the budgeted use of funds based on product and engineering development cycles, market demands, supply chain stabilisation, or other opportunities that may present themselves. The Board may alter the way funds are applied in the future.



BirdDog P200 is a broadcast quality PTZ camera with a best-in-class image quality and feature set.



5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

5. Board, Management and Corporate Governance

5.1 BOARD OF DIRECTORS

The Board comprises an Independent Non-Executive Director/Chair, an Executive Director, and two Independent Non-Executive Directors.

(a) John Dixon – GAICD, GAIST, Independent Non-Executive Director and Chair

John has more than 35 years' experience as a CEO, executive and Non-executive Director in large public and private companies predominantly within the logistics, engineering and services sectors. John's previous experience includes Executive Director/COO at Linfox, Executive Director/COO at Skilled Engineering, Managing Director at Westgate Logistics, Managing Director at Silk Logistics Group, and Executive Director at Patrick Corporation.

John is currently a non-executive director of Australian Super, Frontier Advisors and Australian Industry Group. John is a graduate of the Australian Institute of Company Directors and the Australian Institute of Superannuation Trustees. For many years, John actively supported the charity Young Endeavour Youth Scheme and was formerly a member of the scheme's advisory board. John's extensive commercial network will provide ongoing support to the Company.

John has been appointed as an independent Director and the Board considers that John is free from any relationship that could materially interfere with the independent exercise of his judgement.

(b) Dan Miall – Co-founder, Managing Director and Chief Executive Officer

Dan has 20+ years in broadcast television production and global vendor management roles.

Dan successfully completed VCE at Forest Hill Secondary College in 1995 and subsequently completed a series of globally recognised technical certifications within his fields of expertise (broadcast and AV) including: the Avid ELITE ACSR in 1999 and Cisco's CCNA course in 2005, whilst also graduating from the ANZ Business Growth Program delivered by global growth expert Dr Jana Matthews for the Australian Centre for Business Growth at the University of South Australia.

Whilst working in London for 4 years for a NASDAQ-listed global business, Avid Technology, Dan held the Pre-sales Management role for EMEA (Europe, Middle East & Africa), with responsibility for budgeting, outcomes, performance, and revenue recognition compliance. Dan's last task in 2010 as the National Professional Product Sales Manager for a large Australian business was to single-handedly project manage and deliver all equipment & services for Oprah Winfrey's December 2010 Australian tour, that included all Video networking and IT requirements for 200+ crew.

Over more than two years from 2016, Dan designed and ultimately brought to market the world's 1st hardware-based NDI® Encoder, a category defining product globally.

Dan currently serves as General Manager and Chief Executive Officer, Chief Technology Officer and Head of Product Strategy & Origination for the Company, with a focus on delivering complex video solutions for the broadcast and AV markets through the deployment of cutting-edge technology solutions: hardware (cameras & converters) and software.

Dan will continue in the General Manager and Chief Executive Officer role and be the sole Executive Director on the public board.

(c) Andrew Baxter – B. Bus. (Mktg), FAMI CPM, FAICD, Independent Non-Executive Director

Andrew has 25+ years in the Marketing and Communications industry, previously serving as Executive Chairman of Publicis Communications.

Andrew is the Independent Chair of Australian Pork, and a Non-Executive Director at Foresters Financial and GrowthOps. Andrew currently serves as a Senior Advisor at BGH Capital, the Adjunct Professor of Marketing at the University of Sydney, and previously has been the Senior Advisor to KPMG's Customer, Brand and Marketing Advisory business. Andrew was previously the CEO of two of the country's largest communications agencies, Publicis, and Ogilvy, where he was a trusted counsel to many of Australia's most iconic brands.

5. Board, Management and Corporate Governance Continued

Andrew has also held several significant Board and Chair roles, including at Deakin Business School, Lord Mayor's Charitable Foundation, Catch Group, NBL, Sydney Symphony Orchestra and OzHarvest.

Andrew regularly writes and speaks about the future of marketing, in a world where both consumers and technology are ever-evolving. He has been named as one of LinkedIn's Top 40 Australian influencers, and the winner of Australian Marketing Institute's Sir Charles McGrath Award for his significant contribution to the field of marketing.

Andrew is a strong strategic thinker who has a proven track record of driving growth in his own and his clients' businesses. He is a respected leader of teams, and a trusted advisor to Boards, CEOs, CMOs and CIOs.

Andrew is a Fellow of the Australian Marketing Institute, a Fellow of the Australian Institute of Company Directors, and holds a Bachelor of Business (Marketing) from Monash University.

Andrew has been appointed as an independent Director and the Board considers that Andrew is free from any relationship that could materially interfere with the independent exercise of his judgement.

(d) Joanne Moss, LLB, LLM, Cert Chinese Laws & Legal Systems, Independent Non-Executive Director

Joanne has current relevant experience as an independent non-executive director and committee chair in technologically disruptive companies. She has a deep understanding of their commercial drivers and pressure points coupled with the skill set required to oversee enterprise strategy around global commercialisation, scale up, partnerships and capital raisings. Her prior executive experience in legal, risk, governance, compliance, privacy and stakeholder engagement allows her to ambitiously drive commercial objectives in a holistic, ethical and sustainable manner.

Joanne is currently a non-executive director, Chair of the Audit and Risk Committee and Member of the Remuneration and Nominations Committee for Ellume Limited, an award-winning med-tech company that develops, manufactures and commercialises digital diagnostics for consumers, health professionals and laboratories.

Joanne is also Non-executive Chair of LBT Innovations (LBT:ASX), a workflow automation company with FDA clearance for its innovative platform technology that automates culture-plate screening and interpretation using artificial intelligence.

An accomplished industry representative, Joanne is a media trained corporate spokesperson, roundtable facilitator, lecturer and keynote speaker on innovation, technology, leadership and ESG.

Joanne was previously Chief Legal and Corporate Affairs Officer within Fortune 500 FMCG brand, Pizza Hut Australia. Prior to that, Joanne was a corporate adviser and dispute resolution lawyer within top-tier law firm, Norton Rose Fulbright Australia.

Joanne holds an LLB (1st Class Honours), LLM (Distinction) and Cert Chinese Laws & Legal Systems. She has undertaken U.S. directorship training through the NACD. She was formerly a member of Global Leaders in Law and the ACC GC 100.

Joanne has been recognised as a finalist for two national Corporate Lawyer Awards and a Women in Law Award.

Joanne has been appointed as an independent Director and the Board considers that Joanne is free from any relationship that could materially interfere with the independent exercise of her judgement.

5.2 KEY MANAGERS

(a) Dan Miall – Co-Founder, Managing Director and Chief Executive Officer

See Dan Miall's biography at section 5.1(b) above.

(b) Eamon Drew – Co-Founder and Chief Marketing Officer

Eamon has 20+ years in channel management and key sales & distribution management.

Eamon finished Year 12 in 1996 at Catholic College Bendigo, before working his way through a series of sales & marketing jobs that included being appointed country manager of an international business as a 24-year-old.

Eamon founded an Australian distribution business, Blonde Robot, that within 10 years had grown to be a multi-national business (Australia, New Zealand and throughout South-East Asia) with A\$30m+ in revenue and 40 staff, before divesting this business to an AIM-Listed United Kingdom conglomerate inside a decade of trading. This business was also recognised by BRW in 2014 as one of its Top 20 BRW Fast Starters. Eamon also graduated from the ANZ Business Growth Program delivered by global growth expert Dr Jana Matthews in 2014.

Eamon, alongside Dan, co-founded BirdDog in 2016 and is the Company's key 'go-to-market' strategist, with a focus on strategic relationships and customer requirements, leading global branding, design, global marketing, public relations and social media.

Eamon will continue as the Chief Marketing Officer for the Company.

(c) Barry Calnon – Co-Founder and Chief Financial Officer

Barry has 15+ years' experience in large professional service firms across the United Kingdom, Europe, South-East Asia and Australia.

Barry graduated VCE in 1988 from St Patricks College, Ballarat, then worked in banking and professional services firms part-time whilst completing a Bachelor of Business Degree at RMIT.

After completing his Professional Year with the Institute of Chartered Accountants in Australia earning his CA designate whilst working full time, Barry worked at Pitcher Partners in Audit & Business Advisory, gaining experience with a diverse client base, working across every State and Territory and into South-East Asia including a secondment to London in 1998. Barry also worked as a Director at the largest continental European office of Deloitte, leading & managing an audit of a privatised national business with 16 'field' staff across 7 time zones in multiple jurisdictions with an AIM-listed objective and multiple, technical reporting layers.

Barry's Melbourne experience with Pitcher Partners saw him accountable as the Accounting and Audit Manager/Director for two companies that successfully sought listing status on the ASX.

In the last decade, Barry was the CFO of one of the largest and most active private property developers in Melbourne, simultaneously securing A\$0.5B of funding across two development projects with all four Australian 'pillar' banks syndicated therein, overseeing all Commercial & Financial aspects of A\$1B+ of property development, including construction, contract negotiation, sales and settlements and reporting to joint venture partners.

Barry has deep and broad financial and commercial experience across multiple jurisdictions, having successfully managed the entire vendor-side due diligence – all negotiations, commercial, legal & financial aspects – for the divestment of an Asia Pacific distribution business to the global, AIM-listed conglomerate Midwich Group plc.

Barry will continue as the Chief Financial Officer of the Company.

5. Board, Management and Corporate Governance Continued

(d) Richard (Jamie) Ambrose – Global Chief Revenue & Operations Officer

Jamie is an experienced, global business leader holding long-term general manager and managing director roles across multiple jurisdictions, driving end-to-end accountability throughout businesses and developing & implementing comprehensive, board-approved international business strategies and plans, with a profit & loss focus.

Jamie completed his HSC at Ignatius Park College, Townsville, before embarking on various sales-based roles and upskilling via executive leadership and financial literacy courses during his time with Ericsson, a NASDAQ listed business.

Before joining BirdDog, Jamie was a member of the Board of Directors and Head of APAC for Red Bee Media, an international broadcasting and media services company wholly owned by Ericsson. Reporting to London, Jamie was accountable for divisional performance of the entire Asia-Pacific Region, assuming legal, compliance and commercial management responsibility for the local legal entity.

Jamie brings with him a variety of international experience having lived and worked across Europe, Asia and the United States working for privately held businesses and two NASDAQ listed corporations.

Jamie will continue as the Global Chief Revenue & Operations Officer of the Company.

(e) Justin Mouchacca CA FGIA – Company Secretary

Justin is a Chartered Accountant and Fellow of the Governance Institute of Australia with over 14 years' experience in public company responsibilities including statutory, corporate governance and financial reporting requirements. Since July 2019, Justin has been principal of JM Corporate Services and has been appointed company secretary and financial officer for a number of entities listed on the ASX and unlisted public companies.

5.3 DIRECTORS' SHAREHOLDING QUALIFICATIONS, REMUNERATION AND INTERESTS

Except as disclosed in this Prospectus, no Director or proposed Director of the Company, or firm in which a Director or proposed Director is a partner, has any interest, nor has had any interest for registration, or has received or is entitled to receive any sum for services rendered by either him/her or the firm to induce him/her to become or qualify him/her as a Director, or otherwise in connection with the promotion or formation of the Company or in the property proposed to be acquired by the Company in connection with its promotion or formation.

(a) Shareholding qualifications & remuneration

The Directors are not required under the Constitution of the Company to hold any Shares in order to qualify as Directors.

The Constitution provides the Directors are entitled to remuneration for their services as Directors as determined by the Company in general meeting. A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for any disbursements or any other out of pocket expenses incurred as a result of the directorship or any special duties.

(b) Directors' and key management personnel's interests in securities

Set out below are details of the interests of the Directors in the Shares and other securities of the Company immediately prior to lodgement of the Prospectus with the ASIC. Interests include those held directly and indirectly.

Name	Position	Annual Remuneration*	Shares held	Options held	Share Rights	Performance Entitlement
Dan Miall	Co-founder, Managing Director and Chief Executive Officer (CEO)	295,000 ⁴	44,602,564 ¹	Nil	395,769	
Eamon Drew	Co-founder, Executive Director and Chief Marketing Officer (CMO)	245,000 ⁵	44,602,564 ²	Nil	395,769	
Barry Calnon	Co-founder, Executive Director and Chief Financial Officer (CFO)	245,000 ⁶	18,846,154 ³	Nil	395,769	
Jamie Ambrose	Chief Revenue and Operating Officer (CROO)	225,000	Nil	Nil	519,231	729,167*
						*In addition to the Performance Rights, Jamie is also entitled to a cash award of a value equivalent to the value of the vested Performance Rights (see section 5.5(d) for details).
John Dixon ⁸	Chair and Non-Executive Director	95,000	Nil	300,000	Nil	
Joanne Moss ⁷	Non-Executive Director	60,000	Nil	200,000	Nil	
Andrew Baxter ⁹	Non-Executive Director	60,000	Nil	200,000	Nil	

Notes:

- Shares held indirectly via Restless Robot.
- Shares held indirectly via Home Made Robots.
- Shares held indirectly via Khlebny Pereulok.
- To be increased from \$180,000 to \$245,000 plus a \$50,000 Director Fee (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
- To be increased from \$180,000 to \$245,000 (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
- To be increased from \$180,000 to \$245,000 (exclusive of superannuation) should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022.
- Joanne Moss intends to subscribe for 115,384 Shares under the Offer.
- John Dixon intends to subscribe for 76,922 Shares under the Offer.
- Andrew Baxter intends to subscribe for 115,384 Shares under the Offer.

* Annual remuneration is quoted excluding Superannuation.

** Other than as expressly stated, the above table does not take into account Shares the above parties may subscribe for under the Offer.

5. Board, Management and Corporate Governance Continued

(c) Remuneration of directors and key management personnel

(i) Dan Miall

Dan is the Managing Director and CEO of BirdDog. The principal terms of his employment agreement are as follows:

Dan is entitled to receive an:

- annual base salary of \$180,000 (exclusive of superannuation); or
- annual base salary of \$245,000 plus a \$50,000 Director Fee (exclusive of superannuation), applicable the month following a listing, should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022; and
- Long Term Incentive (LTI) award in the form of 395,769 Share Rights on the terms set out in section 5.5(c).

Dan's employment agreement includes:

- provisions protecting the Company's confidential information and intellectual property; and
- a non-competition undertaking pursuant to which Dan agrees that he will not, during the term of his engagement and for a period of 12 months thereafter, compete with the Company's business.

Dan may terminate the agreement by giving BirdDog 6 months' written notice.

BirdDog may terminate the agreement:

- by giving 6 months' written notice to Dan or, by making payment in lieu of the whole (or part of the) notice period; or
- if there are grounds for summary dismissal (such as serious misconduct or fraud), without notice.

(ii) Eamon Drew

Eamon is the CMO of BirdDog. The principal terms of his employment agreement are as follows:

Eamon is entitled to receive an:

- annual base salary of \$180,000 (exclusive of superannuation); or
- annual base salary of \$245,000 (exclusive of superannuation), applicable the month following a listing, should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022; and
- LTI award in the form of 395,769 Share Rights on the terms set out in section 5.5(c).

Eamon's employment agreement includes:

- provisions protecting the Company's confidential information and intellectual property; and
- a non-competition undertaking pursuant to which Eamon agrees that he will not, during the term of his engagement and for a period of 12 months thereafter, compete with the Company's business.

Eamon may terminate the agreement by giving BirdDog 6 months' written notice.

BirdDog may terminate the agreement:

- by giving 6 months' written notice to Eamon or, by making payment in lieu of the whole (or part of the) notice period; or
- if there are grounds for summary dismissal (such as serious misconduct or fraud), without notice.

(iii) Barry Calnon

Barry is the CFO of BirdDog. The principal terms of his employment agreement are as follows:

Barry is entitled to receive an:

- annual base salary of \$180,000 (exclusive of superannuation); or
- annual base salary of \$245,000 (exclusive of superannuation), applicable the month following a listing, should BirdDog achieve its objective of securing a listing on the ASX prior to 9 June 2022; and

- LTI award in the form of 395,769 Share Rights on the terms set out in section 5.5(c).

Barry's employment agreement includes:

- provisions protecting the Company's confidential information and intellectual property; and
- a non-competition undertaking pursuant to which Barry agrees that he will not, during the term of his engagement and for a period of 12 months thereafter, compete with the Company's business.

Barry may terminate the agreement by giving BirdDog 6 months' written notice.

BirdDog may terminate the agreement:

- by giving 6 months' written notice to Barry or, by making payment in lieu of the whole (or part of the) notice period; or
- if there are grounds for summary dismissal (such as serious misconduct or fraud), without notice.

(iv) Jamie Ambrose

Jamie is the Chief Revenue and Operations Officer of BirdDog. The principal terms of his employment agreement are as follows:

Jamie is entitled to receive an:

- annual base salary of \$225,000 (exclusive of superannuation); and
- LTI award in the form of 519,231 Share Rights on the terms set out in section 5.5(c); and
- LTI award in the form of 729,167 Performance Rights on the terms set out in section 5.5(d); and
- LTI award in the form of cash equal to the value of the vested Performance Rights on the terms set out in section 5.5(d).

Jamie's employment agreement includes:

- provisions protecting the Company's confidential information and intellectual property; and
- a non-competition undertaking pursuant to which Jamie agrees that he will not, during the term of his engagement and for a period of 12 months thereafter, compete with the Company's business.

Jamie may terminate the agreement by giving BirdDog 3 months' written notice.

BirdDog may terminate the agreement:

- by giving 3 months' written notice to Jamie or, by making payment in lieu of the whole (or part of the) notice period; or
- if there are grounds for summary dismissal (such as serious misconduct or fraud), without notice.

(v) Justin Mouchacca

Justin is engaged as an independent contractor to provide corporate secretarial services.

Justin is engaged on a retainer of \$4,000 per month (plus GST). His retainer can be terminated on 1 months' written notice.

Justin's engagement agreement includes provisions protecting the Company's confidential information and intellectual property, and obligations on Justin to avoid of conflicts of interest.

(d) Non-Executive Director remuneration

Under the Company's Constitution, the Company's Non-executive Directors are entitled to be paid for their services as Directors, such annual fees as the Directors determine, provided the annual fees do not exceed in aggregate the maximum sum that is from time to time approved by the Shareholders in a general meeting in accordance with the Listing Rules. This sum does not include remuneration in the form of share, option or other equity plans separately approved by the Shareholders in a general meeting.

For the purposes of the Constitution and the ASX Listing Rules, the Company has set a cap of \$800,000.

5. Board, Management and Corporate Governance Continued

The Company has entered into appointment letters with each Non-Executive Director on the following key terms:

- John Dixon will receive an annual remuneration of \$95,000 (exclusive of superannuation) and 300,000 options on the terms set out at 5.5(e);
- Joanne Moss will receive an annual remuneration of \$60,000 (exclusive of superannuation) and 200,000 options on the terms set out at 5.5(e); and
- Andrew Baxter will receive an annual remuneration of \$60,000 (exclusive of superannuation) and 200,000 options on the terms set out at 5.5(e);

the appointment shall cease if the Non-Executive Director:

- resigns;
- is disqualified under the Corporations Act or the Constitution from being a company director; or
- is removed as a director in accordance with the Corporations Act or the Constitution.

Under the terms of these agreements, each Non-Executive Director will be expected to exercise duties of care and diligence, good faith, proper use of position and proper use of information as well as the fiduciary duties imposed by applicable law. Each Non-Executive Director will attend Board meetings and may also serve as a member of the Audit and Risk Committee, Nomination and Remuneration Committee, or any other committee established by the Board.

Each Non-Executive Director will be entitled to be reimbursed reasonable expenses incurred in performing their duties, including the cost of attending Board meetings, travel, accommodation and entertainment as agreed to by the Board.

(e) Directors' deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. The key features of this deed may be summarised as follows:

- (i) to the extent permitted by law, the Company:
 - (A) indemnifies each of the Directors against any liability (excluding liability for legal costs) incurred by the Director as an officer or former officer of the Company;
 - (B) indemnifies the Director against any reasonable legal costs incurred as a result of the Director defending an action for any liability incurred by the Director as an officer or former officer of the Company; and
 - (C) releases the Director from any present, future or contingent claims that arise directly or indirectly from the Director's acts or omissions as an officer or former officer of the Company;
- (ii) the Company must, where possible, maintain appropriate insurance cover in favour of the Director during the term of the Director's appointment for at least a period of 7 years after the Director ceases to be an officer of the Company on terms that are reasonably prudent to the Company;
- (iii) the Director, during his or her appointment and for a period of 10 years after the Director ceases to be an officer of the Company, may inspect any books and records of the Company in certain circumstances and for particular purposes; and
- (iv) the Director is entitled to retain any board documents, including minutes of board meetings or committees. These documents will become the property of the Director at the time they are supplied to the Director. Notes of board meetings or other communications made by the Director will remain the property of the Director.

5.4 RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in this Prospectus, there are no material related party transactions.

5.5 EMPLOYEE SHARE/OPTION PLAN

(a) Background

The EIP was adopted by a resolution of shareholders on 23 September 2021 to provide ongoing incentives to any full time or part time employee of the Company or any of its subsidiaries (including a Director or company secretary of the Company or its subsidiaries who holds salaried employment with the Company or its subsidiaries on a full or part time basis) who is determined by the Board to be eligible to receive grants of Options securities under the EIP (**Eligible Participants**).

BirdDog has offered Share Rights, Performance Entitlements and Options to Eligible Participants.

(b) Key terms

(i) Employee Rights

Under the EIP, the Company may offer or issue to Eligible Participants, the following Employee Rights:

- (A) **performance rights:** a right to be issued or provided with a Share at nil issue price on specific vesting conditions being achieved;
- (B) **options:** a right to be issued or provided with a Share on payment of an exercise price and which can only be exercised if specific vesting conditions are achieved;
- (C) **loan shares:** Shares issued subject to a limited recourse loan and at nil interest rate, subject to specific vesting conditions;
- (D) **deferred share awards:** Shares issued to Eligible Participants:
 - who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or
 - by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; or
- (E) **exempt share awards:** Shares issued for no consideration or at an issue price which is a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth) from time to time) of the total value or discount received by each employee will be exempt from tax.

(ii) Eligible employees

Employee Rights may be granted at the discretion of the Board to any person who is an Eligible Participant.

(iii) Price

The Board has discretion to determine the issue price and/or exercise price for the Employee Rights.

(iv) Vesting and exercise of Employee Rights

The Employee Rights held by a participant will vest in and become exercisable by that participant on the satisfaction of any vesting conditions specified in the offer and in accordance with the rules of the EIP. Vesting conditions may be waived at the discretion of the Board.

(v) Change of control

In the event a takeover bid is made to acquire all of the Shares on issue, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid, the Board may waive unsatisfied vesting conditions in relation to some or all Employee Rights. Further, if a takeover bid is made to acquire all of the Shares on issue, participants may accept the takeover bid in respect of any Employee Rights (other than exempt share awards) which they hold notwithstanding the restriction period in respect of those Employee Rights has not expired.

5. Board, Management and Corporate Governance Continued

(vi) Claw Back

If any vesting conditions of an Employee Right are mistakenly waived or deemed satisfied when in fact they were not satisfied, then in accordance with the terms of the EIP, the Board may determine that the relevant Employee Rights expire (if not yet exercised), or it may otherwise recover from the participant some or all Shares issued on exercise of the Employee Rights or any proceeds received from the sale of those shares.

(vii) Variation of Share capital

If prior to the exercise of an Employee Right, the Company undergoes a reorganisation of capital or bonus issue, the terms of the Employee Rights will be changed to the extent necessary to comply with the Listing Rules.

(c) Share Rights

To assist in the reward, retention and motivation of the Company's key management personnel and senior managers with Company has made an offer of Share Rights (being a form of Performance Right) under the Equity Incentive Plan.

BirdDog has issued (in aggregate) 1,706,538 Share Rights to Dan Miall, Eamon Drew, Barry Calnon and Jamie Ambrose (**Holders**).

The terms and conditions of the Share Rights are set out in comprehensive rules in an offer letter. A summary of the material terms and conditions of the Share Rights are below:

- (i) Each Share Right will entitle the Holder to one ordinary Share in the capital of the Company, subject to the applicable conversion hurdles being reached.
- (ii) The conversion hurdles are aligned to the Company's share price growth on a rolling basis measured annually.
- (iii) If the relevant conversion hurdle has not been met by the date for conversion, the Share Rights for the relevant period will automatically lapse.
- (iv) The Share Rights:
 - (A) have been issued for nil consideration and have a nil exercise price;
 - (B) will vest in three equal tranches, subject to the conversion hurdles being reached on the relevant conversion date;
 - (C) do not confer on the Holder the right to receive notices of general meetings or other documents circulated to Shareholders;
 - (D) do not entitle the Holder to vote on any resolutions; and
 - (E) do not entitle the Holder to any dividends.
- (v) If the Holder ceases to be employed/engaged by the Company:
 - (A) for cause (e.g. due to fraud or misconduct) prior to the relevant vesting date; or
 - (B) because they resign prior to the relevant vesting date,all of the Holder's Share Rights will lapse at the discretion of BirdDog's board.

Where the Holder ceases to be employed/engaged by the Company for any other reason prior to the vesting date, the Holder will be permitted to retain some or all of their Share Rights at the discretion of the board (the number of Share Rights to be retained will depend on the date the Holder's engagement with the Company ceases).

Where the Holder ceases to be employed/engaged by the Company on or following the relevant vesting date, all of the Share Rights will lapse at the Board's discretion.

