

**Cashrewards First Supplementary Target's Statement: 1835i Takeover Offer unconditional**

**24 December 2021:** Cashrewards Limited (**Cashrewards**) (ASX:CRW) refers to the off-market takeover bid for all the shares in Cashrewards made by 1835i Ventures Trusco III Pty Ltd in its capacity as trustee to the 1835i Ventures Trust III (**1835i**) it does not already own for \$1.135 cash for each share (the **Offer**).

Cashrewards first supplementary target's statement in relation to the Offer (**First Supplementary Target's Statement**) is enclosed in accordance with section 647(3)(b) of the *Corporations Act 2001* (Cth).

A copy of the First Supplementary Target's Statement will be served on 1835i and lodged with the Australian Securities and Investments Commission today.

**For more information, please contact:****Investors**

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Australian-owned and operated, Cashrewards is the leading Australian cashback ecosystem, where members browse brands and offers and receive cashback on transactions by shopping online or in-store.

Cashrewards provides over 1.1 million members with a broad array of Cashback offers via its 1,700+ Merchant Partners including Apple, Myer, Liquorland, Adidas, Bonds, Target, Booking.com and The Iconic.

These offers are funded by Cashrewards' merchant partners, who work with Cashrewards because of its unique proposition which drives best-in-market returns for brands on their marketing investment.

This ecosystem has driven more than \$2.7 billion of TTV for merchant partners since its inception, translating into more than \$120 million of cashback for members.

Cashrewards was the first Pledge 1% business to list on the ASX, with children's charity the Starlight Foundation the key beneficiary. Since making the pledge, Cashrewards has donated more than \$900,000 to the Foundation, helping more than 23,000 sick children and their families.

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<sup>1</sup> As at the end of FY21



# First Supplementary Target's Statement

This First Supplementary Target's Statement has been issued in relation to the off-market takeover bid made by 1835i Ventures Trusco III Pty Ltd (ACN 651 614 372) in its capacity as trustee of the 1835i Ventures Trust III (**1835i**) for all the ordinary shares in Cashrewards Limited (ACN 615 084 654) (**Cashrewards**) it does not already own.

THE CASHREWARDS DIRECTORS INDEPENDENT OF 1835i CONTINUE TO **UNANIMOUSLY RECOMMEND** THAT YOU

# ACCEPT

THE OFFER FROM 1835i PROMPTLY, IN THE ABSENCE OF A SUPERIOR PROPOSAL.

**This is an important document and requires your immediate attention.**

**If you are in doubt as to what you should do, you should consult your investment, financial, taxation or other professional adviser.**

Cashrewards Shareholders can call the Cashrewards Shareholder Information Line on 1800 220 771 (within Australia) or +61 1800 220 771 (outside Australia) if they require assistance.

This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth). It is the first supplementary target's statement (**First Supplementary Target's Statement**) issued by Cashrewards in relation to the off-market takeover bid made by 1835i for all the ordinary shares in Cashrewards it does not already own. This First Supplementary Target's Statement supplements and should be read together with Cashrewards' original target's statement dated 12 November 2021 (**Target's Statement**).

Unless the context requires otherwise, defined terms in the Target's Statement have the same meaning in this First Supplementary Target's Statement. The First Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement.

A copy of this First Supplementary Target's Statement was lodged with the Australian Securities and Investment Commission (**ASIC**) and given to ASX on 24 December 2021. Neither ASIC, the ASX nor any of their respective officers take any responsibility for the contents of this First Supplementary Target's Statement.

**The Cashrewards Directors independent of 1835i continue to unanimously recommend that you ACCEPT 1835i's Offer promptly.**

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## **1 1835i declares Offer unconditional**

All conditions to the Offer have now been satisfied or waived by 1835i and 1835i declared that the Offer was unconditional on 24 December 2021.

Cashrewards notes that 1835i advised on 24 December 2021 that its voting power and relevant interest in the Cashrewards shares was approximately 88%.

Cashrewards shareholders who have validly accepted the 1835i Offer and whose acceptance forms were received by Computershare by 7.00pm (Sydney time) on Wednesday, 22 December 2021, will be paid by 30 December 2021. Cashrewards shareholders who accept the Offer after this time (and before the Offer Period closes) will be paid within 7 days of such acceptance.

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## **2 Offer Period**

The Offer is scheduled to close at 7.00pm (Sydney time) on **Sunday, 9 January 2021**, unless further extended by 1835i in accordance with the Corporations Act.

You should not assume 1835i will extend the Offer Period beyond this date.

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## **3 Reasons to ACCEPT the Offer**

**The Cashrewards Directors independent of 1835i strongly recommend that you ACCEPT the Offer promptly** so that your acceptance is received before the end of the Offer Period. If you wish to accept the Offer, you should also do so as soon as possible.

In summary, the Cashrewards Directors Independent of 1835i note the following compelling reasons to **ACCEPT** the Offer:

- 1835i's Offer is now **UNCONDITIONAL**. If you accept your Offer, you will receive your cash consideration within 7 days of your acceptance being received by 1835i.
- 1835i has acquired a majority and controlling stake of at least 88% in Cashrewards, regardless of further acceptances, and this stake is likely to increase by the end of the Offer Period. Accordingly, Cashrewards shareholders who do not accept the Offer will become minority shareholders in Cashrewards (unless 1835i becomes entitled to proceed with compulsory acquisition).
- There are risks involved in being a minority shareholder. These risks are outlined in section 8.3 of the Target's Statement.
- No Superior Proposal has emerged since the announcement of 1835i's Offer on 22 October 2021 and the Cashrewards Directors independent of 1835i does not expect a Superior Proposal to emerge before the close of the Offer.
- The 1835i Offer of \$1.135 cash provides certainty of value and removes your exposure to the risks and uncertainties associated with a continued investment in Cashrewards. The Offer Price is also a premium to prices at which Cashrewards shares were trading prior to the announcement of the 1835i Offer.

- This Offer has been reviewed by an Independent Expert and found to be both **FAIR AND REASONABLE**.
- All Cashrewards Directors who hold Cashrewards Shares have accepted the Offer.
- Cashrewards' largest shareholders, **Andrew Clarke, Alium Capital** and **M&S Skyleisure**, who together control 38.1% of the Cashrewards Shares, have all accepted the Offer.
- 1835i has declared the Offer price final, meaning it cannot be increased (in the absence of a Superior Proposal, which the Cashrewards Directors independent of 1835i consider unlikely to occur).

To accept the Offer please sign and return your Acceptance