(d) Performance Entitlement

The Board has determined it will make an offer of Performance Entitlements (being a form of Performance Right) to a select BirdDog employee, Jamie Ambrose, Chief Revenue and Operations Officer under the Equity Incentive Plan.

Subject to the fulfilment of a number of performance criteria, The Chief Revenue and Operations Officer may be entitled to a mix of Performance Rights and cash collectively referred to as the **Performance Entitlement**.

The terms and conditions of the Performance Entitlement are set out in comprehensive rules in an offer letter. A summary of the material terms and conditions of the Performance Entitlement are set out below:

- (i) The Chief Revenue and Operations Officer is entitled to the Performance Entitlement if certain performance criteria for the year to 30 June 2022 are met being:
 - (A) Minimum hurdles: (1) a minimum of 13% Net Profit before tax margin and revenue of at least US\$75 million; and/or (2) a minimum of 13% EBITDA margin and at least a performance against forecast revenue of 1.75x, then the Performance Entitlement will comprise an additional 0.75 of the Annual Remuneration of the Chief Revenue and Operations Officer;
 - (B) Hurdles: (1) a minimum of 18% Net Profit before tax margin and revenue of at least US\$112.5 million; and/or (2) a minimum of 18% EBITDA margin and at least a performance against forecast revenue of 2.75x, then the Performance Entitlement will comprise an additional 1.75 of the Annual Remuneration of the Chief Revenue and Operations Officer; and
 - (C) Maximum hurdles: (1) a minimum of 23% Net Profit before tax margin and revenue of at least US\$150 million; and/or (2) a minimum of 23% EBITDA margin and at least a performance against forecast revenue of 3.75x, then the Performance Entitlement will comprise an additional 2.75 of the Annual Remuneration of the Chief Revenue and Operations Officer.
- (ii) A safety net applies whereby, based on the minimum Net Profit before tax margins, achieving:
 - (A) 1.75x, 2.75x or 3.75x performance against forecast revenue, then the Performance Entitlement will comprise an additional 0.75, 1.75 or 2.75 of the Annual Remuneration of the Chief Revenue and Operations Officer, as applicable;
 - (B) 1.5x, 2.5x or 3.5x performance against forecast revenue, then the Performance Entitlement will comprise an additional 0.375, 1.375 or 2.375 of the Annual Remuneration of the Chief Revenue and Operations Officer, as applicable; and
 - (C) 1.25x, 2.25x or 3.25x performance against forecast revenue, then the Performance Entitlement will comprise an additional 0.175, 1.175 or 2.175 of the Annual Remuneration of the Chief Revenue and Operations Officer, as applicable.
- (iii) The Performance Entitlement may be taken up to 50% in Performance Rights.
- (iv) The maximum award is 729,167 Performance Rights vesting: (1) up to 288,462 on the first anniversary of the Listing Date; (2) up to 240,385 on the second anniversary; and (3) up to 200,321 on the third anniversary.
- (v) Jamie is entitled to convert their Performance Rights into ordinary Shares based on a value per Performance Right equal to the 20 day volume weighted average price measured during the 20 trading days prior to 30 June on each applicable vesting year.
- (vi) The Performance Rights vest if and when one of the relevant milestones are reached. The milestones are aligned to the Company's financial performance (measured against forecast performance) on a rolling basis measured annually.
- (vii) If the relevant milestone is not achieved by the due date as set out in the Schedule, then the corresponding Performance Entitlement will automatically lapse on non-satisfaction of the applicable milestone.
- (viii) Performance Rights (and the corresponding cash entitlement, as applicable):
 - (A) have a nil issue and nil exercise price;
 - (B) are not transferable;
 - (C) will automatically expire and lapse on the fifth anniversary of the date of the grant (being the date on which the Performance Rights are issued);
 - (D) do not confer on the Holder the right to receive notices of general meetings or other documents circulated to shareholders;
 - (E) do not entitle the Holder to vote on any resolutions; and
 - (F) do not entitle the Holder to any dividends.

5. Board, Management and Corporate Governance Continued

(ix) If the Holder ceases to be employed/engaged by the Company:

(A) for cause (e.g. due to fraud or misconduct) prior to the relevant vesting date; or

(B) because they resign prior to the relevant vesting date,

all of the Holder's Performance Entitlement will lapse at the discretion of BirdDog's Board.

Where the Holder ceases to be employed/engaged by the Company for any other reason prior to the vesting date, the Holder will be permitted to retain some or all of their Performance Entitlement at the discretion of the Board (the amount of the Performance Entitlement to be retained will depend on the date the Holder's engagement with the Company ceases).

Where the Holder ceases to be employed/engaged by the Company on or following the relevant vesting date, all of the Performance Entitlement will lapse at the Board's discretion.

(e) Director Options

The Company has issued 700,000 to its Non-Executive Directors under its Employee Incentive Plan.

A summary of the material terms and conditions of the Options are below:

(i) The Options are issued for nil issue price.

(ii) The exercise price of an Option is:

(A) the Offer Price for the first tranche;

(B) a 15% premium to the Offer Price for the second tranche; and

(C) a 30% premium to the Offer Price for the third tranche.

(iii) Options may be exercised in part or in whole.

(iv) Options vest in three tranches as follows:

(A) the first tranche vests on the first anniversary (12 months) after the Listing Date;

(B) the second tranche vests on the second anniversary (24 months) of the Listing Date; and

(C) the third tranche vests on the third anniversary (36 months) of the Listing Date.

(v) If the Holder ceases to be employed/engaged by the Company:

(A) for cause (e.g. due to fraud or misconduct) prior to the relevant vesting date; or

(B) because they resign prior to the relevant vesting date,

all of the Holder's Options will lapse at the discretion of BirdDog's board.

Where the Holder ceases to be engaged by the Company for any other reason prior to the vesting date, the Holder will be permitted to retain some or all of their Options at the discretion of the board (the number of Performance Rights to be retained will depend on the date the Holder's engagement with the Company ceases).

Where the Holder ceases to be engaged by the Company on or following the relevant vesting date, all of the Options will lapse at the Board's discretion.

(f) Employee Offer

The Company will offer (in aggregate) 550,000 Options (**Employee Options**) to Eligible Employees (excluding key management personnel and Directors) under its Employee Incentive Plan under the Employee Offer made under this Prospectus.

A summary of the material terms and conditions of the Employee Options are set out below:

(i) Employee Options are issued for nil issue price.

(ii) The exercise price of an Employee Option is the Offer Price.

(iii) Employee Options may be exercised in part or in whole.

- (iv) Employee Options will lapse if the Eligible Employee ceases their employment/engagement with the Company prior to vesting date (unless Board determines otherwise).
- (v) Employee Options vest on the date on which the Company's ordinary shares are admitted for official quotation on the official list of the ASX.

(g) EIP Securities

The Options to be issued to the Non-Executive Directors, Share Rights and Performance Entitlements (together, **EIP Securities**) are being issued to remunerate and incentivise the Eligible Participants. The EIP Securities are not ordinary course of business remuneration securities, rather the EIP Securities are intended to financially incentivise the Eligible Participants for the key role they play in the future success and growth of the Company.

The contributions of the Eligible Participants to the Company's business are vital to ensuring that BirdDog's structure and operations remain appropriate for a listed entity. Further, the collective contributions and working efforts of the Eligible Participants is critical to maximise shareholder value, and so retention of these personnel is important for the Company's ongoing success post-Listing.

As distinct from other forms of remuneration available to the Eligible Participants, such as their salaries (as set out at section 5.3(c)), the issue of EIP Securities are more specifically targeted at retention of personnel and aligning the interests of the Company's personnel with its investors.

The Board approved the grant of EIP Securities based on a percentage of each Eligible Participant's remuneration. In consultation with the Company's Chair, the Lead Manager, external advisors and the executive management team, this was determined to be the most appropriate and equitable mechanism to determine the number of securities to be issued to each Eligible Participant. In particular, the board considered the Lead Manager's extensive market analysis, by reference to comparable listed companies.

The total number of EIP Securities issued is 3,685,705, which, converted on a 1 for 1 basis, will at all times be substantially lower than the 214,667,785 shares on offer post Listing (approximately 2%).

The EIP Securities are not quoted, not transferable, confer no right to vote (except as otherwise required by law), do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues, do not carry an entitlement to a dividend, do not permit the Holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and do not carry an entitlement to participate in the surplus profit or asset of the Company on winding up of the Company. Each EIP Security is converted into one fully paid ordinary share on achievement of the relevant milestone. If the relevant EIP Security is not converted into a share by the relevant expiry date then all the EIP Securities of that class lapse.

5.6 LEGAL OR DISCIPLINARY ACTION

John Dixon was previously a non-executive chairman and director of former ASX listed Jiancheng International Group Limited ACN 605 248 904 (now de-registered) (JCI), which was suspended from trading due to a failure to lodge a periodic report by the due date.

John's resignation was announced to the market on 24 September 2019 and was unrelated to JCI's suspension.

Other than as set out above, no Director (or company that the Director was a director of at the relevant time) has, in the 10 year period ending on the date of this Prospectus, had any legal or disciplinary action against the Director that is relevant to the Director's role in the Company and a potential investor's decision to apply for Shares.

5.7 INSOLVENT COMPANIES

No Director has been an officer of a company that entered into a form of external administration because of insolvency while the Director was an officer of the company or within 12 months of the Director ceasing to be an officer of the company.

5.8 CORPORATE GOVERNANCE

(a) Overview

The Directors are responsible for the strategic direction of the Company, the identification and implementation of corporate policies and goals, and monitoring of the business and affairs of BirdDog on behalf of its members.

5. Board, Management and Corporate Governance Continued

The Company is cognisant of the Corporate Governance Principles and Recommendations (4th edition) as published by ASX Corporate Governance Council and acknowledges that the eight principles set out in that document are fundamental to good corporate governance. The Board believes that the structure of the Company, its management and business practices provide a basis of governance which meets the essential corporate governance principles articulated by ASX in that publication.

(b) Committees

One of the key objectives of the Board is to ensure timely, transparent and accurate communication with all members and compliance with all regulatory requirements (including its ASX continuous disclosure requirements once Listed). To this end the Board has formally adopted a Corporate Governance Policy for the Company.

Under this Corporate Governance Policy, the Board has established:

- (i) an Audit and Risk Committee whose primary function is to provide additional assurance regarding the quality and reliability of financial information used by the Board and financial information provided by the Company pursuant to its statutory reporting requirements, including by (among other things):
 - (A) assessing the veracity of financial information prepared by the Company;
 - (B) assessing information from auditors that affect the quality of financial reports;
 - (C) requesting independent opinions from external auditors about the appropriateness of accounting principles used and the clarity of the financial disclosure practices used or proposed to be used as put forward by management;
 - (D) assessing the management of non-financial information in documents (both public and internal) to ensure the information does not conflict inappropriately with the financial statements and other documents, as well as assessing internal control systems covering information releases that have the potential to reflect negatively on the Company's conduct; and
 - (E) reviewing management's processes for ensuring compliance with laws, regulations and other requirements (including the Australian Accounting Standards, the Corporations Act, the ASX Listing Rules and the ASX Operating Rules) relating to the external reporting of financial and non-financial information.

The Company will adhere to the recommendations in the ASX Recommendations concerning the composition and conduct of the Audit and Risk Committee.

The Audit and Risk Committee will comprise of Joanne Moss, Andrew Baxter and John Dixon, with Joanne Moss acting as Chair; and

- (ii) a Nomination and Remuneration Committee whose primary role is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's nomination and remuneration policies and practices, including by (among other things):
 - (A) reviewing and recommending remuneration packages and policies related to the Directors and senior executives;
 - (B) reviewing the composition of the Board to ensure that the Board has an appropriate mix of expertise and experience and to assess and review the performance of the Directors of the Company; and
 - (C) reviewing and reporting to the Board on matters concerning executives' and Directors' remuneration.

The Company will adhere to the recommendations in the ASX Recommendations concerning the composition and operation of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee will comprise of Joanne Moss, Andrew Baxter and John Dixon, with Andrew Baxter acting as Chair.

(c) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(d) Internal audit

The Company's Audit and Risk Committee will oversee the internal audit functions. The internal audits are reported to senior management and to the Audit and Risk Committee on a regular basis. Additional responsibilities of the Audit and Risk Committee involve appointing and removing the head of the internal audit, scoping the adequacy of the internal audit and assessing the independence, objectivity and performance of the internal audit.

(e) Policies and charters

Incorporated into the Company's Corporate Governance Policy, which can be found on the Company's website at bird-dog.tv, the Board has adopted the following policies and charters, each of which comply with the ASX Recommendations.

(f) Board charter

The Company's Corporate Governance Policy sets out a 'Primary Board Charter' which outlines both the respective roles and responsibilities of its board and management (and those expressly reserved to the board or delegated to management).

In general, the Board assumes (amongst others) the following responsibilities:

- (i) the appointment and replacement of Directors and senior executives of the Company and determining the terms and conditions of their engagement;
- (ii) overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and performance generally;
- (iii) reviewing risk management, governance and internal compliance processes and policies;
- (iv) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (v) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (vi) approving the annual and half yearly accounts;
- (vii) approving the issue of any shares, options, equity securities or other financial instruments in the Company (subject to compliance with the ASX Listing Rules and the Constitution); and
- (viii) recommending to Shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them.

(g) Disclosure Policy

Once Listed, the Company will be required to comply with the continuous disclosure requirements of the ASX Listing Rules. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately disclose to the ASX any information concerning the Company which is not generally available and which, if it was made available, a reasonable person would expect to have a material effect on the price or value of the Company's securities, once the Company becomes aware of such information.

The Company has adopted a Continuous Disclosure Policy to take effect from Listing, which establishes procedures to ensure that Directors and senior management are aware of, and fulfil their obligations in relation to continuous disclosure, including the timely, full and accurate disclosure of material price-sensitive information when required. The Continuous Disclosure Policy also sets out procedures for communicating with Shareholders, the media and the market.

5. Board, Management and Corporate Governance Continued

(h) Shareholder Communication Policy

The ASX Recommendations provide that a listed entity should have an investor relations program that facilitates effective two-way communication with investors. To the end, the Company has established a Shareholder Communications Policy, comprising a set of strategies designed to promote effective communication with investors. These strategies include (among others):

- (i) Shareholder meetings are structured to provide effective communication to Shareholders and allow reasonable opportunity for informed shareholder participation;
- (ii) the Company's external auditor attends each annual general meeting of the Company and is available to respond to Shareholder questions in relation to any audit related questions;
- (iii) the Company will look to provide other forms of attending a meeting (e.g. dialling in or through other digital means) where Shareholders cannot attend meetings in person;
- (iv) the Company's annual report is available to each Shareholder; and
- (v) the Company posts on the 'Corporate Governance' section of its website and keeps posted for a reasonable period all of its relevant corporate governance information.

(i) Securities Trading Policy

The Board has adopted a policy that sets out the parameters which key management personnel (that is, any person who has authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise), the CEO of the Company and other relevant senior executives) must adhere to in relation to the sale and purchase of securities in the Company.

The policy provides (among other things) that trading in the Company's securities is not permitted in the period leading up to the publication of the Company's yearly and half-yearly results. In particular, trading is prohibited in the following closed periods:

- (i) from 1 August until one week after the release of the Company's full year results;
- (ii) from 1 January until one week after the release of the Company's half year results; and
- (iii) any other period as determined by the Board from time to time.

Additionally, the policy provides that at all times, key management personnel and their closely related parties are strictly prohibited from trading in derivatives, or engaging in short-term trading, short selling or other secured financing arrangements (including but not limited to margin lending) in relation to the Company and/or the Company's securities.

(j) Code of Conduct

The Company considers that maintaining integrity and ethical standards in all of its activities is a high priority. To ensure its high standards for integrity and ethics are maintained, the Board has adopted a formal Code of Conduct.

The key obligations under the code are to:

- (i) act in accordance with the Company's values and corporate goals;
- (ii) act in the best interests of the Company;
- (iii) act honestly, ethically, responsibly and with high standards of personal integrity;
- (iv) comply with all laws and regulations that are applicable to the Company and its operations;
- (v) treat fellow colleagues with respect and not engage in bullying, harassment or discrimination;
- (vi) disclose and deal appropriately with any conflicts between their personal interests and their duties as a director, senior executive, key management personnel, officer or employee of the Company;
- (vii) not take advantage of the property or information of the Company or its customers for personal gain or to cause detriment to the Company or its customers;
- (viii) not take advantage of their position or the opportunities arising from their position for personal gain; and
- (ix) report any breaches of this Code of Conduct to the Board.

(k) Diversity Charter

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its corporate objectives. Accordingly, the Company has set in place a Diversity Charter. This Charter outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. The Board may establish measurable objectives for achieving diversity, and is responsible for assessing annually both the objectives, and the Company's progress in achieving them.

(l) Whistleblower Protection Policy

The Company is committed to creating a working environment in which its personnel are encouraged to raise any matters of concern in good faith without fear of retribution.

The Company has therefore adopted a Whistleblower Protection Policy to provide its personnel with a mechanism for addressing any concerns about the Company's operations and activities.

The Whistleblower Protection Policy:

- (i) establishes a process for whistleblowers to raise their concerns without fear of adverse consequences;
- (ii) outlines the legal protections for whistleblowers;
- (iii) specifies the circumstances in which matters may be disclosed in accordance with the policy, for example where conduct of the Company, its related bodies corporate or personnel:
 - (A) constitutes misconduct including unethical, illegal, dishonest, fraudulent or corrupt conduct or constitutes improper state of affairs or circumstances;
 - (B) amounts to a breach of certain laws; or
 - (C) represents a danger to the public or the financial system; and
 - (D) specifies the circumstances in which matters may not be disclosed under the policy. In particular, matters that have implications for the Company's personnel personally, but do not have significant implications for the Company are not captured by the Whistleblower Policy.

(m) Anti-bribery and Corruption Policy

Through its Anti-bribery and Corruption Policy, the Company outlines its expectations for its personnel to adopt a zero-tolerance approach to bribery and corruption.

The Anti-bribery and Corruption Policy stipulates the:

- (i) responsibilities of the Company's personnel, including in their dealings with, and through, any third parties;
- (ii) types of conduct that are prohibited by the policy, including providing, offering or promising a bribe, using false or fraudulent documents, or intentionally and improperly destroying documents or financial records without the prior written consent of the Company;
- (iii) consequences of breaching the policy; and
- (iv) Company's procedures in implementing and monitoring compliance.

(n) ASX Recommendations

While the ASX Recommendations are not compulsory, the Company in accordance with ASX Listing Rule 4.10, will advise the market whether it meets the ASX Recommendations and if not, state why not.

The Company intends to be compliant with the ASX Recommendations from the time of its Listing.

The Company intends to keep its Shareholders up to date on all material information through its website (bird-dog.tv) and the ASX platform under its ASX ticker code BDT.

(o) Departures from Recommendations

Following Listing, the Company will be required to report any departures from the ASX Recommendations in accordance with ASX Listing Rule 4.7.3.



BirdDog Flex Backpack has a unique design that allows easy connection to camera-top monitors.



6. DETAILS OF THE OFFER

6. Details of the Offer

6.1 THE OFFER AND THE EMPLOYEE OFFER

The Company is undertaking an Offer of 50,769,231 Shares at \$0.65 per Share to raise \$33 million before costs. The Shares issued under this Prospectus will represent approximately 24.8% of Shares on issue on Completion of the Offer.

In addition, the Company is offering Employee Options to Eligible Employees pursuant to the Employee Offer for nil subscription price under the Employee Offer.

The Offer and the Employee Offer are each made subject to the terms and conditions set out in this Prospectus. All Shares will rank equally with each other.

Please refer to the Key Offer Information for the Opening Date and Closing Dates for the Offer, and refer to 6.5(b), 6.6(a), 6.7(b) and 6.8(b) for details on how to apply for Shares under the Offer and the Employee Offer.

6.2 STRUCTURE OF THE OFFER AND THE EMPLOYEE OFFER

This Offer comprises the:

- (a) Broker Firm Offer – open to Australian resident retail clients of Brokers who have received a firm allocation for their Broker (see section 6.5 for more details);
- (b) Institutional Offer – an invitation to bid for Shares made to Institutional Investors in Australia and in certain other eligible jurisdictions (see section 6.6 for more details); and
- (c) Priority Offer – open to select investors nominated by the Company in eligible jurisdictions, who receive a Priority Offer invitation to acquire Shares under this Prospectus (see section 6.7 for more details).

The Employee Offer is open to Eligible Employees that receive an invitation from the Company to apply for Employee Options.

No general public offer for Shares will be made under this Prospectus.

The allocation of Shares between the Broker Firm Offer, Institutional Offer and the Priority Offer will be determined by the Lead Manager in agreement with the Company having regard to the allocation policies described above.

The allocation of Shares under the Employee Offer will be determined by the Company at its discretion.

6.3 IMPORTANT DATES

The key dates, including details of the Offer Period, are set out in the Key Offer Information section of this Prospectus.

The Company reserves the right to close any of the Offers early, extend the Offer Closing Date for any Offer or accept late Applications without notifying any recipients of this Prospectus or any Applicants. Any change to the Offer Closing Date (including if closed early or extended) will have a consequential effect on the date for the issue of the Shares. No Shares or Employee Options will be issued or transferred on the basis of this Prospectus later than 13 months after the date of this Prospectus.

6. Details of the Offer Continued

6.4 TERMS AND CONDITIONS OF THE OFFER AND THE EMPLOYEE OFFER

Topic
What is the type of securities are being offered? Ordinary, fully paid Shares in BirdDog Technology Limited under the Offer. Employee Options issued under the Employee Offer.
What are the rights and liabilities attached to the securities being offered? A description of the Shares, including the rights and liabilities attaching to them, is set out in section 11.9. A description of the Employee Options, including the rights and liabilities attaching to them, is set out in section 5.5(f).
What is the consideration payable for the Shares? The Offer Price is \$0.65 per Share. Under the Employee Offer, the Employee Options will be issued for nil consideration.
What are the cash proceeds to be raised? \$33 million (before costs and expenses).
What is the minimum and maximum Application size under the Broker Firm Offer and the Priority Offer? Broker Firm Offer Applications for Shares under the Broker Firm Offer must be for a minimum of 4,000 Shares and thereafter in multiples of 1,000 Shares and payment for the Shares must be made in full at the issue price of \$0.65 per Share. There is no maximum number of value of Shares that may be applied for under the Offer. Priority Offer Applications must be for a minimum of 4,000 Shares. Applications in excess of the minimum number of Shares must be in multiples of 1,000 Shares. There is no maximum amount that may be applied for under the Priority Offer. Employee Offer Eligible Employees will be entitled to apply for such number of Employee Options offered by the Company as set out in their Employee Offer Letter.
Is the Offer underwritten? No, this Offer is not underwritten. PAC Partners has agreed to act as Lead Manager to this Offer.
What is the allocation policy? The allocation of Shares between the Broker Firm Offer, the Institutional Offer and the Priority Offer will be determined by agreement between the Company and the Lead Manager, having regard to the policies described in sections 6.5(d), 6.6(b), 6.7(c) & 6.8(b). The allocation of Employee Options under the Employee Offer will be determined by the Company in its discretion.
When will I receive confirmation whether my Application has been successful? It is expected that initial holding statements will be mailed by standard post on or about 8 December 2021.

Topic

Will the securities be quoted?

The Company will apply for admission to the Official List of the ASX and quotation of Shares on ASX under the code "BDT".

Completion of the Offer is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable.

The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time. ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.

The Employee Options will not be quoted.

When are the Shares expected to commence trading?

It is expected that trading of the Shares on the ASX will commence on 16 December 2021.

It is the responsibility of each Applicant to confirm their holding before trading in Shares.

Applicants who sell Shares before they receive an initial statement of holding do so at their own risk.

The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, even if such person received confirmation of allocation from the Share Registry, by a Broker or otherwise.

Are there any escrow arrangements?

Yes. Details are provided in section 6.11 below.

Are there any taxation considerations?

Yes. Please refer to section 10 and note it is recommended that all potential investors consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.

Has any ASIC relief or ASX waiver or confirmation been sought, obtained or relied on?

Yes. Details are provided in sections 6.12 and 6.13.

Are there any brokerage, commission or stamp duty considerations?

No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.

See section 11.13(f) for details of various fees payable by the Company to the Lead Manager.

What should I do with any enquiries?

Enquiries in relation to this Prospectus may be directed to the Share Registry on 1300 288 664 (toll free within Australia) or +61 2 9698 5414 (outside Australia) from 9 am until 5 pm (AEDT) from Monday to Friday.

Enquiries in relation to the Broker Firm Offer should be directed to your Broker.

If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

6. Details of the Offer Continued

6.5 BROKER FIRM OFFER

(a) Who may apply?

The Broker Firm Offer is open to persons who have received a firm allocation of Shares from their Broker and who have a registered address in Australia. If you have received a firm allocation of Shares from your Broker, you will be treated as an Applicant in respect of that allocation. You should contact your Broker to determine whether you can receive an allocation of Shares from them under the Broker Firm Offer.

The Broker Firm Offer is not open to persons in the United States.

(b) How to apply

Applications for Shares under the Broker Firm Offer must be made using the appropriate Application Form. If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Application Form and Application Monies with the Broker from whom you received your firm allocation of Shares. Applicants under the Broker Firm Offer must not be sent to the Share Registry.

Applications for Shares under the Broker Firm Offer must be for a minimum of 4,000 Shares and thereafter in multiples of 1,000 Shares and payment for the Shares must be made in full at the issue price of \$0.65 per Share. The Company and Lead Manager reserve the right to aggregate any Applications which they believe are multiple applications from the same person, or to reject or scale back any Applications.

There is no maximum number of value of Shares that may be applied for under the Offer. However, the Company and the Lead Manager reserve the right to close the Offer early or extend the Offer, and may amend or waive the Offer Application procedures in their discretion (subject to the applicable laws).

By submitting an Application, you declare that you were given access to this Prospectus, together with an Application Form.

Under the Corporations Act, a person must not pass an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Neither the Company, the Lead Manager, nor the Share Registry takes any responsibility for any acts or omissions of your Broker in connection with an Application.

(c) How to pay

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions received from their Broker.

(d) Broker Firm allocation policy

The allocation of firm stock to Brokers has been determined by agreement between the Company and the Lead Manager. Shares which have been allocated to Brokers for allocation to their Australian resident retail clients will be issued to the Applicants who have received a valid allocation of Shares from those Brokers (subject to the right of the Company and the Lead Manager to reject or scale back Applications). It will be a matter for those Brokers how they allocate Shares among their retail clients and they (and not the Company or the Lead Manager) will be responsible for ensuring that retail clients, who have received an allocation of Shares from them, receive the relevant Shares.

(e) Application Monies

Application Monies received under the Broker Firm Offer will be held in a special purpose account until Shares are issued or transferred to successful Applicants. Applicants under the Broker Firm Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in the Company's discretion provided with) a refund (without interest) of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any Application Monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

(f) Announcement of final allocations in Broker Firm Offer

Applicants in the Broker Firm Offer will be able to confirm their allocation through the Broker from whom they received their allocation.

6.6 INSTITUTIONAL OFFER

(a) Invitation to bid

The Institutional Offer is an invitation to Australian resident Institutional Investors and other eligible Institutional Investors in jurisdictions outside the U.S. to bid for Shares, made under this Prospectus. The Lead Manager separately advised Institutional Investors of the Application procedures for the Institutional Offer.

(b) Institutional Offer allocation policy

The allocation of Shares between the Institutional Offer and the Broker Firm Offer was determined by agreement between the Company and the Lead Manager. The Lead Manager, in consultation with the Company, determined the basis of allocation of Shares among Institutional Investors. Participants in the Institutional Offer have been advised of their allocation of Shares, if any, by the Lead Manager.

The allocation policy was influenced by the following factors:

- (i) the number of Shares bid for by particular bidders;
- (ii) the timeliness of the bid by particular bidders;
- (iii) the Company's desire for an informed and active trading market following Listing on ASX;
- (iv) the Company's desire to establish a wide spread of institutional Shareholders;
- (v) overall levels of demand under the Broker Firm Offer and Institutional Offer;
- (vi) the size and type of funds under management of particular bidders;
- (vii) the likelihood that particular bidders will be long term Shareholders; and
- (viii) any other factors that the Company and the Lead Manager considered appropriate.

6.7 PRIORITY OFFER

(a) Who may apply?

The Priority Offer is open to select investors nominated by the Company in eligible jurisdictions who have received a Priority Offer invitation to acquire Shares under this Prospectus. If you are a Priority Offer Applicant, you will receive a personalised invitation to apply for Shares in the Priority Offer.

(b) How to apply

If you have received a personalised invitation to apply for Shares under the Priority Offer and you wish to apply, you must do so in accordance with the instructions provided in your personalised invitation.

Recipients of the Priority Offer invitation should read the separate Offer letter and this Prospectus carefully and in their entirety before deciding whether to apply under the Priority Offer. If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

To apply under the Priority Offer, you must complete the online 'Priority Offer Application Form' in accordance with the instructions provided in your Priority Offer invitation and on the website containing the Application Form.

By making an Application, you declare that you were given access to this Prospectus together with an Application Form.

6. Details of the Offer Continued

Under the Corporations Act, a person must not pass an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applications must be received by no later than 5.00pm (AEDT) on Thursday, 2 December 2021 and it is your responsibility to ensure that this occurs.

(c) Is there a minimum or maximum Application size?

Applications must be for a minimum of 4,000 Shares. Applications in excess of the minimum number of Shares must be in multiples of 1,000 Shares.

There is no maximum amount that may be applied for under the Priority Offer. However, there is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which the Applicant applied.

(d) How to pay

Applicants under the Priority Offer must pay their Application Monies in accordance with the instructions for electronic payment on the online Application Form.

Payment must be made in Australian dollars and via BPAY®, and must otherwise be made in accordance with the instructions provided on your personalised invitation. Application Monies must be received by the Share Registry by 5.00pm (AEDT) on 2 December 2021. It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEDT) on 2 December 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

(e) Application Monies

Application Monies received under the Priority Offer will be held in a special purpose account until Shares are issued or transferred to successful Applicants. Applicants under the Priority Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in the Company's discretion provided with) a refund (without interest) of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any Application Monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

(f) How do I confirm my allocation?

Applicants in the Priority Offer will be able to call the Company's IPO Offer Information Line on +61 2 9698 5414 (within Australia) or +61 2 9698 5414 (outside Australia, from 8.30 am to 5.30pm (AEDT)), from Monday to Friday (excluding public holidays) to confirm their allocation from the Allotment Date.

If you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Company's IPO Offer Information Line.

6.8 EMPLOYEE OFFER

(a) Who may apply under the Employee Offer

All Eligible Employees who have received an Employee Offer Letter are eligible to subscribe for Employee Options under the Employee Offer. Eligible Employees are all full time or part time employees or contractors of the Company resident in Australia, the United Kingdom, the United States and Costa Rica. Employees who are not employed, or have issued, or been issued with a notice of termination for their employment (or engagement) as applicable, on or prior to 2 December 2021 will not be eligible for Employee Options under the Employee Offer.

(b) How to apply

No money is payable for the issue of Employee Options under the Employee Offer. The Employee Offer Letter will set out in full the terms of the Employee Offer, as well as a copy of an Application Form under which you can apply for Employee Options.

If you have received an Employee Offer Letter and you wish to apply for some or all of the Employee Options allocated to you as set out in that letter, you should complete the Application Form and submit the form to the Share Registry by 5.00pm (AEDT) on the Employee Offer Closing Date or any earlier closing date as determined by the Company.

The Employee Offer opens at 9.00am (AEDT) on 25 November 2021 and is expected to close at 5.00pm on 2 December 2021. The Company may elect to close the Employee Offer early or extend the period for the Employee Offer, at its discretion.

The Company reserves the right to reject any Applications for Employee Options which are not correctly completed or which are submitted by a person that the Company believes is not, or may not be an Eligible Employee.

6.9 RESTRICTIONS ON DISTRIBUTION

Each Applicant in the Offer or the Employee Offer, including the Broker Firm Offer and Institutional Offer will be taken to have represented, warranted and agreed as follows:

- (a) it understands that the Shares and Employee Options have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the U.S. and may not be offered, sold or resold in the U.S.;
- (b) it is not in the U.S.;
- (c) it has not and will not send the Prospectus or any other material relating to the Offer or the Employee Offer to any person in the U.S.; and
- (d) it will not offer or sell the Shares or Employee Options in the U.S. or in any other jurisdiction outside Australia.

Each Applicant under the Institutional Offer will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

6.10 ACKNOWLEDGEMENTS

- (a) Each Applicant under the Offer will be deemed to have:
 - (i) agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
 - (ii) acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) accompanying the Application Form and having read them all in full;
 - (iii) declared that all details and statements in their Application Form are complete and accurate;
 - (iv) declared that the Applicant(s), if a natural person, is/are over 18 years of age;
 - (v) acknowledged that once the Company receives an Application Form it may not be withdrawn;

6. Details of the Offer Continued

- (vi) applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
 - (vii) agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
 - (viii) authorised the Company and the Lead Manager and their respective Officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry on using the contact details in the Application Form;
 - (ix) acknowledged that, in some circumstances, the Company may not pay dividends;
 - (x) acknowledged that any dividends paid by the Company may be unfranked or only partially franked and that the unfranked portion of any such dividends may not attach conduit foreign income;
 - (xi) acknowledged that the information contained in this Prospectus (or any Supplementary Prospectus) is not investment advice or taxation advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs of the Applicant(s); and
 - (xii) declared that the Applicant(s) is/are a resident of Australia and are not acting for the account or benefit of any person in the United States or any other foreign person (except as applicable to the Institutional Offer, or if they are an overseas Applicant, they are in full compliance with all laws of any country relevant to their Application).
- (b) Each Applicant under the Employee Offer will be deemed to have:
- (i) agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Employee Offer;
 - (ii) acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) accompanying the Application Form and having read them all in full;
 - (iii) declared that all details and statements in their Application Form are complete and accurate;
 - (iv) declared that the Applicant(s), if a natural person, is/are over 18 years of age;
 - (v) acknowledged that once the Company receives an Application Form it may not be withdrawn;
 - (vi) applied for the number of Employee Options shown on the front of the Application Form;
 - (vii) agreed to being allocated and issued the number of Employee Options applied for (or a lower number allocated in a way described in this Prospectus), or no Employee Options at all;
 - (viii) authorised the Company and the Lead Manager and their respective Officers or agents, to do anything on behalf of the Applicant(s) necessary for Employee Options to be allocated to the Applicant(s), including to act on instructions received by the Share Registry on using the contact details in the Application Form;
 - (ix) acknowledged that, in some circumstances, the Company may not pay dividends;
 - (x) acknowledged that any dividends paid by the Company may be unfranked or only partially franked and that the unfranked portion of any such dividends may not attach conduit foreign income;
 - (xi) acknowledged that the information contained in this Prospectus (or any Supplementary Prospectus) is not investment advice or taxation advice or a recommendation that Employee Options are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs of the Applicant(s); and
 - (xii) declared that the Applicant(s) is/are a resident of Australia and are not acting for the account or benefit of any person in the United States or any other foreign person (except as applicable to the Institutional Offer, or if they are an overseas Applicant, they are in full compliance with all laws of any country relevant to their Application).

6.11 RESTRICTED SECURITIES

As per section 6.13, the Company has obtained confirmation from the ASX that the restrictions in Appendix 9B pertaining to the Company's pre-IPO securities do not apply on the basis that the Company has a track record of revenue acceptable to the ASX. As the mandatory escrow restrictions in the ASX Listing Rules do not apply to BirdDog's pre-IPO securities, the table below sets out the periods during which certain Shareholders will be restricted from dealing in their securities pursuant to voluntary escrow arrangements following Completion of the Offer.

Shareholder	% held on a fully diluted basis	Current holdings	Escrowed holdings (10%) ¹	Escrowed holdings (90%) ²	Escrowed holdings (90%) ³
Eamon Drew – Home Made Robots Pty Ltd ACN 154 662 594 ATF Robot Super Awesome Extreme 3000 Trust	20.78%	44,602,564	4,460,256		40,142,308
Barry Calnon – Khlebny Pereulok Pty Ltd ACN 154 662 610 ATF 525 Romashkavaya Trust	8.78%	18,846,154	1,884,615		16,961,538
Dan Miall – Restless Robot Pty Ltd ACN 154 662 585 ATF Miall Family Trust	20.78%	44,602,564	4,460,256		40,142,308
Adil Arshad	1.46%	3,141,026	314,103	2,826,923	
Greg Thomson – Gregory Robert Thomson ATFT GT Discretionary Trust	5.85%	12,564,103	1,256,410	11,307,692	
Skissebua AS	0.88%	1,884,615	188,462	1,696,154	
Total	58.53%	125,641,026	12,564,103	15,830,769	97,246,154

Notes:

1. ASX escrow holdings – 10% of holdings to be released from escrow the trading day after BirdDog's half-year 31 December 2021 results are formally released.
2. ASX escrow holdings – 90% of holdings to be released from escrow the trading day after 12 months from the Listing date
3. ASX escrow holdings – 90% of holdings to be released from escrow the trading day after 24 months from the Listing date

6.12 ASIC RELIEF

BirdDog has been granted ASIC for relief under section 741(1)(b) of the Corporations Act from the application of section 707(3) of the Corporations Act to permit the 'on-sale' of certain Shares offered other than under this Prospectus.

6.13 ASX WAIVERS

BirdDog has obtained confirmation from the ASX that the restrictions in Appendix 9B pertaining to the Company's pre-IPO securities do not apply on the basis that the Company has a track record of revenue acceptable to the ASX.

6. Details of the Offer Continued

6.14 ASX LISTING, REGISTERS AND HOLDING STATEMENTS, AND TRADING

(a) Application to ASX for listing and quotation of Shares

The Company will apply to the ASX for admission to the Official List and quotation of the Shares on the ASX (which is expected to be under the code “BDT”).

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription under this Prospectus.

If permission is not granted for the official quotation of the Shares on the ASX within three months after such application is made (or any later date permitted by law), all application monies received by the Company will be refunded without interest as soon as practicable.

Subject to certain conditions (including any waivers obtained by the Company from time to time), the Company will be required to comply with the ASX Listing Rules.

(b) CHESS and issuer sponsor holdings

The Company will apply to participate in the ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following Completion of the Offer, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Shareholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

(c) Trading and selling Shares on market

It is expected that trading of the Shares on the ASX will commence on or about 16 December 2021.

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the Share Registry or confirmed your firm allocation through a Broker.



BirdDog P200 camera is used all over the world by live streamers due to its easy set up, control, and exceptional image quality.



7. FINANCIAL INFORMATION

7. Financial Information

7.1 INTRODUCTION

This section sets out the financial information for BirdDog Technology Limited (**Company** or **BirdDog**) and its controlled entities (together, **Group**) for the financial years ended 30 June 2019 (**FY2019**), 30 June 2020 (**FY2020**) and 30 June 2021 (**FY2021**).

BirdDog Technology Limited was incorporated on 2 September 2021 to become the ultimate holding company of the Group following the corporate restructure required to facilitate the IPO (the **Restructure**). Under the Restructure, BirdDog entered into contracts in November 2021 to acquire all of the issued shares in BDTA from its shareholders, as well as the shares in BDA held by GDT. However these transactions will not complete until a successful IPO. Under the Restructure, the shareholders in BDTA and BDA will exchange their shares for a proportionate number of Shares in BirdDog. Prior to the Restructure, BDTA was the parent company of the Group, however, the effect of the Restructure was to interpose BirdDog as the new legal parent of the Group. There were also two (2) BirdDog share transfers transacted in the period to IPO to give effect to previous agreements that two of the founding shareholders held with internal parties, being the 1st employee of BDA and the Webcast Norge Intellectual Property (**IP**) Acquisition disclosed in the audited FY2021 financial statements.

While BirdDog has become the legal parent of BDA, this will not result in a business combination for accounting purposes. When preparing the financial information for BirdDog, the Restructure will be accounted for as a capital reorganisation by BirdDog. The financial statements of the Group will present a continuation of BDA and its controlled entities. Assets and liabilities will be recorded at their existing values in the statement of financial position for the Group. The statement of financial performance for the Group will be a continuation of the existing statement of financial performance for BDA and its controlled entities as will the statement of cashflows. As BirdDog was only incorporated on 2 September 2021, there is no standalone historical financial information for BirdDog. The financial information contained in this section is the consolidated financial information for BDA and its controlled entities.

The financial information for the Group contained in this Section includes:

	Statutory Historical Financial Information	Pro Forma Historical Financial Information
Historical Financial Information	<p>Statutory Historical Financial Information comprises the:</p> <ul style="list-style-type: none">• Statutory Historical Consolidated Statements of Financial Performance for FY2019, FY2020 and FY2021 (together the Statutory Historical Consolidated Statements of Financial Performance)• Statutory Historical Consolidated Statement of Cash Flows for FY2019, FY2020 and FY2021 (together the Statutory Historical Consolidated Statements of Cash Flow)• Statutory Historical Consolidated Statement of Financial Position as at 30 June 2021 (Statutory Historical Consolidated Statements of Financial Position) <p>The above information has been audited by Pitcher Partners.</p>	<p>Pro Forma Historical Financial Information comprises the:</p> <ul style="list-style-type: none">• Pro Forma Historical Consolidated Statements of Financial Performance for FY2019, FY2020 and FY2021 (together the Pro Forma Historical Consolidated Statements of Financial Performance)• Pro Forma Historical Consolidated Statement of Cash Flows for FY2019, FY2020 and FY2021 (together the Pro Forma Historical Consolidated Statements of Cash Flow)• Pro Forma Historical Consolidated Statement of Financial Position as at 30 June 2021 (Pro Forma Historical Consolidated Statements of Financial Position) <p>The above information has been reviewed by Pitcher Partners Corporate Pty Ltd.</p>

The Statutory Historical Financial Information and Pro forma Historical Financial Information together form the **Financial Information**.

The Financial Information has been reviewed in accordance with the Australian Standard on Assurance Engagements *ASAE 3450 Assurance Engagements involving Fundraising and/or Prospective Financial Information*, by Pitcher Partners Corporate Pty Ltd (the Investigating Accountant) whose Independent Limited Assurance Report is contained in Section 8. Investors should note the scope and limitations of the report.

Also summarised in this section are:

- (a) the basis of preparation and presentation of Financial Information (section 7.2);
- (b) changes in accounting standards (section 7.3);
- (c) explanation of certain non-IFRS financial measures (section 7.4);
- (d) the pro forma adjustments to the audited Statutory Historical Financial Information and reconciliations between the audited Statutory Historical Financial Information and the Pro Forma Historical Financial Information (refer to sections 7.5(c), 7.6(a) and 7.7(b));
- (e) management's discussion and analysis of the Financial Information (Section 7.8);
- (f) the Group's proposed dividend policy (section 7.9); and
- (g) significant accounting policies (Appendix 1).

The information in this section 7 should also be read in conjunction with the risk factors set out in section 9 and the other information contained in this Prospectus.

7.2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL INFORMATION

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information has been prepared to present the Group on a consolidated basis and the future financial statements of the Group will be presented on this basis.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards (AAS), including the Australian Accounting Interpretations (AAI) issued by the Australian Accounting Standards Board (AASB), which are consistent with the International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board. The Financial Information is presented in an abbreviated form and does not contain all of the disclosure provided in an annual financial report prepared in accordance with AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Financial Information has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

All items are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Financial Information is presented in Australian dollars (A\$) which is the Group's functional and presentation currency. Some numerical figures included in this section have been subject to rounding adjustments. Any discrepancies between totals and sums of components in tables contained in this section are due to rounding.

Certain significant accounting policies relevant to the Financial Information are disclosed in Appendix 1.

The Group has one reportable segment under AASB 8: *Operating Segments*.

The Statutory Historical Financial Information has been derived from the audited consolidated financial statements of the Company and controlled entities for FY2019, FY2020 and FY2021. The statutory historical financial statements for FY2019, FY2020 and FY2021 have been audited by Pitcher Partners, which issued unmodified audit opinions in respect of FY2019, FY2020 and FY2021.

The Pro forma Historical Financial Information has been prepared solely for the purpose of inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information with pro forma adjustments made thereto.

In addition to the Statutory Historical Financial Information, section 7.4 describes certain non-IFRS financial measures that BirdDog uses to manage and report on its business that are not defined under or recognised by AAS or IFRS.

Investors should note that past results are not a guarantee of future performance.

7. Financial Information Continued

7.3 CHANGES IN ACCOUNTING STANDARDS

AASB 16: Leases

AASB 16: replaces AASB 117: *Leases* and introduces a single lessee accounting model that requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. Right-of-use assets are initially measured at cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

- (a) right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for on a cost basis unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:
 - (i) investment property, the lessee applies the fair value model in AASB 140: *Investment Property* to the right-of-use asset; or
 - (ii) property, plant or equipment, the lessee applies the revaluation model in AASB 116: *Property, Plant and Equipment* to all of the right-of-use assets that relate to that class of property, plant and equipment; and
- (b) lease liabilities are accounted for on a similar basis to other financial liabilities, whereby interest expense is recognised in respect of the lease liability and the carrying amount of the lease liability is reduced to reflect the principal portion of lease payments made.

In accordance with the transition requirements of AASB 16, the Group elected to apply the modified retrospective method, whereby the lease liability, and right of use asset, was measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate.

The adoption of the new AASB 16 accounting standard was required for financial years commencing on or after 1 January 2019 and consequently BirdDog adopted this standard in its statutory financial statements for FY2020 and FY2021.

As a result of the adoption of AASB 16, operating expenses decrease and depreciation and interest expense increase, and the timing of expense recognition changes due to the change from a straight-line rental expense to depreciation and interest expenses with an accelerated profile.

AASB 16 has no effect on the net cash flows of the Group, but has resulted in a change in classification on the cash flow statement. Under previous AAS, rent payments were included in operating cash flows. AASB 16 instead requires that lease payments be classified and presented between the interest portion of the payment, included in finance costs and the principal portion of the payment, included in financing cash flows.

7.4 EXPLANATION OF CERTAIN NON-IFRS FINANCIAL MEASURES

The Group uses certain measures to manage and report on its business that are not recognised under AAS or IFRS. These measures are collectively referred to in this section as 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Group believes that this non-IFRS financial information provides useful information to readers in measuring the performance and position of BirdDog. However, investors are cautioned not to place undue reliance on any non-IFRS measures and should consider the measures as supplemental to, as opposed to replacement for, financial information presented in accordance with AAS.

As non-IFRS measures are not defined by recognised standard setting bodies, they do not have a prescribed meaning and may differ to the way other companies calculate similar measures.

The non-IFRS financial measures that are referred to in this Prospectus are as follows:

- % Annual Growth represents the compound annual growth rate of the element, e.g. revenue;
- EBITDA is earnings before interest, taxation, depreciation, amortisation and impairment charges;
- EBIT is earnings before interest and taxation;
- Gross Profit is the total value of sales (excluding GST) after deducting the cost of sales; and
- Working capital is defined by the Group as the sum of cash and cash equivalents, receivables, inventories and prepayments less the sum of trade creditors, sundry creditors and accruals and other liabilities.

7.5 STATEMENT OF FINANCIAL PERFORMANCE

(a) Statutory and Pro forma Historical Consolidated Statements of Financial Performance

The table below sets out the Statutory and Pro forma Historical Consolidated Statements of Financial Performance of the Group for the years ended 30 June 2019, 30 June 2020 and 30 June 2021. Section 7.5(c) sets out details and explanations of the pro forma adjustments made to the Statutory Historical Consolidated Statements of Financial Performance.

Table 1: Statutory and Pro forma Historical Consolidated Statements of Financial Performance

	Notes	Statutory Historical Results			Pro Forma Historical Results		
		FY2019	FY2020	FY2021	FY2019	FY2020	FY2021
Sales Revenue	1	2,030,485	9,485,007	38,215,539	2,030,485	9,485,007	38,215,539
Other Revenue	2	3,748	828	12,451	3,748	828	1,925
Other Income	3	248,059	524,372	261,358	248,059	466,673	226,739
Total Revenue & Other Income		2,282,292	10,010,207	38,489,348	2,282,292	9,952,508	38,444,203
Cost of sales	4	1,520,828	6,989,912	28,739,095	1,520,828	6,989,912	28,739,095
Advertising expense	5	170,759	139,415	71,492	170,759	139,415	71,492
Employee benefits expense	6	491,501	828,441	3,295,136	2,123,830	2,439,161	3,457,520
Research and development costs	7	300,205	317,785	991,244	300,205	317,785	991,244
Professional fees	8	43,426	145,079	523,468	43,426	102,298	133,583
Software licensing fees	9	50,854	483,816	2,063,080	50,854	483,816	2,063,080
Other expenses	10	243,047	276,806	434,935	812,580	876,406	966,418
EBITDA		(538,328)	828,953	2,370,898	(2,740,190)	(1,396,285)	2,021,771
Depreciation and amortisation expense	11	4,822	55,103	74,186	36,157	55,103	74,186
EBIT		(543,150)	773,850	2,296,712	(2,776,347)	(1,451,388)	1,947,585
Finance costs	12	87,526	237,247	616,212	88,904	237,247	383,316
Profit Before Tax		(630,676)	536,603	1,680,500	(2,865,251)	(1,688,635)	1,564,269
Income tax expense/(benefit)	13	–	(131,747)	326,466	(616,775)	(356,931)	300,204
Net profit after Tax		(630,676)	668,350	1,354,034	(2,248,476)	(1,331,704)	1,264,065
Exchange difference on translation of foreign operations		(8,481)	(3,241)	(8,068)	(8,481)	(3,241)	(8,068)
Total comprehensive income		(639,157)	665,109	1,345,966	(2,256,957)	(1,334,945)	1,255,997

7. Financial Information Continued

Notes:

1. Sales Revenue comprises sales of cameras, converters, chips & boards and software licensing income.
2. Other Revenue comprises interest income and gains from fair value movements of the embedded derivative related to the convertible notes issued in June 2021. These gains have been excluded for pro forma purposes.
3. Other Income is made up of research & development tax incentives, Government rebates/business support payments and foreign exchange gains.
4. Cost of sales represents the manufactured cost of hardware products sold, inclusive of packaging and freight, storage & handling and any applicable duties & tariffs.
5. Advertising expense relates to promotional and public relations activities to promote the Group's product offering (including product demonstrations and trade show attendances).
6. Employee benefits expense contains all employees' remuneration obligations from salary, superannuation, and associated taxes. For pro forma purposes, Directors' benefits, additional key management personnel and incremental remuneration of the key management of the Group for running a listed company have been accounted for including employee share option costs. The pro forma also includes an adjustment for the impact of one-off bonuses paid in FY2021 and adjustments to reinstate executive salaries forgone during FY2019 and FY2020.
7. Research & Development costs relate to the development of new hardware and software products by the Group's product engineering team.
8. For pro forma purposes, additional costs associated with operating as a listed company have been recognised which includes accounting, audit, consulting and legal expenses.
9. Software licencing fees comprise royalty payments to the owner of the NDI® protocol.
10. For pro forma purposes, additional costs associated with operating as a listed company have been recognised which includes ASX annual fees, share registry services, corporate secretarial services, insurance and investor relations.
11. Depreciation and amortisation expenses reflect the depreciation of the Group's plant & equipment over their useful life and depreciation of leases based on AASB 16: *Leases*.
12. Finance costs relates to the interest on the Group's trade finance facility, interest expense on the convertible notes issued and interest expense on leases based on AASB 16: *Leases*. For pro forma purposes, interest on leases under AASB 16: *Leases* is included for FY2019 and interest on convertible notes and related costs have been excluded.
13. Income tax expense/(benefit) is the amount of income tax attributable to Profit Before Tax adjusted for permanent differences. The Statutory Consolidated Statements of Financial Performance only recognised this income tax benefit in FY2020 when recoupment of income tax losses was considered probable. For pro forma purposes income tax expense/(benefit) has recognised on an annual basis.

(b) Key operating metrics

The table below sets out a summary of Group's key financial and other operational metrics for FY2019, FY2020 and FY2021 derived from the Pro forma Historical Consolidated Statements of Financial Performance and Statutory Historical Consolidated Statements of Financial Position.

Table 2: Key operating metrics

	Notes	FY2019	FY2020	FY2021
NPAT%	1	-98.5%	-13.4%	3.3%
EBITDA%	2	-120%	-14%	5%
GP%	3	25%	26%	25%
Revenue growth%	4	148%	367%	303%
Average daily sales	5	5,563	25,986	104,700
Inventory turnover ratio (statutory balance)	6	6.09	10.73	4.74
Average days Inventory	7	59.9	34.0	77.0
R&D % of Total Revenue & Other Income	8	13%	3%	3%
Software licence costs % of Sales Revenue	9	2.5%	5.1%	5.4%
Employee benefit expense % of Total Revenue & Other Income	10	93.1%	24.5%	9.0%
AUD:USD exchange rate	11	0.72	0.67	0.75
Working capital ratio (statutory balances)	12	0.82	1.42	12.57

Notes:

1. NPAT% is Net Profit After Tax calculated with reference to Total Revenue & Other Income.
2. EBITDA% is EBITDA calculated with reference to Total Revenue & Other Income.
3. Gross Profit% (GP%) is Gross Profit calculated with reference to Sales Revenue.
4. Revenue growth % is calculated with reference to Sales Revenue in the prior period.
5. Average daily sales is a measure of the average Sales Revenue attributable to a day and is calculated by dividing the annual Sales Revenue by 365 days.
6. Inventory turnover ratio is the number of times inventory is sold and replaced during a year and is derived by dividing the annual Cost of sales by the average of the opening and closing inventory.
7. Average days inventory is a measure of the average amount of inventory held to meet sales requirements and is calculated by dividing 365 days by the Inventory turnover ratio.
8. R & D% is the total research & development cost with reference to Total Revenue & Other Income.
9. License fees % is the total software licence cost with reference to Sales Revenue.
10. Employee benefit expense % is the total employee benefit expense with reference to Total Revenue & Other Income.
11. Average USD:AUD exchange rate for the relevant financial year.
12. Working capital ratio is the sum of working capital related current assets (cash and cash equivalents, receivables, inventories and prepayments) divided by the sum of working capital related current liabilities (trade creditors, sundry creditors and accruals and other liabilities (unearned income)). This calculation is based on the Statutory Historical Consolidated Statements of Financial Position.

7. Financial Information Continued

(c) Pro forma adjustments to the Statutory Historical Consolidated Statements of Financial Performance

The table below sets out the pro forma adjustments that have been made to the Group's statutory historical profit or loss to derive the pro forma historical profit or loss.

Table 3: Pro forma adjustments to the Statutory Historical Consolidated Statement of Financial Performance

		Historical		
	Notes	FY2019	FY2020	FY2021
Statutory EBITDA		(538,328)	828,953	2,370,898
Incremental listed company costs	1	(2,233,929)	(2,210,320)	(609,467)
Capital raising costs	2			259,372
AASB 16 Leases	3	32,067		
COVID-19 relief	4		(57,699)	(119,019)
Restructuring costs	5		42,781	119,987
Pro Forma EBITDA		(2,740,190)	(1,396,285)	2,021,771
Statutory NPAT		(630,676)	668,350	1,354,034
Incremental listed company costs	1	(2,233,929)	(2,210,320)	(609,467)
Capital raising costs	2			492,268
AASB 16 Leases	3	(646)		
COVID-19 relief	4		(57,699)	(119,019)
Restructuring costs	5		42,781	119,987
Income tax adjustment	6	616,775	225,184	26,262
Pro Forma NPAT		(2,248,476)	(1,331,704)	1,264,065

Notes:

1. Incremental listed public company costs include increase in personnel payroll, share-based payment arrangements, Directors' fees, ASX annual fees, insurance, company secretarial, investor relations, share registry and other additional costs associated with running a listed company. The pro forma also includes an adjustment for the impact of one-off bonuses paid in FY2021 and adjustments to reinstate executive salaries forgone during FY2019 and FY2020.
2. Capital raising costs relate to the removal of costs and interest expense related to the Pre-IPO convertible notes to reflect the capital structure of the Group on completion of the Offer.
3. Adjustment to reflect the application of AASB 16: *Leases* as if it had been in place since the start of FY2019. The Pro forma Historical Consolidated Statements of Financial Performance show depreciation relating to the right-of-use asset and interest relating to the lease liability rather than rent expense being shown as an operating expense. As a result of the adoption of AASB 16: *Leases*, operating expenses have decreased and amortisation and interest expense increased, and the timing of expense recognition has changed due to the change from a straight-line rental expense to amortisation and interest expenses.
4. Adjustment to remove the impact of one off COVID19 related Victorian state payroll tax relief and cashflow boost in FY2020 and FY2021 (Refer Table 3.1 below).
5. Adjustments to remove the impact of one-off, non-recurring professional fees arising from restructuring costs.
6. This adjustment represents annual recognition of income tax benefit considered probable of recovery from generation of future assessable income and also the tax impact of the pro forma journals raised.

Table 3.1: Pro forma adjustments to remove one-off COVID19 related government relief arrangements

	Statutory		Pro Forma	
	FY2020	FY2021	FY2020	FY2021
Cashflow Boost (Other Income)	57,699	34,619	–	–
Payroll Tax waived		84,400	–	–
Net COVID-19 Benefit Before Tax	57,699	119,019	–	–

7.6 STATEMENT OF FINANCIAL POSITION

(a) Statutory and Pro forma Historical Consolidated Statements of Financial Position

The table below sets out the Statutory Historical Consolidated Statement of Financial Position of the Group as at 30 June 2021, pro forma adjustments and the Pro forma Historical Consolidated Statement of Financial Position. The pro forma transactions comprise the acquisition of 50% of the Webcast Norge IP Arrangement, the impact of the convertible notes through to IPO, and the effect of completion of the IPO offer (**Offer**), as if all the pro forma transactions had occurred or were in place as at 30 June 2021.

The pro forma Historical Consolidated Statement of Financial Position is provided for illustrative purposes and is not represented as being necessarily indicative of the Group's view of its financial position on completion of the Offer or at a future date. Further information on the sources and uses of the Offer proceeds is contained in Section 4.11.

7. Financial Information Continued

Table 4: Statutory and Pro forma Historical Consolidated Statements of Financial Position

As at 30 June 2021	Notes	Statutory	Webcast Norge IP Acquisition	Convertible Note impact to conversion	Impact of conversion of Convertible notes	Impact of the offer	Transaction costs	Pro Forma
Current assets								
Cash and cash equivalents	1	9,257,521				21,850,000	(1,955,774)	29,151,747
Receivables		620,903						620,903
Inventories	2	11,269,815				11,150,000		22,419,815
Other assets	3	187,853					(105,924)	81,929
Total current assets		21,336,092				33,000,000	(2,061,698)	52,274,394
Non-current assets								
Deferred tax assets	4	107,601		(31,834)			386,855	462,622
Intangible assets	5		400,000					400,000
Lease assets		122,179						122,179
Property, plant and equipment		63,342						63,342
Total non-current assets		293,122	400,000	(31,834)			386,855	1,048,143
Total assets		21,629,214	400,000	(31,834)		33,000,000	(1,674,843)	53,322,537
Current liabilities								
Payables		1,649,195						1,649,195
Lease liabilities		53,709						53,709
Borrowings	6	13,963,312		1,850,340	(10,493,088)			5,320,564
Provisions		256,459						256,459
Current tax liabilities	7	302,320		(57,637)			(102,089)	142,594
Other financial liabilities	8	4,833,378		(267,104)	(4,566,274)			0
Other liabilities		46,142						46,142
Total current liabilities		21,104,515		1,525,599	(15,059,362)		(102,089)	7,468,663
Non-current liabilities								
Lease liabilities		73,203						73,203
Provisions		36,572						36,572
Total non-current liabilities		109,775						109,775
Total liabilities		21,214,290		1,525,599	(15,059,362)		(102,089)	7,578,438
Net assets		414,924	400,000	(1,557,433)	15,059,362	33,000,000	(1,572,754)	45,744,099
Equity								
Share capital	9	250,010			15,059,362	33,000,000	(1,838,578)	46,470,794
Reserves	10	249,031	400,000				488,000	1,137,031
Retained earnings/ (accumulated losses)	11	(84,117)		(1,557,433)			(222,176)	(1,863,726)
Total equity		414,924	400,000	(1,557,433)	15,059,362	33,000,000	(1,572,754)	45,744,099

Notes:

1. Adjustments to cash and cash equivalents includes anticipated cash proceeds from the Offer not immediately utilised and estimated transaction costs.
2. Adjustments to inventories reflects the intended application of \$11.15m of proceeds from the Offer to investment in product and componentry inventory.
3. Adjustments to prepayments to derecognise prepaid IPO transaction costs.
4. Recognition and utilisation of deferred tax assets/liabilities on convertible note transaction costs and IPO transaction costs.
5. Recognition of software intangible assets related to the Webcast Norge IP Arrangement.
6. Adjustments to borrowings reflects convertible notes issued by BirdDog which convert to equity at IPO. The convertible notes have been adjusted to reflect increases resulting from interest accrued to IPO.
7. Adjustments to current tax liability reflect the current tax impact of convertible note transaction costs and IPO transaction costs.
8. Adjustments for estimated fair value movements on the embedded derivative component of the convertible note instrument through to conversion at IPO and conversion of the embedded derivative at IPO. As this is an estimate, actual fair value movements may vary.
9. Adjustments to share capital reflects capital proceeds of the shares issued, the conversion of the convertible notes and transaction costs.
10. Adjustments to reserves reflect a share-based payment arrangement whereby options are issued to the lead advisor in lieu of a retainer and the share-based payment arrangement for the Webcast Norge IP Arrangement.
11. Adjustment to accumulated losses reflects the interest expense incurred on the convertible notes and fair value movements on the related embedded derivative for the period until conversion at IPO; and expensed transaction costs net of tax.

7. Financial Information Continued

7.7 HISTORICAL CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Statutory and Pro Forma Historical and Consolidated Statements of Cash Flows

The table below sets out the Statutory and Pro forma Historical Consolidated Statements of Cash Flows of the Group for the years ended 30 June 2019, 30 June 2020 and 30 June 2021.

Table 5: Statutory and Pro forma Historical Consolidated Statements of Cash Flows

		Statutory historical			Pro Forma historical		
	Notes	FY2019	FY2020	FY2021	FY2019	FY2020	FY2021
Cash flow from operating activities							
Receipts from customers		1,801,425	9,223,602	38,465,969	1,801,425	9,223,602	38,465,969
Government grants received	1	40,208	408,804	376,867	40,208	351,105	342,248
Payments to suppliers and employees	2	(1,944,799)	(9,338,463)	(46,225,471)	(3,764,271)	(11,141,321)	(46,440,823)
Interest received		195	162	321	195	162	321
Finance costs	3	(116,416)	(167,558)	(376,294)	(117,794)	(167,558)	(376,294)
Net cash provided by/(used in) operating activities		(219,387)	126,547	(7,758,608)	(2,040,237)	(1,734,010)	(8,008,579)
Cash flow from investing activities							
Payment for property, plant and equipment		(9,868)	(4,241)	(66,606)	(9,868)	(4,241)	(66,606)
Net cash used in investing activities		(9,868)	(4,241)	(66,606)	(9,868)	(4,241)	(66,606)
Cash flow from financing activities							
Proceeds from con note issue & capital raise		250,000		13,750,000	250,000		13,750,000
Transaction costs on convertible notes				(550,000)			(550,000)
(Payment of)/proceeds from related parties		23,306	(4,682)	(1,277,969)	23,306	(4,682)	(1,277,969)
Net proceeds from/(repayment of) short-term borrowings		(12,250)	667,053	4,440,686	(12,250)	667,053	4,440,686
Principal portion of lease payments	4		(45,576)	(69,102)	(30,689)	(45,576)	(69,102)
Net cash provided by financing activities		261,056	616,795	16,293,615	230,367	616,795	16,293,615
Reconciliation of cash							
Cash at beginning of the financial year		18,218	50,019	789,120	18,218	50,019	789,120
Net increase/(decrease) in cash held		31,801	739,101	8,468,401	(1,819,738)	(1,121,456)	8,218,430
Cash at end of financial year		50,019	789,120	9,257,521	(1,801,520)	(1,071,437)	9,007,550

Notes:

1. Pro forma adjustment relates to one-off COVID 19 related incentives received in FY2020 and FY2021.
2. The pro forma adjustments include incremental listed public company costs, adjustment to executive remuneration to recognise the impact of one-off bonuses paid in FY2021, adjustments to reinstate executive salaries forgone during FY2019 and FY2020, incremental remuneration of the key management of the Group for running a listed company, and application of AASB 16: Leases and reversing actual rent paid.
3. Pro forma adjustment relates to interest based on the application of AASB 16: Leases for FY2019.
4. Pro forma adjustment relates to principal repayments based on the application of AASB 16: Leases for FY2019.

Financing activity cash flow

Other than for AASB16: *Leases*, no pro forma adjustments have been raised within cashflows from financing activities. It is expected cash flows from financing activities will differ from historical cashflow trends once BirdDog is in a listed environment.

(b) Pro forma adjustments to the Historic Consolidated Statement of Cash Flows

Table 6: Pro forma adjustments to historic consolidated statutory net cash flows

	Notes	FY2019	FY2020	FY2021
Cash flow from operating activities				
Statutory operating cashflow		(219,387)	126,547	(7,758,608)
Government grants received	1		(57,699)	(34,619)
Adjustment to Payments to suppliers and employees	2	(1,819,472)	(1,802,858)	(215,352)
Adjustment to interest paid	3	(1,378)		
Pro forma operating cash flow		(2,040,237)	(1,734,010)	(8,008,579)
Cash flow from investing activities				
Statutory investing cash flow		(9,868)	(4,241)	(66,606)
Pro forma investing cash flows		(9,868)	(4,241)	(66,606)
Cash flow from financing activities				
Statutory financing cash flow		261,056	616,795	16,293,615
Adjustment to principal portion of lease payment	4	(30,689)		
Pro forma financing activities		230,367	616,795	16,293,615
Statutory cash flow movement		31,801	739,101	8,468,401
Pro forma adjustment		(1,851,539)	(1,860,557)	(249,971)
Pro forma cash flow movement		(1,819,738)	(1,121,456)	8,218,430

Notes: Refer to table 5 notes.

7.8 MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL INFORMATION

The below provides a discussion of key factors that affected BDA and its controlled entities' operations and financial performance during FY2019, FY2020 and FY2021 and which the Group expects may continue to affect operating and financial performance in the future.

The discussion of these general factors is intended to provide a brief summary only and does not detail all the factors that affected the Group's historical operating and financial performance, nor everything that may affect the Group's operating and financial performance in the future.

The information in this section should be read in conjunction with the risk factors set out in Section 9 and the other information contained in this Prospectus.

7. Financial Information Continued

(a) Revenue

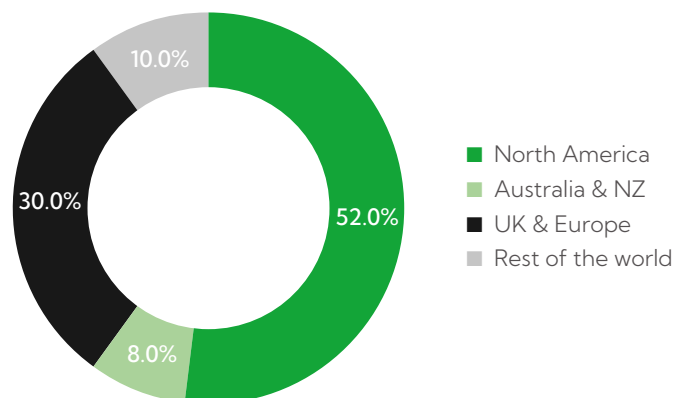
The Group derives revenue from its two core product categories: hardware and software. The hardware product category contributed more than 99% of sales revenue in FY2021 and covers PTZ and fixed cameras, converters, chips & boards, controllers and an extensive accessories range. The Group's range of software solutions continues to be built-out as some of the software solutions are embedded within the Group's hardware portfolio of products.

Product sales are largely via the Group's global distribution network and supplemented by on-line direct sales.

The nature of BirdDog's global distribution network results in the distributors leveraging the Group's two primary target vertical markets: the broadcast industry; and the corporate/audio visual market (as defined within section 3 – Industry Overview and section 4 – Industry Overview). With BirdDog's hardware (cameras, converters, controllers & accessories) product portfolio range being flexible and interoperable with its software solutions, often businesses in the global market exhibit equivalent characteristics of both broadcast and corporate/AV customers. These factors, coupled with the multiple layers of the distribution channel, make end user customer segmentation challenging.

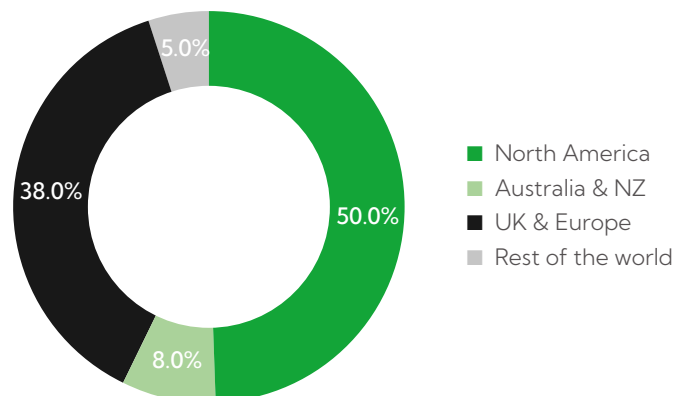
While sales have expanded to cover 50+ countries, 50% of sales revenue continues to be generated from North America, with 95% of FY2021 sales derived from North America, Europe & The United Kingdom and the Asia Pacific. Significant inroads have been made in the U.S. broadcast market, attracted by the NDI® low latency video over internet capability, alongside its flexibility and affordability.

FY2020 Sales by Region*



*Excludes sales of chips and camera boards.

FY2021 Sales by Region*



*Excludes sales of chips and camera boards.

There was a marked pause in sales growth in the March 2020 quarter attributable to the uncertainty and disruption caused by the initial COVID 19 pandemic outbreak. However, the pandemic ultimately forced broadcasters and corporate audio visual customers to pivot towards 'remote' video solutions, favouring BirdDog's robotically controlled PTZ cameras and proprietary enabling software.

(b) Operating costs

The Group's hardware products are produced by primarily four contract manufacturing facilities operating out of China. Gross Margins have been relatively steady at 25-26% for FY2019, FY2020 and FY2021.

Due to lengthening timeframes being experienced throughout the Group's global supply chain and the importance of product immediacy within the Group's market offering, a decision was taken in FY2021 to increase finished goods and manufacturing input inventories in order to secure inventory production which in turn would enhance sales order fulfilment timeframes. This additional investment in inventory is evident in the average day's inventory ratio which increased from 34 days in FY2020 to 77 days in FY2021.

The Group employs a team of 7 highly skilled product engineers in Australia to drive its product research and development activities for the purposes of improving existing products and designing new products and additional product categories for vertical markets. R&D% for FY2020 and FY2021 equated to 3% of total revenue and other income.

The NDI technology is licenced from Newtek Inc under a licencing agreement and royalties are paid by the Group based on Sales Revenue.

7. Financial Information Continued

(c) Discussion of pro forma historical financial performance

Table 7 sets out below the Pro forma Historical Consolidated Statements of Financial Performance for FY2019 and FY2020.

Table 7: Selected pro forma historical results: FY2019 and FY2020

	Pro Forma Historical Results		Change	
	FY2019	FY2020	\$	%
Sales Revenue	2,030,485	9,485,007	7,454,522	367%
Other Revenue	3,748	828	(2,920)	(78%)
Other Income	248,059	466,673	218,614	88%
Total Revenue & Other Income	2,282,292	9,952,508	7,670,216	336%
Cost of sales	1,520,828	6,989,912	(5,469,084)	(360%)
Advertising expense	170,759	139,415	31,344	18%
Employee benefits expense	2,123,830	2,439,161	(315,331)	(15%)
Research and development costs	300,205	317,785	(17,580)	(6%)
Professional fees	43,426	102,298	(58,872)	(136%)
Software licensing fees	50,854	483,816	(432,962)	(851%)
Other expenses	812,580	876,406	(63,826)	(8%)
EBITDA	(2,740,190)	(1,396,285)	1,343,905	49%
Depreciation and amortisation expense	36,157	55,103	(18,946)	(52%)
EBIT	(2,776,347)	(1,451,388)	1,324,959	48%
Finance costs	88,904	237,247	(148,343)	(167%)
Profit Before Tax	(2,865,251)	(1,688,635)	1,176,616	41%
Income tax expense/(benefit)	(616,775)	(356,931)	(259,844)	(42%)
Net Profit After Tax	(2,248,476)	(1,331,704)	916,772	41%
Exchange difference on translation of foreign operations	(8,481)	(3,241)	5,240	62%
Total Comprehensive Income	(2,256,957)	(1,334,945)	922,012	41%

Revenue

In FY2020, the Group's Sales Revenue grew by 367% or \$7,454,522 as it started to develop its NDI® portfolio and actively promote the NDI® technology platform to global markets.

Overseas sales growth was supported by a new trade facility to increase working capital funding via the extinguishment of an existing small facility and establishment of a USD \$300,000 facility limit, with the facility limit increased by a further USD \$500,000 during the year.

Operating expenses

The Group's total operating expenses increased by 126% to \$11,348,793 largely due to the increased sales activity and its impact on cost of sales which increased by \$5,469,084 (360%). Disciplined pricing strategies and the control of manufacturing costs and input components enabled GP% to improve to 26.3% (FY2019: 25.1%).

Software licensing costs increased to \$483,816 (up 851%) as the license fees on NDI® product sales increased following the commencement of a new licence agreement effective 19 October 2019.

Employee benefits expense increased to \$2,439,161 (15%) with the recruitment of 4 sales and marketing resources (including sales support) to drive product sales and a dedicated resource to control logistics requirements for the Group's products.

Research and development costs increased by \$17,580 (6%) with the Group's focus largely orientated towards sales and marketing activities.

EBITDA

The increased revenue and improved gross margin enabled the Group to reduce its EBITDA loss to (\$1,396,285), an improvement of \$1,343,905 on the prior year.

Loss after tax

The improvement in the FY2020 loss after tax was consistent with the improvement in EBITDA for that period.

Table 8 sets out below the Pro forma Historical Consolidated Statements of Financial Performance for FY2020 and FY2021.

Table 8: Selected pro forma historical results: FY2020 and FY2021

	Pro Forma Historical Results		Change	
	FY2020	FY2021	\$	%
Sales Revenue	9,485,007	38,215,539	28,730,532	303%
Other Revenue	828	1,925	1,097	132%
Other Income	466,673	226,739	(239,934)	(51%)
Total Revenue & Other Income	9,952,508	38,444,203	28,491,695	286%
Cost of sales	6,989,912	28,739,095	(21,749,183)	(311%)
Advertising expense	139,415	71,492	67,923	49%
Employee benefits expense	2,439,161	3,457,520	(1,018,359)	(42%)
Research and development costs	317,785	991,244	(673,459)	(212%)
Professional fees	102,298	133,583	(31,285)	(31%)
Software licensing fees	483,816	2,063,080	(1,579,264)	(326%)
Other expenses	876,406	966,418	(90,012)	(10%)
EBITDA	(1,396,285)	2,021,771	3,418,056	245%
Depreciation and amortisation expense	55,103	74,186	(19,083)	(35%)
EBIT	(1,451,388)	1,947,585	3,398,973	234%
Finance costs	237,247	383,316	(146,069)	(62%)
Profit Before Tax	(1,688,635)	1,564,269	3,252,904	193%
Income tax expense/(benefit)	(356,931)	300,204	(657,135)	(184%)
Net Profit After Tax	(1,331,704)	1,264,065	2,595,769	195%
Exchange difference on translation of foreign operations	(3,241)	(8,068)	(4,827)	(149%)
Total Comprehensive Income	(1,334,945)	1,255,997	2,590,942	194%

7. Financial Information Continued

Revenue

The Group recorded sales revenue growth in FY2021, achieving an increase of 303% to \$38,215,539.

The increased sales revenue was driven by:

- Continued product development and range expansion across cameras, converters and software solutions, with the launch of new and improved products;
- Distributor channel refresh during FY2021 with the Group's strategic targeting of the corporate audit visual sector supported by the appointment of new distributors in North America and the EU/UK;
- The pivot of broadcasters and corporate AV to remote workflows; and
- Expansion of the Group's trade facility limits to U.S. \$4.5m to enable it to fund new sales expansion opportunities and maintain order fulfilment service levels for existing clients.

Operating expenses

The Group's total operating expenses of \$36,422,432 in FY2021 reflected an increase of 221% relative to FY2020 attributable to, inter-alia, the following:

- Cost of sales: an increase of 311% or \$21,749,183 in FY2021. Gross margin was 24.8% and was impacted by the need to manage significant componentry scarcity and related cost increases, whilst building inventory to meet increased sales demand;
- Employee benefits expense: the Group engaged an additional 2 engineers and 4 additional sales and support resources in FY2021, with an increase in employee benefits expense to \$3,457,520 (42% increase) resulting. Employee benefits expense % reduced to 9% (FY2020: 25%) of total revenue & other income;
- Software license fees: increased to \$2,063,080 (326%), but were broadly in line with FY2020 at 5.4% of product sales (FY2020: 5.1%); and
- Research and development costs: increased by \$673,459 (212%) reflecting the cost of continuing software and hardware product development.

EBITDA

The 303% increase in sales revenue in FY2021 and steady GP% at 24.8%, supported by the control of operating costs resulted in an EBITDA improvement in FY2021. FY2021 EBITDA was \$2,021,771 representing a significant improvement compared to an EBITDA loss for FY2020 of (\$1,396,285).

Profit after tax

The Group reported a profit after tax of \$1,264,065 for FY2021 as a result of the improved revenue. This compared to a loss after tax of (\$1,331,704) for FY2020.

(d) Discussion of pro forma historical cash flows: FY2019 to FY2021

Table 9 sets out below the Pro forma Historical Consolidated Statements of Cash Flow for FY2019 and FY2020.

Table 9: Selected pro forma historical cash flow results: FY2019 and FY2020

	Pro Forma Historical Results		Change	
	FY2019	FY2020	\$	%
Cash flow from operating activities				
Receipts from customers	1,801,425	9,223,602	7,422,177	412%
Government grants received	40,208	351,105	310,897	773%
Payments to suppliers and employees	(3,764,271)	(11,141,321)	(7,377,050)	(196%)
Interest received	195	162	(33)	(17%)
Finance costs	(117,794)	(167,558)	(49,764)	(42%)
Net cash used in operating activities	(2,040,237)	(1,734,010)	306,227	15%
Cash flow from investing activities				
Payment for property, plant and equipment	(9,868)	(4,241)	5,627	57%
Net cash used in investing activities	(9,868)	(4,241)	5,627	57%
Cash flow from financing activities				
Proceeds from con note issue & capital raise	250,000		(250,000)	(100%)
(Payment of)/proceeds from related parties	23,306	(4,682)	(27,988)	(120%)
Net (Payment of)/proceeds from short-term borrowings	(12,250)	667,053	679,303	5,545%
Principal portion of lease payments	(30,689)	(45,576)	(14,887)	(49%)
Net cash provided by financing activities	230,367	616,795	386,428	168%
Reconciliation of cash				
Cash at beginning of the financial year	18,218	50,019	31,801	175%
Net decrease in cash held	(1,819,738)	(1,121,456)	698,282	38%
Cash at end of financial year	(1,801,520)	(1,071,437)	730,083	41%

7. Financial Information Continued

Table 10: Selected pro forma cash historical cash flow results: FY2020 and FY2021

	Pro Forma Historical Results		Change	
	FY2020	FY2021	\$	%
Cash flow from operating activities				
Receipts from customers	9,223,602	38,465,969	29,242,367	317%
Government grants received	351,105	342,248	(8,857)	(3%)
Payments to suppliers and employees	(11,141,321)	(46,440,823)	(35,299,502)	(317%)
Interest received	162	321	159	98%
Finance costs	(167,558)	(376,294)	(208,736)	(125%)
Net cash used in operating activities	(1,734,010)	(8,008,579)	(6,274,569)	(362%)
Cash flow from investing activities				
Payment for property, plant and equipment	(4,241)	(66,606)	(62,365)	(1,471%)
Net cash used in investing activities	(4,241)	(66,606)	(62,365)	(1,471%)
Cash flow from financing activities				
Proceeds from con note issue & capital raise	–	13,750,000	13,750,000	n/a
Transaction costs on convertible notes	–	(550,000)	(550,000)	n/a
(Payment of)/proceeds from related parties	(4,682)	(1,277,969)	(1,273,287)	(27,195%)
Net (Payment of)/proceeds from short-term borrowings	667,053	4,440,686	3,773,633	566%
Principal portion of lease payments	(45,576)	(69,102)	(23,526)	(52%)
Net cash provided by financing activities	616,795	16,293,615	15,676,820	2,542%
Reconciliation of cash				
Cash at beginning of the financial year	50,019	789,120	739,101	1,478%
Net increase/(decrease) in cash held	(1,121,456)	8,218,430	9,339,886	833%
Cash at end of financial year	(1,071,437)	9,007,550	10,078,987	941%

Operating activity cash flow

Cash receipts from customers increased significantly (412%) from \$1,801,425 to \$9,223,602 from FY2019 to FY2020, due to increased revenue from the sale of the NDI® technology solutions product range. This trend continued in FY2021, with cash receipts from customers increasing by a further \$29,242,367 or 317%.

From FY2019 to FY2020, payments to suppliers and employees increased by 196% from \$3,764,271 to \$11,141,321 reflecting the growth in the Group's business, both in terms of sales and headcount.

In FY2021 there was an increase in finished goods and manufacturing input inventories in order to secure inventory production and enhance sales order fulfilment timeframes. This is reflected in the increase in the average inventory days ratio for FY2021 to 77 days compared with FY 2020 of 34 days. This increase in inventory holdings, combined with the 303% increase in sales revenue for FY2021 and higher staff head count resulted in payments to suppliers and employees increasing by 317% or \$35,299,502.

Changes in investing activities

The Group did not have a significant requirement for capital expenditure, with minimal investment in plant and equipment evident in FY2019 (\$9,868), FY2020 (\$4,241) and FY2021 (\$66,606) despite the significant growth in sales activity during these years.

Activities in financing cash flows

Proceeds from borrowings in FY2021 reflect the issuance of convertible notes that will convert to Shares on the Allotment Date.

(e) Equity Incentive Plan

The Company has adopted a series of equity incentive arrangements in order to assist in the motivation and retention of selected employees, officers and consultants of the Group. These have been adequately and appropriately disclosed within the broader Prospectus at sections 5.5 and 11.6.

7.9 DIVIDEND POLICY

The payment of dividends by the Group is at the discretion of the Directors and will be a function of a number of factors including the general business environment, the operating results and financial condition of the Group, the Group's cash flow including cash from operations, working capital requirements, potential acquisition and expansion opportunities, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by the Group, and any other factors that the Directors of the Group may consider relevant.

It is the Board's current intention to establish a dividend payout ratio in the six months following listing.

No assurances can be given by any person, including the Directors of the Group, about the payment of any dividend and the level of franking on any such dividend.



BirdDog P200 requires just a single Ethernet cable to provide power to the camera, send video using NDI®, and control all functions.



8. INVESTIGATING ACCOUNTANT'S REPORT

8. Investigating Accountant's Report



Pitcher Partners Corporate Pty. Ltd.

ABN 28 082 323 868
AFS LICENCE NO. 229841

Level 13, 664 Collins Street
Docklands, VIC 3008

Level 1, 80 Monash Drive
Dandenong South, VIC 3175

Postal address
GPO Box 5193
Melbourne, VIC 3001

p. +61 3 8610 5000

Ref: SDW:jc

18 November 2021

The Directors
BirdDog Technology Limited and controlled entities
5/38 Down Street
COLLINGWOOD VIC 3066

Dear Directors

**INDEPENDENT LIMITED ASSURANCE REPORT ON BIRDDOG TECHNOLOGY LIMITED'S
HISTORICAL AND PRO FORMA HISTORICAL FINANCIAL INFORMATION**

We have been engaged to report on the Historical Financial Information and Pro Forma Historical Financial Information of BirdDog Technology Limited (the Company, or BirdDog) and its controlled entities (together, the Group) for the years ended 30 June 2019, 30 June 2020 and 30 June 2021. The Historical Financial Information has been prepared for inclusion in the Prospectus dated on or about 18 November 2021 in connection with the proposed issue of ordinary shares in BirdDog (the Prospectus).

Expressions and terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Service License (AFSL) under the *Corporations Act 2001*. Pitcher Partners Corporate Pty Ltd (Pitcher Partners Corporate) holds the appropriate AFSL under the *Corporations Act 2001*.

Background

The Group supplies audio-visual and broadcasting hardware and software solutions utilising Network Device Interface technology.

The principal purpose of this offering is to raise capital to accelerate growth initiatives. Proceeds from the offering will be used to invest in inventory to reduce lead times, expand the workforce and product development, engineering, and design to deliver growth initiatives.

Adelaide Brisbane Melbourne Newcastle Perth Sydney
P.3360.5

Pitcher Partners is an association of independent firms.

Liability limited by a scheme approved under Professional Standards Legislation.

Pitcher Partners is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.



pitcher.com.au

8. Investigating Accountant's Report Continued

Scope

Historical Financial Information

You have requested Pitcher Partners Corporate to review the following Historical Financial Information of the Group included in the Prospectus:

- the statutory consolidated statements of Financial Performance for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- the statutory consolidated statement of Financial Position as at 30 June 2021; and
- the statutory consolidated statements of Cash Flows for the years ended 30 June 2019, 30 June 2020 and 30 June 2021

(collectively, the "Historical Financial Information").

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies. The Historical Financial Information has been extracted from the financial report of the Group for the years ended 30 June 2019, 30 June 2020 and 30 June 2021 which was audited by Pitcher Partners in accordance with Australian Auditing Standards. Pitcher Partners issued unmodified audit opinions on the financial reports. The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma Historical Financial Information

You have requested Pitcher Partners Corporate to review the following pro forma historical financial information of the Group included in the Prospectus:

- the pro forma consolidated statements of Financial Performance for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- the pro forma consolidated statement of Financial Position as at 30 June 2021; and
- the pro forma consolidated statements of Cash Flows for the 30 June 2019, 30 June 2020 and 30 June 2021

(collectively, the "Pro Forma Historical Financial Information").

(the Historical Financial Information, together with the Pro Forma Historical Financial Information is the "Financial Information")

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Group after adjusting for the effects of pro forma adjustments described in section 7 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the transactions to which the pro forma adjustments relate, as described in section 7.5(c), 7.6(a) and 7.7(b) of the Prospectus, as if those transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the pro forma Historical Financial Information does not represent the company's actual or prospective financial position, financial performance, or cash flows.

Directors' responsibility

The directors of BirdDog are responsible for the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal control as the directors determine are necessary to enable the preparation of the Historical Financial Information and pro forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions***Historical Financial Information***

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in section 7.1 of the Prospectus, and comprising:

- the statutory consolidated statements of Financial Performance of the Group for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- the statutory consolidated statement of Financial Position as at 30 June 2021; and
- the statutory consolidated statements of Cash flows for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as described in 7.1 of the Prospectus, and comprising:

8. Investigating Accountant's Report Continued

4



- the pro forma consolidated statements of Financial Performance of the Group for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- the pro forma consolidated statement of Financial Position as at 30 June 2021; and
- the pro forma consolidated statements of Cash flows for the years ended 30 June 2019, 30 June 2020 and 30 June 2021

are not presented fairly in all material respects, in accordance with the stated basis of preparation being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

Restriction on Use

Without modifying our conclusions, we draw attention to section 7.2 of the Prospectus, which describes the purpose of the financial information prepared, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for another purpose.

Liability

Pitcher Partners Corporate has consented to the inclusion of this report in the Prospectus in the form and context in which it is included. The liability of Pitcher Partners Corporate is limited to the inclusion of this report in the Prospectus. Pitcher Partners Corporate makes no representation regarding, and has no liability for, any other statement or other material in, or any omissions from, the Prospectus.

Declaration of Interest

Pitcher Partners Corporate does not have any interest in the outcome of the Offer other than in the preparation of this report for which normal professional fees will be received.

Yours faithfully

PITCHER PARTNERS CORPORATE PTY LTD

A handwritten signature in black ink, appearing to be 'S D Whitchurch'.

S D WHITCHURCH

Executive Director and Representative

Financial Services Guide

Version dated: 17 August 2021

What is a Financial Services Guide?

This Financial Services Guide ("FSG") is an important document that is designed to assist you in deciding whether to use any of the general financial product advice provided by Pitcher Partners Corporate Pty Ltd. The use of "we", "us" or "our" is a reference to Pitcher Partners Corporate Pty Ltd as the holder of Australian Financial Services Licence ("AFSL") No. 229841. The contents of this FSG include:

- who we are and how we can be contacted
- what services we are authorised to provide under our AFSL
- how we (and any other relevant parties) are remunerated in relation to any general financial product advice we may provide.
- details of any potential conflicts of interest
- details of our internal and external dispute resolution procedures and how you can access them.

Information about us

Pitcher Partners Corporate Pty Ltd has been engaged by BirdDog Australia Pty Ltd to provide general financial product advice in the form of a report to be given to you in connection with a financial product to be issued by another party. You are not the party or parties who engaged us to prepare this report. We are not acting for any person other than the party or parties who engaged us. We are only responsible for the financial product advice provided in our report and for the contents of this FSG.

You may contact us by writing to GPO Box 5193, MELBOURNE VIC 3001, or by telephone on +613 8610 5000.

Pitcher Partners Corporate Pty Ltd is ultimately owned by the Victorian partnership of Pitcher Partners, a provider of audit and assurance, accounting, tax, corporate advisory, insolvency, superannuation, investment advisory and consulting services. Directors of Pitcher Partners Corporate Pty Ltd are partners of Pitcher Partners.

The Victorian partnership of Pitcher Partners is an independent partnership of Pitcher Partners. As such, neither it nor any of the other independent partnerships has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the name "Pitcher Partners", or other related names.

The financial product advice in our report is provided by Pitcher Partners Corporate Pty Ltd and not by the Victorian partnership of Pitcher Partners or its related entities.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, we and the Victorian partnership of Pitcher Partners (and its related bodies corporate) may from time to time provide professional services to financial product issuers in the ordinary course of business.

We hold professional indemnity insurance as required by the Corporations Act 2001 (Cth).

What financial services are we licensed to provide?

Our AFSL authorises us to provide general financial product advice and deal in the following classes of financial products to both retail and wholesale clients:

- Deposit products (including basic deposit products and deposit products other than basic deposit products)
- Derivatives
- Government debentures, stocks or bonds
- Interests in managed investment schemes including investor directed portfolio services
- Securities

Information about the general financial product advice we provide

Pitcher Partners Corporate Pty Ltd provides various corporate advisory services to privately owned businesses and small to medium sized public and ASX listed companies. These services may include mergers and acquisitions, valuations of businesses and intangible assets and equity (including employee incentive schemes), financial due diligence, loss of

profit and compulsory acquisition matters, independent expert reports (IER) and independent limited assurance reports (IAR) which are included in prospectuses of companies looking to list (predominantly on the Australian Stock Exchange).

The financial product advice provided in our report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in our report is appropriate for you, having regard to your own personal objectives, financial situation or needs. If our advice is being provided to you in connection with the acquisition or potential acquisition of a financial product issued by another party, we recommend you obtain and read carefully the relevant Product Disclosure Statement ("PDS") or offer document provided by the issuer of the financial product. The purpose of the PDS or offer document is to help you make an informed decision about the acquisition of a financial product. The contents of the PDS or offer document will include details such as the risks, benefits and costs of acquiring the particular financial product.

How are we and our employees remunerated?

The fees we charge for preparing reports are usually determined on an hourly basis, however they may be a fixed amount or derived using another basis. We may also seek reimbursement of any out-of-pocket expenses incurred in providing the services.

Fee arrangements are agreed and confirmed in a letter of engagement with the party or parties who engage us.

Neither Pitcher Partners Corporate Pty Ltd nor its directors and officers, nor any related bodies corporate or associates and their directors and officers, receives any other fees, commissions or other benefits in connection with preparing and providing this report.

All of our employees receive a salary with partners also having an equity interest in the partnership. We do not receive any commissions or other benefits arising directly from services provided to you. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of performance.

We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

What should you do if you have a complaint?

If you have any concerns regarding our report, you may wish to advise us. We are committed to responding to any complaints promptly, fairly and effectively. We have developed an internal complaint resolution policy and complaint handling procedures that are designed to respond to your concerns promptly and equitably. The Pitcher Partners Corporate Pty Ltd (PPC) Public Complaints Management Policy is published on the Pitcher Partners website and can be accessed using the below link: <https://www.pitcher.com.au/melbourne/>. The policy provides details on how you may lodge a complaint with us, options available to assist you with complaints (if you need additional assistance) and PPC's key steps for dealing with complaints including dealing with assessment, investigation and complaint resolution.

Alternatively, mail your complaint to:

The Complaints Officer
Pitcher Partners
GPO Box 5193
MELBOURNE VIC 3001

Pitcher Partners Corporate Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA), a not-for-profit, approved external complaints resolution scheme which provides a free consumer service.

If you have any complaints about our services, the following steps should be taken:

- Contact a PPC Staff member directly and tell them the nature of your complaint, giving them the opportunity to resolve the complaint immediately. The staff member may refer your

8. Investigating Accountant's Report Continued

Pitcher Partners Corporate Pty Ltd
ACN: 082 323 868
AFSL: 229841

Level 13
664 Collins Street
DOCKLANDS VIC 3008
Tel: +61 3 8610 5000

complaint to your relationship partner or the divisional partner-in-charge for their input in finding a resolution.

- We will issue a formal response within 10 business days of the complaint being made. If you are not satisfied with the response, we will include the offer of an independent internal review conducted by a designated partner of Pitcher Partners. The details of the designated partner will be provided at the time of our response.
- If we are unable to resolve your complaint to your satisfaction within 30 calendar days of the first notification of your complaint to us, you have the right to lodge a complaint with AFCA at GPO Box 3, Melbourne, Victoria, 3001. Their phone number is 1800 931 678. This service is provided to you free of charge. Complaints may also be submitted to AFCA online at www.afca.org.au.

The Australian Securities and Investments Commission ("ASIC") website contains information on lodging complaints about companies and individual persons and sets out the types of complaints handled by ASIC. You may contact ASIC as follows:

Info line: 1 300 300 630

Email: info@asic.gov.au

Internet: <http://www.asic.gov.au/asic/asic.nsf>

If your complaint relates to a breach of our Privacy Policy or the Australian Privacy Principles, the matter should be referred to The Privacy Officer, GPO Box 5193, Melbourne VIC 3001.



BirdDog A200 is a weatherproof NDI® camera making it ideal for use at college and university sports events.



9. RISK FACTORS

9. Risk Factors

This section identifies some, but not all, of the major risks associated with an investment in the Company. Intending Applicants should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to subscribe for Shares.

9.1 SPECULATIVE NATURE OF INVESTMENT

Any potential investor should be aware that subscribing for Shares involves various risks. The Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. An investment in Shares of the Company should therefore be considered very speculative.

9.2 BUSINESS RISKS ASSOCIATED WITH THE GROUP

(a) OEM model risk

The Company's business is based on an original equipment manufacturer ('OEM') model, which means some of its products are designed to be embedded in, and used as components of, products manufactured by others. The success of the items in the Company's product portfolio built in this OEM model is therefore heavily reliant on:

- (i) the demand for each OEM's products; and
- (ii) the demand for BirdDog's products from each OEM.

If demand is reduced, this could materially impact BirdDog's growth prospects, financial performance and/or the price or value of the Shares.

(b) Distribution network risk

In addition to direct online sales, the Company's other key source of revenue is its distribution network.

The Group has a number of distribution agreements across the regions in which it operates. While the Company has written contracts with all of its key distributors, these contracts do not have minimum purchase requirements, and can be terminated on relatively short notice. It is therefore important that the Company maintains good working relationships with its key distributors. These relationships could deteriorate for a range of reasons, including disputes, contractual breaches, insolvency, competition or supply issues. If the Company's arrangements with any of its key distributors are damaged, this could have a negative effect on the Company's business, financial condition, results of operations and/or the price or value of the Shares.

(c) Manufacturing and supply chain risk

As described in sections 11.11(e), 11.11(f) and 11.11(g), BirdDog relies on three key manufacturers to supply key components of its products. Currently, BirdDog sources key material components for its products from third party suppliers located in Guangzhou and Shenzhen, China. BirdDog's current manufacturing terms (which in some cases are more favourable to the manufacturer – see sections 11.11(e), 11.11(f) and 11.11(g) for details), combined with lengthy supply chain timeframes, are cumbersome and require BirdDog to expend significant working capital. China based manufacturing also means that BirdDog's products are not eligible for U.S.-GSA accreditation. As a result, certain BirdDog products are subject to additional tariffs when sold within the United States (one of BirdDog's primary addressable markets). While BirdDog is taking steps to re-locate its manufacturing, there is no guarantee that this strategy will be viable. A failure to improve the Company's manufacturing arrangements could be materially detrimental to its long term growth strategy.

Irrespective of location, inherent within manufacturing and noting BirdDog operates a predominantly OEM model, there are ever present risks on BirdDog's supply chain across, inter alia, quality, availability, price and time.

For example:

- (i) the Company's products could be subject to global supply chain shortages (due to factors such as COVID-19, natural disasters or force majeure), which could make products more costly to produce or could delay supply;
- (ii) supplied components could be defective; or
- (iii) suppliers may decide to discontinue manufacturing components or products which are critical to BirdDog's product portfolio.

BirdDog does not have binding commitments from suppliers of many of the component parts for its products – component parts are generally ordered on an ad hoc basis from BirdDog's manufacturers (as is typical in the industry). There is a risk that if a particular component is unavailable, BirdDog's products may not be produced within scheduled timeframes, or at an agreed price.

BirdDog will continue to respond to the challenges facing it in terms of supply and manufacturing, but there is no certainty as to the severity or likelihood of any such unforeseen impacts arising nor whether any mitigating actions will be effective or indeed can be taken.

(d) Reliance on key personnel

The Company's business is heavily dependent on its key management and technical personnel (particularly the members of its executive team, Dan Miall, Eamon Drew, Barry Calnon and Jamie Ambrose), and the Company's future depends on retaining and attracting suitably qualified personnel. The Company has included in its employment with key personnel provisions aimed at providing incentives and assisting in the recruitment and retention of such personnel. It has also, as far as legally possible, established contractual mechanisms through employment and consultancy contracts to limit the ability of key personnel to join a competitor or compete directly with the Company. Despite these measures, however, there is no guarantee that the Company will be able to attract and retain suitably qualified personnel, nor is there any assurance that key personnel will remain healthy and able to continue their roles. A loss of key personnel could materially and adversely affect the business, operating results, financial prospects and/or the price or value of the Shares.

(e) Product development

While in recent years, BirdDog has experienced an exponential increase in customer demand for its products, BirdDog has only relatively recently moved into the sales and marketing phase for its core products and so the long-term results of these efforts remain to be seen.

Aside from BirdDog products currently on the market, the Company has an extensive portfolio of new products and product categories currently at various stages of development. There is a chance that some of its products under development will not be successfully commercialised. This may occur as a result of (among other things):

- (i) customers preferring alternative products;
- (ii) failure to obtain regulatory approvals; or
- (iii) failure to find cost effective ways to manufacture products.

As a result, BirdDog may incur significant costs for which it will not realise a return.

There is also a risk that BirdDog will be unable to produce a sufficiently wide product range to meet customer requirements.

If BirdDog is unable to effectively grow its product portfolio, this could be damaging to its business, financial condition, future prospects and/or the price or value of the Shares.

9. Risk Factors Continued

(f) Intellectual property risk

BirdDog has developed a range of proprietary items of IP that management believe are novel and inventive, comprising know how, hardware (cameras, converters and A/V products), software, copyright, trade secrets and trade marks. The value of the Company's products is dependent in large part on the Company's ability to protect its IP.

Given this, BirdDog has put various practices and procedures in place to protect its IP. In particular:

- (i) In most instances, where any employees or consultants have contributed IP that is material to BirdDog's operations, BirdDog has ensured that it retains legal ownership of this IP (while BirdDog has secured ownership of the IP critical to its continued business, there is some third party IP that BirdDog relies on to produce its products).
- (ii) Where required, services provided by third parties are subject to non-disclosure agreements.
- (iii) All sensitive IP is electronically stored in enterprise grade secure data repositories with version and access control and no third party collaborators have access to this IP.
- (iv) Any source code algorithm that BirdDog shares with third party collaborators is converted into a compiled format. BirdDog never shares the un-compiled algorithm with third parties or external consultants. BirdDog's source code algorithms are also particularly difficult to reverse engineer as they require internal know how which is developed internally by the Company.

BirdDog, relying on its sophisticated IP protection mechanisms, has strategically elected not to seek patent protection. This is primarily because pursuing patent protection would require BirdDog to make its innovations public. Accordingly, to secure its competitive advantage and avoid disclosing internal know-how to competitors, patents have not been sought for BirdDog's eligible IP. However, this strategy does carry risks:

- (i) If BirdDog does not apply for a patent at the earliest opportunity when it has generated something that is new and inventive, it may lose the ability to do so at a later stage, for example if:
 - the invention is put in the public domain in any way; or
 - a third party independently develops the same or a similar invention and files a patent, creating 'prior art' which will block BirdDog's future patent application.
- (ii) If BirdDog is relying on maintenance of confidential information instead of patent protection, it will be difficult to stop other parties from reproducing what BirdDog has invented, if they:
 - become aware of the product and can reverse engineer it; or
 - independently formulate the same or similar idea.

Accordingly, the protective measures that the Company employs may not always be adequate. The Company may not be able to (i) control unauthorised use of the Company's IP or (ii) prevent those parties with proprietary knowledge of BirdDog's IP from breaching their confidentiality obligations. The Company may need to engage in legal proceedings to protect its IP, which could be a burden on the Company's time and resources.

A failure to protect the Company's IP could erode the Company's competitive advantage and materially harm its business.

(g) Infringement of third party IP

If a third party accuses the Company of infringing its IP rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. Costs that the Company incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time. In addition, parties making claims against the Company may be able to obtain injunctive or other equitable relief that could hinder the Company's research and development activities.

In the event of a successful claim of infringement against the Company, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products.

(h) Trade marks

BirdDog has a suite of trade marks that are registered in Australia. However, BirdDog is in the process of seeking trade mark protection in a number of the other key jurisdictions in which it operates. Additionally, BirdDog is in the process of seeking trade mark protection for its CLOUD CONNECT branding.

If BirdDog fails to obtain trade mark protection in any of its key markets, or if it is discovered that BirdDog's trade marks infringe the IP of third parties, this could prejudice BirdDog's reputation and the goodwill in its brand, which in turn could be damaging to its business, financial condition, future prospects and/or the price or value of the Shares.

(i) New markets risk

A key part of BirdDog's growth plan is to expand its product offerings into new geographies and markets. Ventures into new markets present their own unique risks. For instance:

- (i) BirdDog's products may not be embraced by the target market;
- (ii) risks associated with legal or regulatory hurdles, such as foreign ownership restrictions, difficulty enforcing contracts, or inadequate protection of BirdDog's IP (potentially enabling counterfeit or derivative products to enter the market);
- (iii) political or economic disruption; and
- (iv) difficulties in engaging distributors and resellers.

Usually, entries into new markets are costly, and where an attempted entry is unsuccessful, this could harm BirdDog's financial performance, future prospects and/or the price or value of the Shares.

(j) NewTek

As detailed in section 11.11(c), BirdDog licences NDI® protocol from NewTek, a business based in the United States. The continuity of this licence is essential to many pieces of technology in BirdDog's product line, and there are certain terms of this licence agreement that are more favourable to the licensor. In particular:

- (i) the SDK Licence does not include any warranties or indemnities from NewTek and is provided 'as is' (albeit this is consistent with market practice for free licences);
- (ii) BirdDog indemnifies NewTek against any third party claim, loss or damage it suffers as a result of BirdDog's use of the software development kit; and
- (iii) NewTek's liability for losses suffered by BirdDog under the SDK Licence is excluded.

Any adverse events occurring in connection with BirdDog's licence with NewTek could materially harm BirdDog's business.

(k) Product diversification risk

A substantial proportion of BirdDog's historical revenue was generated by sales of products in its Pan Tilt Zoom Range. If sales of these products decline, or grow at a slower rate than other BirdDog products, this may adversely affect BirdDog's financial performance.

(l) Failure to gain market share and attract new customers

BirdDog has only recently become profitable and has historically incurred losses. Failure to retain existing customers and attract new customers will materially impact the Company's ability to generate revenue which will have an adverse effect on the Company's operating and financial performance and/or the price or value of the Shares.

9. Risk Factors Continued

(m) Sufficiency of funding

The funding proposal set out in section 4.11 is based on the Company's best estimation of cash flow projections and estimated expenditures to carry out its stated objectives as detailed in this section 4.11. While the Company is profitable, it has limited financial resources and may need to raise additional funds from time to time to finance the complete development and commercialisation of its products and its other longer term objectives.

The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally. The Directors give no assurance that future funds can be raised by the Company on favourable terms, if at all.

(n) Competition

The Audio Visual and Broadcasting Technology (AVB) sectors are highly competitive and include companies with significantly greater financial, technical, human, research and development, and marketing resources than the Company. The Company faces direct competition from existing AVB technology manufacturers. In addition to direct competitors, the Company's products compete with alternative products. Systems and technologies in the AVB sector are continually changing, superseding existing offerings. New competitors may enter the market with a novel offering that could disrupt the Company's business and growth strategy. The Company's success will depend in part on its ability to: (i) offer AVB products that remain relevant; and (ii) maintain the supply chain capabilities required to ensure those products reach the target market in a cost effective way. An increase in competition could adversely impact the Company's financial position, performance and/or the price or value of the Shares.

(o) Regulatory risk

The Company and its products are subject to various laws and regulations including but not limited to consumer protection laws, accounting standards, tax laws and corporate governance laws. Changes in these laws and regulations (including interpretation and enforcement) could adversely affect the Company's financial performance. Laws and regulations are specific to each geographic location. In this regard, there is a risk that a certain products may not be able to be supplied in another jurisdiction because it fails to meet that jurisdiction's regulatory requirements (e.g. product registration requirements). Additionally, if the Company fails to remain compliant with these various regulatory requirements, there is a risk that the Company's financial performance could be adversely affected.

(p) Foreign exchange risk

Revenue and expenditures in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. Many of the Company's customers and distributors are located outside of Australia and so the Company regularly trades in foreign currencies. Accordingly, payment will be made in those countries' currencies, and may exceed the budgeted expenditure if there are adverse currency fluctuations against the Australian dollar. The Company has no plans at this stage to hedge its foreign currency payments.

(q) Reputational risk

The Company's failure to protect its reputation could have a material adverse effect on the Company including its brand and profitability.

The Company's brand could be jeopardised if it fails to maintain quality products or if the Company, or the third parties with whom it does business, fail to comply with regulations or accepted business practices (including ethical, social, product, labour and environmental standards, or related political considerations).

The Company could also experience reputational damage due to negative feedback from unsatisfied customers.

If damage were to occur to the Company's or the reputation of its third party contractors:

- (i) the demand for the Company's products may be reduced; and
- (v) this may attract more regulatory scrutiny to its products and business processes (or those of its third party contractors).

(r) Product liability

The provision of products, solutions and services by BirdDog carries with it the risk of liability for injury, damages or losses arising from defects or failures in its hardware or software (including design and manufacturing processes). This includes potential repair and/or replacement costs of the BirdDog hardware and software. BirdDog is engaged in the manufacture and supply of products in large quantities, with components sourced from a number of parties, spread across a number of geographic areas. If a component of one of BirdDog's products or a third party sourced component of a BirdDog product is faulty, this may expose BirdDog to substantial recall, repair or replacement costs. The occurrence of any of these events may have a negative impact on BirdDog, including financial loss, litigation and damage to BirdDog's reputation.

While BirdDog holds a level of product liability insurance that it believes is appropriate for its operations, that insurance may not sufficiently cover the claims of a product liability suit. Product liability claims may damage BirdDog's reputation and may destroy or substantially diminish BirdDog's business. Defending a suit, regardless of its merits, could be costly and could divert management attention from BirdDog's core business activities.

(s) Loss and theft of data/failure to implement secure data controls

The Company's business operations involve the storage of its clients' confidential, personal and sensitive information (including for example customer information obtained via direct sales on the Company's website). The Company's business could be materially disrupted by privacy/data breaches which may impact the security of a client's information/data. This could occur through theft, unauthorised access (e.g. hacking), unauthorised disclosure of confidential client information (including exploitation of data) or loss of information (e.g. system problems).

While the Company undertakes measures to prevent and detect the occurrence of such security breaches, there is a risk that such measures may not be adequate. Any security breach may result in significant disruption to the Company's business including rendering such operations unavailable for a period of time until the data is restored. A security breach could also have an adverse impact on the Company's growth prospects, operating results, reputation, financial performance and/or the price or value of the Shares.

(t) Disruption of business operations

The Company and its customers are exposed to a large range of operational risks relating to both current and future operations. Such operational risks include fraud/dishonesty by its employees or service providers, equipment failure, accidents, information systems failure, external services failure, industrial action or disputes, inclement weather and natural disasters. While the Company endeavours to take appropriate action to mitigate these operational risks and, where the Directors consider it practicable, insure against them, the Company cannot remove all possible risks of disruption to its business operations, and it cannot control the risks its clients are exposed to. A disruption in the Company's operations or those of its clients may have an adverse impact on the Company's growth prospects, operating results, financial performance and/or the price or value of the Shares.

(u) Litigation

The Company is not currently involved in any material contractual disputes or litigation, arbitration or government prosecution matters. There is a risk that the Company may in the future have disputes with its customers/suppliers or other third parties (including payment disputes) and this may have an adverse impact on the Company's growth prospects, operating results, financial performance and/or the price or value of the Shares.

(v) Privacy and data protection

BirdDog's privacy policy does not fully comply with the:

- (i) Australian Privacy Principles under the *Privacy Act 1988* (Cth) (**APPs**) (nor does BirdDog have a collection statement as required under the APPs);
- (ii) *California Consumer Privacy Act* (**CCPA**); and
- (iii) UK General Data Protection Regulation (UK GDPR).

These represent regulatory compliance risks and BirdDog is in the process of addressing these issues.

9. Risk Factors Continued

BirdDog is also conducting a review of its data security processes and practices to ensure they are appropriately robust and comprehensive for a business of its nature, and will need to review its existing procedures and develop and implement appropriate internal privacy and information handling policies and procedures for its operations.

As part of this review, BirdDog will also conduct a review of its email practices to ensure compliance with the *Controlling the Assault of Non-Solicited Pornography and Marketing Act* and the California Anti-Spam Law (Bus. & Prof. Code § 17529).

9.3 GENERAL RISKS

Most of the general risks discussed below are outside the control of the Company and the Directors and cannot be mitigated.

(a) Liquidity of Shares

Prior to the Offer there has been no public market for the Shares. No assurance can be given that an active market will develop in the Shares or that the Shares will trade at or above the Offer Price after the Shares have been listed on the Official List and after Official Quotation.

Following completion of the Offer, the Escrowed Shareholders will hold up to approximately 51.72% of the Shares. The absence of any sale of Shares by the Escrowed Shareholders during this period may cause, or at least contribute to, limited liquidity in the market for the Shares. This could affect the prevailing market price at which Shareholders are able to sell their Shares.

Following release from escrow, Shares held by the Escrowed Shareholders will be able to be freely traded on the ASX. A significant sale of Shares by an Escrowed Shareholder, or the perception that such sale has occurred or might occur, could adversely affect the price of Shares.

(b) Stock market volatility

The price of Shares may rise or fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's operational performance. Investors who decide to sell their Shares after the Company's Listing may not receive the entire amount of their original investment. The price of Shares listed on ASX may also be affected by a range of factors including the Company's financial performance and by changes in the business environment.

The Shares carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of national and international market factors that may affect the Share price including movements on international stock markets, economic conditions and general economic outlook, interest rates and exchange rates, inflation rates, commodity supply and demand, government taxation and royalties, legislation, monetary and other policy changes and general investors' perceptions. Neither the Company nor its Directors have control over these factors.

(c) General economic conditions

The general economic climate may affect the performance of the Company. These factors include the general level of international and domestic economic activity, inflation and interest rates. These factors are beyond the control of the Company and their impact cannot be predicted.

(d) Risk of shareholder dilution

In the future, the Company may elect to issue additional Shares. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares, if they are unable to or choose not to participate.

(e) Changes in laws and government policy

Changes in laws and government policies (including changes to the Company's industry), both domestically and internationally, may adversely affect the financial performance or the current and proposed operations of the Company and the attractiveness of an investment in the Company.

The Company is not aware of any current or proposed material changes in relevant law or policy.

(f) Australian Accounting Standards and their interpretation

The AAS are determined by the AASB and are not within the control of the Company and its Directors. The AASB may, from time to time, introduce new or refined AAS, which may affect the future measurement and recognition of key income statement and balance sheet items. There is also a risk that interpretations of existing AAS, including those relating to the measurement and recognition of key statements of profit and loss and balance sheet items, may differ. Changes to AAS or changes to the interpretation of those standards could materially adversely impact the reported financial performance and position of the Company.

(g) Taxation laws and their interpretation

Taxation laws are subject to change periodically as is their interpretation by the relevant courts and tax revenue authorities. Changes in tax law or changes in the way tax laws are interpreted may impact the level of tax that the Company is required to pay, Shareholder returns, the level of dividend imputation or franking or the tax treatment of a Shareholder's investment.

Additionally, tax authorities may review the tax treatment of transactions entered into by the Company. Any actual or alleged failure to comply with, or any change in the application or interpretation of, tax rules applied in respect of such transactions, may increase the Company's tax liabilities or expose it to legal, regulatory or other actions.

The tax considerations of investing in the Shares may differ for each Shareholder. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in the Company.

(h) Insurance risks

While the Company seeks to maintain insurance in accordance with industry practice to insure against the risks it considers appropriate, no assurance can be given as to its ability to obtain such insurance coverage in the future at reasonable rates or that any coverage arranged will be adequate and available to cover any and all potential claims. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(i) Government actions, force majeure and other events

The impact of actions by domestic and international governments may affect the Company's activities, including in relation to its infrastructure, compliance with environmental regulations, export, taxation and royalties.

Events may occur within or outside of Australia that could impact on the Australian economy or the economy of each territory in which the Company currently operates or intends to operate in, the Company's operations or the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Company's products and its ability to conduct business.

The Company has only a limited ability to insure against some of these risks.

(j) Foreign regulatory structures and laws

The Company has operations in a number of overseas jurisdictions and is exposed to a range of different legal and regulatory regimes, including in jurisdictions in which BirdDog may acquire businesses and/or in geographies which BirdDog is expanding its operations. As BirdDog expands its footprint, it will be subject to risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks.

9. Risk Factors Continued

Furthermore, as BirdDog enters less familiar regions, risks arise that BirdDog may not fully understand the laws, regulations and business customs of the regions. Accordingly, risks may arise regarding labour practices, foreign ownership restrictions, tax regulation, enforceability of contracts and other issues in foreign jurisdictions that BirdDog may operate. This may interrupt or adversely affect parts of BirdDog's business, operations and financial performance.

(k) Unforeseen expenses

The proposed expenditure on the Company's projects may be adversely affected by any unforeseen expenses which arise in the future and which have not been considered in this Prospectus.

(l) COVID-19

The COVID-19 pandemic has had an unprecedented impact on financial markets in Australia and worldwide. The impact of the COVID-19 pandemic has led to increased unemployment levels, deteriorating household income and worsening financial performance of businesses throughout Australia and worldwide.

The full impact of the COVID-19 pandemic is inherently uncertain and there is a risk that the economic and financial markets and business conditions could further weaken. There is a risk that worsening economic conditions driven by COVID-19 could impact the Company's future financial condition, performance and/or the price or value of the Shares.

9.4 PROSPECTIVE INFORMATION

No assurance as to future profitability or dividends can be given as they are dependent on successful product development, future earnings and the working capital requirements of the Company.

There can be no guarantee that the assumptions on which the financial forecasts and development strategies of the Board, or those on which the Company bases its decisions to proceed, will ultimately prove to be valid or accurate. The forecasts and development strategies depend on various factors many of which are outside the control of the Company.

Changes in interest rates, exchange rates, government budgetary measures, relevant taxation and other legal regimes and Government policies may adversely affect the Company.

The Directors expect that the proceeds of the public capital raising and borrowings will provide sufficient capital resources to enable the Company to achieve its current business objectives. The Directors can give no assurance, however, that such objectives can be met without future financing or, if future financing is necessary, that it can be obtained on favourable terms.

9.5 CONCLUDING COMMENT

The above risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Investment in the Company must be regarded as highly speculative and neither the Company nor any of its Directors or any other party associated with the preparation of this Prospectus guarantees that any specific objectives of the Company will be achieved or that any particular performance of the Company or of the Shares, including those offered by this Prospectus, will be achieved.



NDI Multiview is software that creates mosaic style video windows used by broadcasters.



10. TAXATION

10. Taxation

This section provides a general overview of certain Australian tax consequences for Shareholders who acquire Shares through the Offer. The comments in this section are based on the Australian taxation laws (including established interpretations of those laws) and understanding of the practice of the Australian Taxation Office as at the Prospectus Date.

This section is general in nature and is not intended to be an authoritative or a complete statement of the Australian taxation laws. It should be noted that the Australian taxation laws are complex, and a Shareholder's own circumstances may affect the taxation outcomes of making an investment in the Company. It is therefore recommended that Shareholders seek independent professional advice having regard to their own specific circumstances in considering an investment in the Company.

This summary does not constitute financial product advice as defined in the Corporations Act. Taxation issues such as (but not limited to) those covered by this section are only one of the matters a Shareholder needs to consider when making a decision about a financial product. Shareholders should consider taking advice from someone who holds an Australian Financial Services Licence before making such a decision.

The tax consequences in this section do not take into account or anticipate any changes in law (by legislation or judicial decision) or any changes in administrative practice or interpretation by the relevant authorities. If there is such a change, including a change having retrospective effect, the income tax, stamp duty and GST consequences should be reconsidered by Shareholders in light of the changes. The precise implications will depend on each Shareholder's specific circumstances. The Company and its advisors disclaim all liability to any Shareholder or other party for all costs, losses, damages and liabilities that the Shareholders or any other party may suffer or incur arising from or relating to, or in any way connected with the contents of this summary or the provision of this summary to the Shareholder or other party or the reliance on it by the Shareholder or other party.

10.1 TAXATION TREATMENT OF THE ACQUISITION OF SHARES

The Offer involves the acquisition of Shares which will constitute an equity interest for Australian tax purposes. There are no immediate income tax consequences to the acquirer on the acquisition of equity interests.

10.2 TAXATION TREATMENT OF DIVIDENDS

Dividends may be paid to Shareholders by the Company. The Company may attach franking credits to such dividends. Franking credits broadly represent the extent to which a dividend is paid by the Company out of profits that have been subject to Australian tax. It is possible for a dividend to be fully franked, partly franked or unfranked.

The treatment of the dividends which may be paid to Shareholders whilst holding shares will vary depending on whether or not the Shareholders is an Australian resident or a non-resident Shareholder. The taxation treatment will also vary depending on the extent to which any dividends are franked.

(a) Dividends Received by Australian Resident Shareholders

Dividends received by Australian resident Shareholders will be assessable income for Australian tax purposes. Generally, both the amount of the cash dividend received and an amount equal to the franking credits attached to a franked dividend must be included in assessable income in the year of receipt. An Australian resident shareholder may be entitled to a franking offset.

There are certain limitations imposed by Australian taxation law which may prevent a Shareholder from obtaining the benefit of any franking credits. In this regard, Shareholders seeking to claim tax offsets for franking credits must be "qualified persons" in respect of the relevant dividends.

In order to be a qualified person, and to be eligible for the franking credit and tax offset, an Australian tax resident Shareholder must satisfy the holding period rule and the related payments rule. Broadly, Shareholders who have held their Shares "at risk" for at least 45 days (excluding the dates of acquisition and disposal) should be qualified persons and should be able to claim a tax offset for the amount of the franking credits received. Special rules apply to arrangements which involve the making of related payments to pass on the benefit of any dividends paid.

In addition to the holding period rule and the related payments rule, there are other provisions which can apply to limit access to franking credits in certain circumstances. Shareholders should seek taxation advice in respect of the potential application of these provisions.

(b) Dividends Received by Non-Resident Shareholders

The taxation treatment of dividends received by non-resident Shareholders will depend on whether the dividends paid are franked or unfranked.

Fully franked dividends should not be subject to Australian dividend withholding tax.

Unfranked dividends paid to Shareholders that are not Australian tax residents should be subject to dividend withholding tax, except to the extent the dividend is declared to be "conduit foreign income". To the extent that distributions to non-residents include unfranked dividends, the Company will withhold tax at the rate applicable to each non-resident Shareholder. Australian dividend withholding tax is levied at a flat rate of 30% on the gross amount of the dividends unless the Shareholder is a tax resident of a country that has an applicable double tax treaty with Australia. In these circumstances, the withholding tax is generally limited to 15%, although in certain cases, depending on the Shareholder's country of residence, the type of Shareholder and the size of their shareholding, the rate may be reduced further.

It is recommended that non-resident Shareholders also consider the tax implications of receiving dividends from the Company under their respective domestic tax regimes.

10.3 TAXATION TREATMENT OF DISPOSAL OF SHARES

The following overview of the Australian tax implications associated with the disposal of Shares is confined to Shareholders who hold their shares on capital account.

As such, these comments do not apply to Shareholders who hold Shares on revenue account, trading stock or under the Taxation of Financial Arrangements regime contained within Division 230 of the ITAA 1997. These Shareholders should seek their own professional advice.

(a) Disposal of Shares by Australian Resident Shareholders

The disposal of a Share by a Shareholder will give rise to a CGT event where the Shareholder holds their Share on capital account. Australian tax resident Shareholders will:

- (i) make a capital gain where the capital proceeds received on the disposal of the Share exceed the cost base of the Share; or
- (ii) make a capital loss where the capital proceeds received on the disposal of the Share are less than the reduced cost base of the Share.

The capital proceeds will generally be equal to the amount received for the disposal of the Share. Broadly, the cost base and reduced cost base (subject to modifications) of a Share should be equal to the Offer Price of the Share plus any incidental costs of acquisition and disposal (such as brokerage).

If a Shareholder is an individual or complying superannuation entity and has held the Share for at least 12 months or more before disposal of the Share, the Shareholder will generally be entitled to a "CGT discount" for any capital gain made on the disposal of the Share. Where the CGT discount applies, any capital gain arising (after applying any available capital losses) may be reduced by:

- (i) 50% in the case of individuals, or
- (iii) one-third in the case of complying superannuation entities.

Shareholders that are companies are not entitled to a CGT discount.

In relation to trusts, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries, subject to certain requirements being satisfied.

10. Taxation Continued

All capital gains and losses recognised by an Australian tax resident Shareholder for an income year are considered collectively. To the extent that a net gain exists, such Shareholders should be able to reduce the gain by any amount of unapplied net capital losses carried forward from previous income years (provided certain loss recoupment tests are satisfied, which can apply to certain types of shareholders). Any remaining net gain should be included in the Australian resident Shareholder's assessable income (subject to the above comments about the CGT discount) and should be taxable at the Shareholder's applicable rate of tax.

Where a net capital loss is recognised, the loss should only be deductible against future capital gains. Capital losses are capable of being carried forward indefinitely, provided the relevant loss recoupment tests are satisfied (if applicable).

(b) Disposal of Shares by Non-Resident Shareholders

Generally, for Australian income tax purposes, non-resident Shareholders who hold their shares on capital account, can disregard the capital gain or capital loss arising from the disposal of shares in Australian resident companies.

Notwithstanding the above comments, certain non-resident Shareholders will still be subject to Australian CGT where the Shares constitute Taxable Australian Property (**TAP**). Broadly, the Shares should only constitute TAP if both of the following requirements are satisfied:

- (ii) the Shareholder (together with any associates) holds an interest of at least 10% of the Shares in the Company at the time of the disposal, or for a 12 month period in the 24 months preceding the disposal; and
- (iv) more than 50% of the market value of the Company's assets is comprised of Australian real property interests.

As the Company does not hold a significant amount of Australian real property interests, any capital gain or loss arising to a non-resident Shareholder on disposal of the Shares is not expected to relate to TAP and should therefore be disregarded. However, this would need to be assessed at the time of disposal.

10.4 QUOTATION OF TAX FILE NUMBER

It is not compulsory for Australian resident Shareholders to provide the Company with details of their Tax File Number (**TFN**) or Australian Business Number (**ABN**). However, a failure to quote a TFN or ABN (or proof of exemption) to a public company will result in the company being required to withhold and remit tax at the top marginal rate (currently 45% plus 2% Medicare levy) from unfranked dividends paid to the relevant Australian resident Shareholder. The amount withheld in these circumstances should be available as a credit against the Shareholder's tax liability.

10.5 GOODS & SERVICES TAX (GST)

No GST should be applicable to the issue or transfer of the Shares given that, under current law, shares in a company are an input-taxed financial supply for GST purposes. However, Shareholders may incur GST on costs that relate to their participation in the proposed offer and should seek their own independent advice in relation to the GST implications.

10.6 STAMP DUTY

On the basis that the Company is not a landholder for stamp duty purposes in any Australian jurisdiction, no stamp duty should be payable on the acquisition of the Shares.



BirdDog Studio NDI was BirdDog's first product and the world's first NDI® converter creating a new category of products.



11. ADDITIONAL INFORMATION

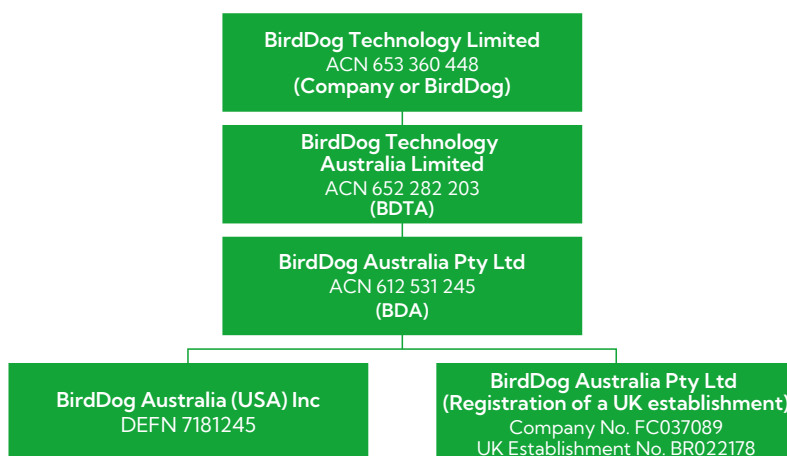
11. Additional information

11.1 COMPANY INFORMATION

The Company was incorporated on 2 September under the *Corporations Act 2001* (Cth) as a public company limited by shares. The Company will be taxed as a public company and its statutory accounts will be made up to 30 June annually.

11.2 CORPORATE STRUCTURE OF THE GROUP

The diagram below represents the Group's corporate structure at the date of this Prospectus.



The key functions of the entities within the Group are as follows:

- (a) BirdDog Technology Limited (ie the Company) was incorporated in Victoria and is the parent company for the Group;
- (b) BirdDog Technology Australia Limited ACN 652 282 203 was incorporated in Victoria and was interposed as a holding company below the Company;
- (c) BirdDog Australia Limited was incorporated in Victoria, was the former holding company of the Group and is the main operating entity of the Group;
- (d) BirdDog Australia (USA) Inc. is a company incorporated in the United States and is the entity through which the Group undertakes its operations in the United States; and
- (e) BirdDog Australia Pty Ltd (UK) is a United Kingdom branch of BDA and is the entity through which the Group undertakes its operations in the United Kingdom.

11.3 RESTRUCTURE

In preparation for the Offer, the Group has undertaken a restructure (**Restructure**), which will complete on completion of the Offer. The key aspects of the Restructure are as set out below.

In order to interpose the Company as the ultimate holding company of the Group, the Company entered into a share swap agreement with BDTA, BDA, BDTA's shareholders and GDT, under which:

- (a) the Company agreed to acquire all of the shares in BDTA from the BDTA shareholders; and
- (b) BDTA agreed to acquire all of the shares in BirdDog Australia held by GDT,

in exchange for a combination of Shares in the Company and cash, subject to successful completion of the Offer (**Share Sale**).

11.4 SHARE CAPITAL STRUCTURE

Following the completion of the Offer the shareholding structure in the Company will be as follows:

Category*	Number of Shares	% ownership interest
Existing Shares on issue	153,846,154	75.2%
New Shares offered under this Prospectus	50,769,231	24.8%
Total number of Shares on issue on Completion of the Offer	204,615,385	100%

* As at the date of this Prospectus, there will be 7,066,695 Options, 1,706,538 Share Rights and 729,167 Performance Rights on issue in the Company. The Company will also issue up to 550,000 Employee Options under this Prospectus (see Sections 5.5, 6.8 and 11.12(e) of this Prospectus for more detail).

11.5 SHARES TO CONVERTIBLE NOTEHOLDERS

In June 2021, the Company raised \$13,750,000 (before transaction costs) via the issue of the Convertible Notes at the price of \$5,000 per note. The proceeds of the Convertible Note offer has been applied as follows:

- (a) \$1,030,835 in repayment of certain related party loans to the Founding Shareholders (all of which has been repaid);
- (b) \$969,165 in payment of retrospective remuneration to the following, inter alia, Daniel Miall a gross of \$363,437 including superannuation, Eamon Drew a gross of \$363,437 including superannuation and Barry Calnon a gross of \$145,375 including superannuation (all of which has been paid);
- (c) to partially fund costs of the Offer; and
- (d) for working capital purposes and in order to finance the IPO in the form of the Convertible Notes, totalling \$10.45 million.

11.6 EMPLOYEE INCENTIVE PLAN

As at the Prospectus Date, the Company has on issue 1,706,538 Share Rights, 729,167 Performance Rights, 700,000 Director Options and up to 550,000 Employee Options pursuant to the EIP.

A summary of the terms of the above offers, and the parties to which they were issued is set out in section 5.5 of this Prospectus.

11.7 LEAD MANAGER OPTIONS

The Company has agreed to issue such number of Options to the Lead Manager equal to 2.5% of the issued capital outstanding on completion of the Offer. Details of the Lead Manager Options are set out in section 11.12(e).

11. Additional information Continued

11.8 SUBSTANTIAL SHAREHOLDERS

As at the date of this Prospectus, the Company has 153,846,154 Shares on issue (assuming the Convertible Notes convert into Shares).

Details of Shareholders who hold 5% or more of the Shares on issue as at the date of this Prospectus, and who will hold more than 5% after completion of the Offer, are set out below.

Shareholder	Relationship to Company	Number of Shares	Number of Share Rights	% of total securities after completion of Offer
Home Made Robots Pty Ltd ACN 154 662 594 ATF Robot Super Awesome Extreme 3000 Trust (controlled by Eamon Drew)	Related party of Dan Miall (Managing Director, CEO and Company secretary)	44,602,564	395,769	21.8%
Khlebny Pereulok Pty Ltd ACN 154 662 610 ATF 525 Romashkavaya Trust	Related party of Barry Calnon (Co-founder and CFO)	18,846,154	395,769	9.2%
Restless Robot Pty Ltd ACN 154 662 585 ATF Miall Family Trust	Related party of Eamon Drew (Executive Director and CMO)	44,602,564	395,769	21.8%
Gregory Robert Thomson ATFT GT Discretionary Trust	N/A	12,564,103	N/A	6.1%

* Assuming that these Shareholders do not subscribe for Shares under the Offer and no options issued by the Company (as detailed in this Prospectus) have been exercised.

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

11.9 COMPANY'S CONSTITUTION

The Shares offered under this Prospectus are fully paid ordinary shares in the capital of the Company. A summary of the more significant rights attaching to the Shares is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company members.

- **Ranking** – The Shares will be ordinary shares and will rank equally in all respects with the ordinary shares in the Company on issue prior to the date of this Prospectus.
- **Reports and notices** – Members are entitled to receive all notices, reports, accounts and other documents required to be furnished to members under the Constitution of the Company and the Corporations Act.
- **General meetings** – Members are entitled to receive at least 28 days' notice of a general meeting and subject to any preferential or special rights attaching to any shares that may be issued by the Company in the future, members are entitled to be present in person, or by proxy, attorney or representative to speak and to vote at general meetings of the Company. Members may requisition general meetings in accordance with the Corporations Act and the Constitution of the Company.
- **Voting** – At a general meeting of the Company every ordinary member present in person, or by proxy, attorney or representative shall on a show of hands have one vote and on a poll every member present in person or by proxy, attorney or representative has one vote for every share held.
- **Reduction of capital** – Subject to the Corporations Act and Listing Rules, the Company may resolve to reduce its share capital by any lawful manner as the Directors or shareholders may approve.

- **Winding up** – Members will be entitled in a winding up to share in any surplus assets of the Company in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.
- **Transfer of Shares** – Shares in the Company may be transferred in any form authorised by the Corporations Act or approved by the Directors and in the manner prescribed by the Constitution of the Company, the Corporations Act, the Listing Rules or the ASX Settlement and Operating Rules. The Directors may subject to the Listing Rules and the ASX Settlement and Operating Rules, request an ASX approved clearing and settlement facility to apply a holding lock to prevent any transfer of shares. The Directors may refuse to register a paper based transfer of a share in particular circumstances.
- **Issue of further Shares** – The Directors control the allotment, issue, grant of options in respect of and disposal of shares. Subject to restrictions on the allotment of shares and grant of options to Directors or their associates and the Corporations Act, the Directors may allot, grant options or otherwise dispose of shares on such terms and conditions as they see fit.
- **Takeover approval provisions** – Any proportional takeover scheme must be approved by those members holding shares included in the class of shares in respect of which the offer to acquire those shares was first made. The registration of the transfer of any shares following the acceptance of an offer made under a scheme is prohibited until that scheme is approved by the relevant members.
- **Application of Listing Rules** – On admission to the Official List of the ASX then, despite anything in the Constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require a Constitution to contain a provision or not to contain a provision, the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of that inconsistency.

11.10 CHESS

The Company will apply to be admitted to participate in CHESS, in accordance with the ASX Listing Rules and the ASX Settlement and Operating Rules. On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the Company's principal register of Shares.

The Company will not issue certificates to Shareholders. Shareholders who elect to hold Shares on the issuer-sponsored sub-register will be provided with a holding statement (similar to a bank account statement), which sets out the number of Shares allotted to the Shareholder under this Prospectus. For Shareholders who elect to hold the Shares on the CHESS sub-register, the Company will issue an advice that sets out the number of Shares allotted to the Shareholder under this Prospectus. At the end of the month of allotment, CHESS (acting on behalf of the Company) will provide Shareholders with a holding statement that confirms the number of Shares (as the case may be) held.

A holding statement (whether issued by CHESS or the Company) will also provide details of a Shareholder's Holder Identification Number in the case of a holding on the CHESS sub-register or Shareholder Reference Number in the case of a holding in the issuer-sponsored sub-register. Following distribution of these initial holding statements to all Shareholders, a holding statement will also be provided to each Shareholder at the end of any subsequent month during which the balance of that Shareholder's holding of Shares changes.

11. Additional information Continued

11.11 MATERIAL CONTRACTS

The following contracts are considered by the Directors to be material for the purposes of this Prospectus or may be relevant to a potential investor.

(a) Distribution Agreements

BirdDog has entered into multiple distribution agreements with various parties, covering several jurisdictions including, inter alia, Australia, the United States, the United Kingdom, the European Union and South East Asia. Under these agreements:

- (i) the Company supplies its products to the distributor; and
- (ii) the distributor is granted non-exclusive rights to make the Company's products available to consumers in the applicable jurisdictions.

Each agreement has a one year term, which automatically renews unless either party provides 30 days' written notice of termination. Both parties retain the right to terminate the agreement on a material breach, an insolvency event, or (following the expiry of the initial 1-year term) with 30 days' notice without cause.

Each distributor agrees to use its reasonable best efforts to advertise, market and sell BirdDog products to authorised resellers.

The distributor is entitled to return products to BirdDog within 3 months if they are defective.

BirdDog must supply its products at the prices specified in its price list at the time an order is submitted. BirdDog may change those prices at its sole discretion by providing 30 days' notice to the distributor. Excepting where BirdDog offers terms, the entire amount of each order is paid in advance. If any amount is outstanding, the Company retains a security interest in the Products delivered to the distributor and any proceeds.

The distributors are not required to satisfy any minimum order requirements.

BirdDog indemnifies the distributor for:

- (i) claims of intellectual property infringement brought by third parties in relation to the products supplied; and
- (ii) death or injury resulting from a defect in or malfunction of any product.

The distributors indemnify BirdDog for liabilities arising from the distributor's performance of the agreement. The Company retains all intellectual property rights, title and interests in connection with the products supplied. The Company indemnifies each distributor against potential IP infringement claims arising under U.S. law (including defending those claims at BirdDog's expense).

Under the agreements, the distributor is restrained from modifying, disassembling or reverse engineering the Company's products. The products are also covered by standard warranties described on the product packaging.

(b) Financing Facility – Export Finance Australia

(i) Overview

- Export Finance Australia, an entity established under the *Export Finance and Insurance Corporation Act 1991* Cth (EFA) has provided BDA with a revolving loan facility (EFA Facility) with a limit of US\$4.5 million.
- Interest accrues on the EFA Facility at a base interest rate (equal to the 3 months ASX Bank Bill Swap Rate Bid) plus a margin.
- Unless extended by EFA, all amounts under the EFA Facility must be repaid within 120 days from 31 December 2022.

(ii) Security

The amounts owing under the facility are secured by a first-ranking general security interest over all of BDA's assets and undertakings, and pursuant to the Restructure, EFA may require first ranking security interests over BirdDog and BDTA.

(iii) Warranties, undertakings and covenants

The EFA Facility is subject to typical warranties and indemnities for a loan of this type. In addition to EFA's standard warranties and undertaking, it also provides that:

- BDA must not redeem the Convertible Notes without EFA's consent;
- BDA undertakes that proceeds of drawings will not be used to finance a transaction whose dominant purpose is direct investment outside Australia by a person carrying on a business in Australia; and
- BDA will notify EFA promptly if there is a reduction in the proportion of manufacturing or production that occurs in Australia or any goods that are subject of an approved transaction.

(iv) Review events

In addition to EFA's standard review events, EFA may review and reduce or cancel the EFA Facility if:

- BirdDog once Listed, is delisted from the ASX;
- 2 out of 3 of either Barry Calnon, Dan Miall or Eamon Drew leave the Group;
- BirdDog is in a trading halt or suspension for more than five trading days;
- BDA is in material breach of any terms of the Deed Poll (pursuant to which the Convertible Notes were issued) and, if capable of remedy, that breach is not remedied within 10 days of it occurring; or
- initial public offering of shares in the capital of the Company in conjunction with a listing or quotation of such shares on the ASX has not occurred by 15 April 2022.

(c) NewTek License

(i) Agreements with NewTek

BirdDog has entered two agreements with NewTek Inc (**NewTek**):

- (A) an Embedded SDK Licence (the **Embedded Licence**); and
- (B) a licence to NDI®'s Software Development Kit and Addendum (the **SDK Licence**).

(ii) Purpose

NewTek is the owner of the industry standard NDI® software which is used to connect NewTek devices to other equipment (**NDI® Technology**).

The NDI® Technology is incorporated into products manufactured by BirdDog. This allows BirdDog products to interface with other products, including those from BirdDog and other manufacturers.

(iii) Licence grant

The Embedded Licence grants BirdDog the right to promote, market and sell the BirdDog products that are listed in the exhibit, incorporating the NDI® Technology. New products can be added to the exhibit with the consent of NewTek (not to be unreasonably withheld) after BirdDog provides notice of such new products to NewTek.

The SDK Licence grants BirdDog a perpetual, irrevocable right to use the NDI® software development kit for the purposes of developing new products.

(iv) Fees

For the Embedded Licence, the licence fees are calculated as a percentage of the "average licensee sell price" (or ALSP) which is set out in the agreement. The licence fees are payable quarterly based on the number of units sold in that quarter. If the ALSP changes, BirdDog is required to provide notice of the change to BirdDog and the agreement will be updated accordingly.

There are no licence fees under the SDK Licence.

11. Additional information Continued

(v) Warranties, indemnities and liability

In the Embedded Licence:

- (A) NewTek warrants that it has the right to licence the NDI® Technology;
- (B) NewTek excludes any warranty that BirdDog's products will be compatible with any other NDI® product and also any other warranties that may be implied (noting that the NDI® Technology is licensed "as is"); and
- (C) NewTek will defend BirdDog against any third party claims that BirdDog's use of the NDI® Technology infringes the intellectual property rights of that third party.

Neither party is liable for any consequential loss or damage in the Embedded Licence, and NewTek limits its liability to the fees that have been paid to NewTek.

The SDK Licence does not include any warranties or indemnities from NewTek and is provided "as is" (this being consistent with market practice for free licences). BirdDog indemnifies NewTek against any third party claim, loss or damage it suffers as a result of BirdDog's use of the software development kit. NewTek's liability for losses suffered by BirdDog under the SDK Licence is excluded.

(vi) Term and termination

The Embedded Licence continues for a term of 5 years with an expiry in September 2026. This then renews automatically for further periods of 3 years unless either party provides at least 6 months' written notice prior to the end of the then current term that it does not wish to renew. Either party may terminate the Embedded Licence in the case of material default by the other party which is not remedied within 30 days of being given a notice requiring it to do so.

The SDK Licence is perpetual, though may be terminated by either party in the case of a material default of the other party which is not remedied within 10 days of being given a notice requiring it to do so.

(d) Webcast Norge Consultancy Agreement

BirdDog has entered into a non-exclusive consultancy agreement with Webcast Norge on 30 July 2021 for consulting services relating to the development of BirdDog's products and software. The initial term of the agreement is twelve months. BirdDog may extend the agreement for further successive 1 month periods by giving written notice to Webcast Norge at least 10 days prior to the expiry of the current term.

The consulting fee payable to Webcast Norge is €5,000 per month.

Either party may terminate the consultancy agreement at any time during the term by giving at least three month's written notice, and by one month's written notice for any subsequent extended term. The Company has additional rights to terminate the consultancy agreement by immediate written notice to Webcast Norge in the event of any material breach of the agreement which is not cured with 15 days of receiving written notice from the Company, or if Webcast Norge acts in a manner which prejudicially and substantially affects the Company or its business or disparages or otherwise brings the Company's name or business activities into disrepute. Webcast Norge may also terminate the agreement any amount payable to the Webcast Norge remains outstanding for more than 90 days after the date on which that payment was due.

BirdDog retains all intellectual property rights arising from the agreement.

In October 2021, Webcast Norge was also issued 1,000,000 Options in the Company and 1,884,615 Shares in consideration for an assignment of all of the IP created by Webcast Norge in connection with the development of BirdDog's products (**Webcast Norge IP Arrangement**).

(e) Avnet

BirdDog Australia entered into a design and services agreement with Avnet on 5 September 2018 for design and engineering services and solutions in relation to BirdDog's flagship Studio NDI® and Mini products, as well as camera boards and silicon chips.

Pursuant to this agreement, on payment of a fee, ownership of the requisite schematics and design materials developed by Avnet and required to produce BirdDog's products (**BirdDog Materials**), has been transferred to BirdDog.

The agreement contains various provisions that are more favourable to Avnet, in particular:

- (i) all purchase orders for products may not be cancelled or returned without prior consent from Avnet;
- (ii) Avnet expressly excludes any warranty with respect to the services or products provided, or with respect to third party intellectual property infringement;
- (iii) BirdDog:
 - (A) warrants that none of the requirements or materials provided to Avnet by BirdDog violate or infringe any third party IP or proprietary information; and
 - (B) indemnifies Avnet for any infringement of third party intellectual property rights associated with BirdDog's IP;
- (iv) other than the BirdDog Materials referred to above, Avnet retains ownership of all IP rights in the materials created under the agreement;
- (v) Avnet's liability under the agreement is limited to the value of the fees paid under the agreement, and consequential loss is excluded;
- (vi) if the agreement is terminated, Avnet is entitled to recover various outstanding costs and expenses (including costs associated with loss of business, excess inventory, and work in progress) from BirdDog; and
- (vii) BirdDog is not permitted to appoint other manufacturers to manufacture the products the subject of the agreement, for the first 3 years of the agreement (**Fixed Period**).

The term of the agreement is 3 years commencing on or around 5 September 2018. After the Fixed Period, the agreement may be terminated on 30 days' prior written notice without cause, or immediately due to a material breach.

(f) Fastprint Manufacture Service Agreement

BirdDog Australia entered into an exclusive design and manufacturing agreement with Fastprint on 17 January 2021 relating to the design, manufacture and delivery of BirdDog's converter products in Hong Kong (**Fastprint Manufacture Service Agreement**).

Under the Fastprint Manufacture Service Agreement, all products manufactured by Fastprint include a warranty against manufacturing defects for a period of 12 months from the date of delivery.

Either party can terminate the agreement at short notice, based on orders placed by BirdDog and the capacity of Fastprint to fulfil those orders.

The Fastprint Manufacture Service Agreement does not contain terms that are typically incorporated into manufacturing agreements of this kind, for example:

- **Warranties and indemnities:** Despite including a warranty against manufacturing defects for a period of 12 months from the date of delivery, the agreement does not contain information about what constitutes a manufacturing defect, the process for identifying a manufacturing defect and the recourse available if a manufacturing defect is identified.
- **Confidential information and IP rights:** the agreement does not contain any information regarding what constitutes confidential information, the process of disclosing confidential information and any recourse available to parties in the event that confidential information is incorrectly disclosed. Furthermore, the agreement does not have any information regarding which party retains intellectual property rights in the products, the misuse of intellectual property rights, including reverse engineering and any recourse available to parties regarding the misuse of intellectual property rights.
- **Termination and restraint of trade:** details of rights regarding termination, including information about what constitutes a termination event and the ongoing rights and obligations which may survive termination.

Accordingly, despite BirdDog having an ongoing positive relationship with Fastprint, established over years of working together, there is some risk that the Fastprint Manufacture Service Agreement may be terminated, that confidential information or intellectual property rights of either party are disregarded, or that a serious breach of the agreement arises. In any of these cases, BirdDog may have limited recourse.

11. Additional information Continued

(g) Bolin Manufacturing Agreement

BirdDog Australia entered into a manufacturing agreement with Bolin Technology on 1 January 2021 relating to the manufacture and delivery of BirdDog's cameras in China (**Bolin Manufacturing Agreement**).

Under the Bolin Manufacturing Agreement, all products manufactured by Bolin Technology include a warranty against manufacturing defects for a period of 2 years from the date of delivery.

The Bolin Manufacturing Agreement does not contain terms that are typically incorporated into manufacturing agreements of this kind, for example:

- **Warranties and indemnities:** despite including a warranty against manufacturing defects for a period of 12 months from the date of delivery, the agreement does not contain information about what constitutes a manufacturing defect, the process for identifying a manufacturing defect and the recourse available if a manufacturing defect is identified.
- **Confidential information and IP rights:** the agreement does not contain any information regarding what constitutes confidential information, the process of disclosing confidential information and any recourse available to parties in the event that confidential information is incorrectly disclosed. Furthermore, the agreement does not have any information regarding which party retains intellectual property rights in the products, the misuse of intellectual property rights, including reverse engineering and any recourse available to parties regarding the misuse of intellectual property rights.
- **Termination and restraint of trade:** details of rights regarding termination, including information about what constitutes a termination event and the ongoing rights and obligations which may survive termination.

Accordingly, despite BirdDog having an ongoing positive relationship with Bolin, established over more than three years of working together, there is some risk that the Bolin Manufacturing Agreement may be terminated, that confidential information or intellectual property rights of either party are disregarded, or that a serious breach of the agreement arises. In any of these cases, BirdDog may have limited recourse.

(h) Strategic Alliance Partner Agreement

BirdDog Australia has entered into the Strategic Alliance Partner Agreement on 25 March 2020 with NEC Display Solutions Europe (**NEC**) to enhance the interoperability of the parties' products, technologies or services, to execute common marketing activities, product training, and to improve the parties' market presence by combining their efforts to explore potential product combinations to create mutual solutions for clients or customers.

The key terms of this agreement are:

- (i) The parties remain independent and the alliance does not constitute any partnership, joint venture or other combined structure between the parties.
- (ii) The initial term of this agreement was for one year, beginning on 25 March 2020. However, as the agreement is automatically extended indefinitely until terminated, the agreement continues to operate.
- (iii) Either party may terminate the agreement without cause at any time by giving written notice to the other party with a notification period of sixty (60) calendar days. In the event of any breach, or attempted or threatened breach, of the agreement by any party will give rise to immediate termination of the agreement by the aggrieved party.
- (iv) BirdDog is granted a revocable, non-exclusive, royalty-free licence to use NEC's trademark, in accordance with guidelines provided by NEC and with its written consent.
- (v) Each party retains all intellectual property rights and there is no assignment of any patents, copyrights, designs, trademarks, trade names or other rights. Furthermore, each party is restrained from applying for patents or registration of trademarks or designed in respect of the agreement.

(i) HDMI Adopter Agreement

BirdDog has entered into the HDMI Adopter Agreement on 25 March 2019 with HDMI Licensing Administrator Inc. (**HDMI**) for a non-exclusive licence to make, use, import and distribute products licenced by HDMI connector interface.

(i) Term

The initial term of the agreement is ten years, commencing on 25 March 2019. The agreement is renewed automatically for additional five year terms unless BirdDog provides written notice within 60 days of the end of the then current term.

(ii) Compliance testing

Prior to mass producing or distributing a product (or a component thereof), BirdDog is required to undertake extensive compliance testing. HDMI has discretion to require that BirdDog cease using HDMI's trademarks if BirdDog's products do not comply with HDMI's testing.

(iii) Fees and royalty payments

BirdDog is required to pay annual fees and royalties to HDMI on a quarterly basis, including an annual fee of \$US10,000. Royalty payments are calculated according to the volume of BirdDog's products which are sold or distributed using HDMI's licence.

(iv) Warranties, indemnities and liability

HDMI does not provide any warranties regarding the licence and BirdDog will have limited recourse if HDMI's products supplied under the licence do not meet its requirements. Liability for incidental, consequential, indirect, or special loss arising out of, or related to, the agreement is excluded.

(v) Withdrawal of licence and termination of agreement

BirdDog may terminate the licence at any time by providing written notice to HDMI.

HDMI is permitted to terminate if BirdDog materially breaches the agreement and the breach is not cured, or not capable of cure, within 30 days after written notice is given.

11.12 INTERESTS OF EXPERTS

(a) Interests

Except as disclosed in this Prospectus:

- (i) no expert, or firm in which any expert is a partner, has any interest that existed when a copy of the Prospectus was lodged with the ASIC for registration, nor had any such interest within 2 years before lodgement of the Prospectus for registration, in the promotion of the Company or has received or is entitled to receive any sum for services rendered by the expert or the firm in connection with the promotion or formation of the Company, or in any property proposed to be acquired by the Company in connection with the promotion or formation; and
- (ii) no amounts have been paid or agreed to be paid to any expert, or any firm in which any expert is a partner, for services rendered in connection with the promotion or formation of the Company.

(b) Pitcher Corporate

In accordance with the terms of its engagement, Pitcher Partners Corporate Pty. Ltd (**Pitcher Corporate**) has prepared its Independent Assurance Report which forms part of this Prospectus. In aggregate, Pitcher Corporate, as Investigating Accountant for the Company, will be paid \$115,000 (plus GST) for services provided in connection with this Offer and may receive further payments in accordance with its normal time based charges.

11. Additional information Continued

(c) K&L Gates – Australian legal advisers

In accordance with the terms of its engagement, K&L Gates as Australian Legal Advisers for the Company will be paid \$220,000 (plus GST) for services provided in connection with this Offer and may receive further payments in accordance with its normal time based charges.

(d) Frost & Sullivan Australia Pty Ltd

In accordance with the terms of its engagement, Frost & Sullivan Australia Pty Ltd (**Frost & Sullivan**), as an independent market expert for the Company, will be paid \$19,000 (plus GST) for the provision of the independent market report and services provided in connection with the Offer.

(e) PAC Partners Lead Manager Mandate Letter

In accordance with the terms of its engagement, the Company has agreed to pay PAC Partners Securities Pty Ltd (**PAC Partners** or **Lead Manager**) as the Lead Manager the following fees and other associated costs (all amounts below are excluding GST):

- (i) a management fee of 3.5% of the gross proceeds of the Offer (offset against a fee of 4% of the gross proceeds raised under the Company's Convertible Note offer); and
- (ii) a capital raising incentive fees of 0.5% of gross proceeds of the Offer.

PAC Partners is also entitled to be reimbursed for reasonable out of pocket expenses incurred by the Lead Manager in connection with the Offer, as well as reasonable fees and disbursements of the Lead Manager's legal advisers (up to a maximum of \$10,000, unless otherwise approved by the Company in advance).

Furthermore, at the time of settlement of the Offer, the Company has agreed to issue to the Lead Manager an unquoted options package equivalent to 2.5% of the post-money fully diluted capital structure of the Company at IPO, which is 5,366,695 Options and will be:

- (i) unquoted, but transferable;
- (ii) exercisable at 50% premium price to the Offer Price; and
- (iii) have a 3-year term to expiry, commencing on the date of the IPO.

(**Lead Manager Options**).

(f) Automic Group – share registry

Automic Group acts as the Share Registry to the Company. The Company has paid, or agreed to pay, normal commercial rates for the share registry services provided by Automic Group.

11.13 CONSENTS OF EXPERTS

(a) Pitcher Corporate – Investigating Accountant

Pitcher Corporate has given and not withdrawn its written consent to being named as Investigating Accountant for the Company in the Prospectus in the form and context in which it is named and the issue of the Prospectus with its Investigating Accountant's Report dated 18 November 2021 in the form and context in which it is included and to all references to that report in the Prospectus in the form and context in which those references are included.

Pitcher Corporate has only participated in the preparation of the Prospectus to the extent of preparing its Investigating Accountant's Report. Pitcher Corporate was not involved in the preparation of any other part of the Prospectus and did not authorise or cause the issue of any other part of the Prospectus.

Except as provided above, Pitcher Corporate does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for any statement in or omissions from this Prospectus.

(b) Pitcher Audit – Auditor

Pitcher Audit has given and not withdrawn its written consent to being named as Auditor for the Company in the Prospectus in the form and context in which it is named.

Pitcher Audit was not involved in the preparation of any part of the Prospectus and did not authorise or cause the issue of any other part of the Prospectus.

Pitcher Audit does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for any statement in or omissions from this Prospectus.

(c) K&L Gates – Legal Adviser

K&L Gates has given and not withdrawn its written consent to be named in this Prospectus as Australian Legal Advisers to the Company in the form and context in which it is so named. K&L Gates does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

(d) Frost & Sullivan – independent market expert

Frost & Sullivan has given and not withdrawn its written consent to be named in this Prospectus as independent market expert to the Company in the form and context in which it is so named. Other than the market report contained in section 3, Frost & Sullivan does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

(e) Automic Group – Share Registry

Automic Group has given and not withdrawn its written consent to be named in this Prospectus as the Share Registry to the Company in the form and context in which it is so named. Automic Group does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

(f) PAC Partners – Lead Manager

PAC Partners has given, and at the time of lodgement of this Prospectus, has not withdrawn its consent to be named as Lead Manager to the offer of securities under this Prospectus, in the form and context in which it is named.

PAC Partners does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

11.14 COSTS OF THE OFFER

If the Offer proceeds, the total estimated costs of the Offer, including legal fees incurred, registration fees, fees for other advisers, prospectus design, printing and advertising expenses and other miscellaneous expenses, will be approximately \$750,000.

If the Offer proceeds, the Lead Manager will be paid aggregate fees between \$1,155,000 and \$1,320,000 (plus GST) depending on the amount raised pursuant to the Offer for management fees and commission in connection with this Offer. There are also non cash expenses of the Offer being the Options to be allotted to the Lead Manager (being 5,366,695 Options).

11. Additional information Continued

11.15 LEGAL PROCEEDINGS

There is no litigation of a material nature or threatened which may significantly affect the Company or its activities.

11.16 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of Applications are governed by the law applicable in Victoria and each Applicant submits to the exclusive jurisdiction of the courts of Victoria.

11.17 DIRECTORS RESPONSIBILITY STATEMENT

The Directors of the Company state that for the purposes of section 731 of the Corporations Act, they have made all enquiries that were reasonable in the circumstances and have reasonable grounds to believe that any statements by them in this Prospectus are true and not misleading or deceptive, and that with respect to any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given the consent required by section 716(2) of the Corporations Act and have not withdrawn that consent before lodgement of this Prospectus with ASIC.

Each Director consents to the lodgement of this Prospectus with ASIC, and has not withdrawn that consent prior to this Prospectus being lodged.

This Prospectus is prepared on the basis that:

- certain matters may be reasonably expected to be known to professional advisers of the kind with whom Applicants may reasonably be expected to consult; and
- information is known to Applicants or their professional advisers by virtue of any legislation or laws of any State or Territory of Australia or the Commonwealth of Australia.

11.18 AUTHORISATION

This Prospectus is issued by the authority of the Board of the Company.

Dated: 18 November 2021



John Dixon
Chair

BirdDog Technology Limited



BirdDog PTZ Keyboard allows for full control of the PTZ Cameras allowing for productions without the need for camera operators.



12. GLOSSARY

12. Glossary

Unless the context requires otherwise:

- (a) terms defined in the independent experts' reports included in this Prospectus have the same meaning when used throughout this Prospectus; and
- (b) each term below has the meaning set out below, unless this is inconsistent with the context in which the expression is used.

3PL means third party logistics.

\$ or A\$ means Australian dollars.

AEDT means Australian Eastern Daylight Saving Time.

AAS means the Australian Accounting Standards.

AASB means the Australian Accounting Standards Board.

Allotment Date means the date on which Shares are allotted under the Offer.

Applicant means a person who makes an Application for Shares.

Application means an application for Shares under this Prospectus made by an Applicant under an Application Form.

Application Form means the form accompanying or attached to this Prospectus by which an Applicant may apply for Shares under the Offer.

Application Monies means money submitted by Applicants under the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ACN 008 624 691 or the Australian Securities Exchange as the context requires.

ASX Listing Rules means the official listing rules of the ASX.

ASX Operating Rules means the official operating rules of the ASX.

ASX Recommendations means the Corporate Governance Principles and Recommendations (4th edition), published by the ASX Corporate Governance Council.

ASX Settlement and Operating Rules means the rules established under the Corporations Act for settlement of transactions of securities of a company for which CHESS approval has been given.

Automic Group means Automic Pty Ltd ACN 152 260 814.

AV means audio-visual.

Avnet means Avnet Electronics Marketing (Australia) Pty Ltd ACN 003 095 903.

BirdDog Australia or BDA means BirdDog Australia Limited ACN 612 531 245.

BDTA means BirdDog Technology Australia Limited ACN 652 282 203.

Board means the board of Directors of the Company.

Bolin Manufacturing Agreement means the manufacturing agreement dated 1 January 2021 between BirdDog Australia and Bolin Technology.

Bolin Technology means Bolin Technology Co. Ltd, a company incorporated in China.

Broker means any ASX participating organisation selected by the Lead Manager to act as a broker to the Offer.

Broker Firm Offer means the offer of Shares under this Prospectus to Australian resident clients of Brokers who have received a firm allocation from their Broker.

Business Day means a day that is not a Saturday or Sunday or a public holiday in Victoria.

CHESS means the clearing house electronic sub-register system.

Closing Date or **Offer Closing Date** means the date on which the Offer closes, which is set out in the "Key Offer Information" section and may be varied by the Company.

Company or **BirdDog** means BirdDog Technology Limited ACN 653 360 448.

Constitution means the constitution of the Company.

Convertible Notes means convertible notes on issue in BirdDog, as described in this Prospectus.

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

Current Shareholders means each of:

- (a) Home Made Robots;
- (b) Khlebny Pereulok;
- (c) Restless Robot;
- (d) GDT; and
- (e) Adil Arshad.

Deed Poll means the governing deed for the Convertible Notes.

Director means a director of the Company from time to time.

Eligible Employees means Eligible Employees are all full time or part time employees or contractors of the Company resident in Australia, the United Kingdom, the United States and Costa Rica. Employees who are not employed, or have issued, or been issued with a notice of termination for their employment (or engagement) as applicable, on or prior to 8 December 2021 will not be eligible for Employee Options under the Employee Offer.

Eligible Participants has the meaning given in section 5.5 of this Prospectus.

Employee Incentive Plan or **EIP** means BirdDog's employee incentive plan as detailed in section 5.5(a) of this Prospectus.

Employee Offer means the offer for 550,000 Employee Options, made under this Prospectus.

Employee Offer Letter means the letter inviting an Eligible Employee to subscribe for Employee Options under the Employee Offer.

Employee Options means the Options to be issued to Eligible Employees, on the terms described in section 5.5(f) of this Prospectus.

12. Glossary Continued

Employee Rights means rights granted to Eligible Participants under the EIP, as described in section 5.5(b)(i).

Escrowed Shareholders means those Shareholders for which some or all of their Shares are subject to escrow, as set out in section 6.11.

Existing Shares means the issued Shares immediately prior to the allotment of Shares under the Offer.

Expenditure Program means the anticipated expenditures to be incurred by the Company and funded by the capital raising under this Prospectus as detailed in section 4.11.

Export Finance Australia means Export Finance Australia an entity created by the *Export Finance and Insurance Corporation Act 1991*.

Exposure Period means the period of 7 days (or 14 days if extended by ASIC) after the lodgement of the Prospectus with the ASIC during which the Company may not accept Applications.

Fastprint means Fastprint HongKong Co. Limited, an entity incorporated in Hong Kong.

Fastprint Manufacture Service Agreement means the Manufacture Service Agreement between BirdDog Australia and Fastprint dated 17 January 2021.

FY means the financial year ended 30 June.

GDT means Gregory Robert Thomson as trustee for the GT Discretionary Trust.

Group means BirdDog and its subsidiaries.

GSA means General Services Administration.

HDMI means HDMI Licensing Administrator, Inc., a foreign company registered in the United States of America.

HDMI Adopter Agreement means the High-Definition Multimedia Interface Specification Adopter Agreement dated 25 March 2019.

Home Made Robots means Home Made Robots Pty Ltd ACN 154 662 594 as trustee for the Robot Super Awesome Extreme 3000 Trust.

Holder has the meaning given in section 5.5(b).

IFRS means International Financial Reporting Standards.

IP means intellectual property, or intellectual property rights, as the context requires.

Institutional Investor means investors who are:

- (a) in Australia who is either a 'professional investor' or 'sophisticated investor' under sections 708(11) and 708(8) of the Corporations Act; and
- (b) in certain other jurisdictions to whom offers or invitations of Shares can lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply).

Institutional Offer means the Offer to Institutional Investors as described in section 6.6 of this Prospectus.

Khlebny Pereulok means Khlebny Pereulok Pty Ltd ACN 154 662 610 as trustee for the 525 Romashkavaya Trust.

Lead Manager, Underwriter or PAC Partners means PAC Partners Securities Pty Ltd. ACN 623 653 912.

Lead Manager Mandate Letter means the mandate letter entered into by the Lead Manager to the Company, under which the Lead Manager agreed to act as lead manager for the Offer, dated 24 March 2021.

Lead Manager Options means those options issued to the Lead Manager as described in section 11.12(e) of this Prospectus.

Listing or Listed means the admission of the Shares to quotation on the ASX in accordance with ASX Listing Rules.

LTI means long term incentive as described in section 5.5.

NDI® means network device interface.

NEC means NEC Display Solutions Europe GMBH, a foreign company incorporated in Germany.

NewTek means NewTek, Inc., a company incorporated in the United States.

Non-Executive Director means a Director that is not part of BirdDog's management.

OEM means original equipment manufacturer.

Offer means the offer of ordinary Shares under this Prospectus, comprising the Broker Firm Offer, the Institutional Offer, and the Priority Offer.

Offer Price means \$0.65 per Share.

Offer Proceeds means the number of Offer Shares to be issued under the Offer multiplied by the Offer Price.

Official List means the official list of the ASX.

Official Quotation means official quotation of the Shares on the Official List.

Opening Date or **Offer Opening Date** means the date the Offer opens, which is set out in the "Key Offer Information" section and may be varied by the Company.

Option means an option issued by the Company.

Performance Entitlement has the meaning given in section 5.5(d).

Performance Rights means a Performance Right issued by the Company and has the meaning given in section 5.5(d).

Pitcher Audit means Pitcher Partners, an independent Victorian Partnership, ABN 27 975 255 196.

Pitcher Corporate means Pitcher Partners Corporate Pty Ltd. ACN 082 323 868.

PoE means Power of Ethernet.

Priority Offer means the offer of Shares under this Prospectus to select investors nominated by BirdDog in eligible jurisdictions, who receive a 'Priority Offer' invitation to acquire Shares under this Prospectus.

Prospectus means this prospectus as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time.

Prospectus Date means the date of this Prospectus.

12. Glossary Continued

R&D means research and development.

Restless Robot means Restless Robot Pty Ltd ACN 154 662 585 as trustee for the Miall Family Trust.

Restructure means the restructure of the Group as contemplated under section 11.3.

SaaS means software as a service.

SDM means 'Smart Display Module'.

Skissebua AS means Skissebua AS Foretaksregisteret No 927626462.

SaleCo means BirdDog Technology Limited ACN 652 282 203.

Sale Shares means the shares in SaleCo and BirdDog Australia to be sold to the Company pursuant to the Restructure.

Share means a share in the issued capital of the Company.

Shareholder means a person who holds Shares.

Share Registry means Automic Group.

Share Rights means a Share Right issued by the Company and has the meaning given in section 5.5(c).

Share Sale has the meaning given in section 11.3.

Strategic Alliance Partner Agreement means the Strategic Alliance Partner Agreement between BirdDog Australia and NEC on 25 March 2020.

Supplementary Prospectus means any supplementary or replacement prospectus supplementary to or replacing any existing Prospectus prepared or required to be prepared and lodged by the Company with ASIC in connection with the Offer.

U.S. Person has the meaning given by Rule 902(k) under the U.S. Securities Act of 1933 (as amended).

Webcast Norge means Webcast Norge, Foretaksregisteret NO 990072817 MVA, of Langes gate 5, 3264 Larvik, Norway.

Webcast Norge Consultancy Agreement means the agreement entered by the Company and Webcast Norge on 30 July 2021 for Webcast to provide consulting services relating to the development of BirdDog's products and software.

Webcast Norge IP Arrangement has the meaning given in section 11.11(d).



Flex BACKPACK features a halo tally light that allows on-air talent know which camera to look at.



APPENDIX 1. SIGNIFICANT ACCOUNTING POLICIES

Appendix 1. Significant Accounting Policies

The following summary represents the significant accounting policies adopted in the preparation of the Financial information disclosed in the Prospectus.

1. BASIS OF PREPARATION

The Financial Information has been prepared to present the Company on a consolidated basis and the future financial statements of the Company will be presented on this basis.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board (AASB), which are consistent with the International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board. The Financial Information is presented in an abbreviated form and does not contain all of the disclosure provided in an annual financial report prepared in accordance with the Australian Accounting Standards and the Corporations Act. The Financial Information has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

All items are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Financial Information is presented in Australian dollars (A\$) which is the Company's functional and presentation currency.

2. PRINCIPLES OF CONSOLIDATION

The Financial Information comprises the financial statements of the consolidated Group, comprising the financial statements of the parent entity and all of the entities the parent controls. The Group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

- The Financial Information of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.
- All inter company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Group and are de recognised from the date that control ceases.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue predominantly from the sale of cameras and converter products & software for the broadcast and audiovisual (AV) markets globally.

Core product sales

Revenue from core product sales is recognised as, or when, control of the goods has passed to the customer, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods.

Software licensing fees

Revenue from software licensing fees is recognised over the period which services are provided to the customer based on the subscription term, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services.

4. OTHER REVENUE AND OTHER INCOME

Research and Development Tax Incentives

The Group qualifies for the Research and Development Tax Incentive, which results in the Group obtaining a tax offset for eligible research and development activities. Where the Group expects to receive the tax offset in the form of a refund, the amount is accrued in the statement of financial position at fair value of the tax offset receivable and is presented as government grant income in the statement of profit and loss and other comprehensive income. Where the Group will receive the tax offset in the form of a reduction in tax payable, the amount is recognised in the statement of financial position as a reduction in the current tax liability.

Interest

Interest revenue is measured in accordance with the effective interest method.

All revenue is measured net of the amount of goods and services tax (GST).

5. INCOME TAX

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and at banks, short term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

7. FINANCIAL INSTRUMENTS

Classification of financial assets

Financial assets recognised by the Group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Appendix 1. Significant Accounting Policies Continued

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 14 days.

Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade payables, other creditors, loans from related parties and bank loans.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Convertible notes

Convertible notes are debt instruments that have the following features:

- The notes mandatorily convert to ordinary shares in the event of an Initial Public Offering ("IPO") or an exit event; and
- The noteholders have an option to convert their notes into ordinary shares or redeem their notes at face value on maturity.

The convertible notes contain an embedded derivative, which has been separated from the host debt contract, and measured separately. The fair value of the embedded derivative is measured at the date the Group entered into the Deed, and is measured at fair value through profit or loss. The host debt contract is then measured based on the difference between the face value of the convertible notes and the embedded derivative.

The host debt contract is measured at amortised cost net of transaction costs, which is amortised under the effective interest rate method. The embedded derivative is measured at fair value through profit and loss at reporting date.

Impairment of financial assets

Receivables from contracts with customers are tested for impairment by applying the 'expected credit loss' impairment model.

The Group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers. Under the AASB 9 simplified approach, the Group determines the allowance for credit losses for receivables from contracts with customer on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

8. INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Deposits on inventory represents deposits placed with suppliers under commercial agreements in place for purchase orders of inventory that have not been received prior to the end of the reporting period.

9. PLANT AND EQUIPMENT

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment

Plant and equipment is measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amount of all other plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Computer equipment at cost	33.33%	Straight line

10. EMPLOYEE BENEFITS

(i) Short term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Long term employee benefit obligations

The provision for other long term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long term employee benefit obligations are presented as non current liabilities in the consolidated statement of financial position.

(iii) Retirement benefit obligations

Defined contribution superannuation plan

- The Group makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The Group's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the consolidated statement of financial position.

(iv) Bonus plan

The Group has a discretionary bonus policy in place. A provision for bonuses is recognised once the Directors have resolved to pay a bonus to employees and the amount can be reliably measured.

Appendix 1. Significant Accounting Policies Continued

11. SHARE BASED PAYMENTS

The Group has various arrangements in place with employees and professional advisors in respect of share based payments. The fair value of the equity to which employees or professional advisors become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

12. RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research and development activities is recognised as an expense when incurred. The Group has determined expenditure incurred does not meet the recognition criteria under AASB 138 *Intangible Assets* and has therefore been recognised as an expense in the statement of profit and loss and other comprehensive income.

13. LEASES

At the commencement date of a lease (other than leases of 12 months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated amortisation and any accumulated impairment loss.

Lease assets are amortised over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e. the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12 months or less and leases of low value assets

Lease payments made in relation to leases of 12 months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight line basis over the lease term.

14. GOODS AND SERVICES TAX (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

15. COMPARATIVES

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.



BirdDog PF120 sets a new benchmark for image quality in the NDI® box camera space.







APPENDIX 2. TRADE MARKS

Appendix 2. Trade Marks


TRADE MARK PORTFOLIO FOR BIRDDOG AUSTRALIA PTY LTD

1. Australia

Trade mark no.	Trade mark	Goods & services	Status
1765155	 BirdDog	Class 9: Accessories for cameras to facilitate access to video and audio resources; cameras, including internet protocol cameras; apparatus for recording, transmission or reproduction of sound or images; convertor boxes; electronic data transmission cable products; products for transmitting camera feeds used in cinema and broadcasting.	Registered Priority date 15 April 2016 Renewal due 15 April 2026
2127279	BirdDog		Registered Priority date 9 October 2020 Renewal due 9 October 2030
2127280		Class 9: Accessories for cameras to facilitate access to video and audio resources; cameras, including internet protocol cameras; apparatus for recording, transmission or reproduction of sound or images; convertor boxes; electronic data transmission cable products; products for transmitting camera feeds used in cinema and broadcasting; computer software.	Registered Priority date 9 October 2020 Renewal due 9 October 2030
2127281	 BirdDog		Registered Priority date 9 October 2020 Renewal due 9 October 2030
2218096		Class 35: Retail services; wholesale services; the bringing together, for the benefit of others, a variety of goods (excluding the transport thereof), enabling customers to conveniently view, appraise and purchase the goods; retailing of electronic goods and goods peripheral thereto; retailing of access to cloud-based data storage systems; data collection, processing, management, maintenance and retrieval (for others); database management; marketing services; promotional services; advertising services; administration, organisation, supervision, operation and management of customer loyalty schemes; organisation and management of promotional and incentive schemes; incentive and loyalty card services (sale promotion); provision of product information; advisory, consultancy and support services relating to the aforesaid services; providing information, including online, relating to the aforesaid services; all of the aforesaid services also provided via an online communications network.	Accepted – awaiting advertisement Priority date 12 October 2021
2218097	BirdDog		Filed – under examination (objection raised and acceptance deadline is 2 February 2023) Priority date 12 October 2021

Appendix 2. Trade Marks Continued

2. International Registrations

Trade mark no.	Trade mark	Designated jurisdiction	Goods & services	Status
	BirdDog	International Registration	Class 9: Accessories for cameras to facilitate access to video and audio resources; cameras, including internet protocol cameras; apparatus for recording, transmission or reproduction of sound or images; convertor boxes; electronic data transmission cable products; products for transmitting camera feeds used in cinema and broadcasting; computer software.	Filed Priority date 25 October 2021 (class 9) 12 October 2021 (class 35)
		Canada	Class 35: Retail services; wholesale services; the bringing together, for the benefit of others, a variety of goods (excluding the transport thereof), enabling customers to conveniently view, appraise and purchase the goods; retailing of electronic goods and goods peripheral thereto; retailing of access to cloud-based data storage systems; data collection, processing, management, maintenance and retrieval (for others); database management; marketing services; promotional services; advertising services; administration, organisation, supervision, operation and management of customer loyalty schemes; organisation and management of promotional and incentive schemes; incentive and loyalty card services (sale promotion); provision of product information; advisory, consultancy and support services relating to the aforesaid services; providing information, including online, relating to the aforesaid services; all of the aforesaid services also provided via an online communications network.	Designated
		China		Designated
		EU		Designated
		Norway		Designated
		Switzerland		Designated
		UK		Designated
		USA		Designated
TBA	 BirdDog	International Registration	Class 9: Accessories for cameras to facilitate access to video and audio resources; cameras, including internet protocol cameras; apparatus for recording, transmission or reproduction of sound or images; convertor boxes; electronic data transmission cable products; products for transmitting camera feeds used in cinema and broadcasting; computer software.	Filed Priority date 25 October 2021 (class 9) 12 October 2021 (class 35)
		Canada		Designated
		China	Class 35: Retail services; wholesale services; the bringing together, for the benefit of others, a variety of goods (excluding the transport thereof), enabling customers to conveniently view, appraise and purchase the goods; retailing of electronic goods and goods peripheral thereto; retailing of access to cloud-based data storage systems; data collection, processing, management, maintenance and retrieval (for others); database management; marketing services; promotional services; advertising services; administration, organisation, supervision, operation and management of customer loyalty schemes; organisation and management of promotional and incentive schemes; incentive and loyalty card services (sale promotion); provision of product information; advisory, consultancy and support services relating to the aforesaid services; providing information, including online, relating to the aforesaid services; all of the aforesaid services also provided via an online communications network.	Designated
		EU		Designated
		Norway		Designated
		Switzerland		Designated
		UK		Designated
		USA		Designated

13. Corporate Directory

DIRECTORS

John Dixon – Chair
Daniel Miall – Managing Director, CEO
Joanne Moss – Non-Executive Director
Andrew Baxter – Non-Executive Director

COMPANY SECRETARY

Justin Mouchacca

REGISTERED OFFICE

C/o JM Corporate Services

Level 21, 459 Collins Street
Melbourne VIC 3000

LEAD MANAGER

PAC Partners Securities Pty Ltd

Level 29, 360 Collins Street
Melbourne VIC 3000

AUDITOR

Pitcher Partners

An independent Victorian Partnership

Level 13, 664 Collins Street
Docklands VIC 3008

AUSTRALIAN LEGAL ADVISER

K&L Gates

Level 25, 525 Collins Street
Melbourne VIC 3000

SHARE REGISTRY

Automic Pty Ltd

INDUSTRY EXPERT

Frost & Sullivan Pty Ltd

Suite 1.02, 54 Miller Street
North Sydney NSW 2060

INVESTIGATING ACCOUNTANT

Pitcher Partners Corporate Pty Ltd

Level 13, 664 Collins Street
Docklands VIC 3008



bird-dog.tv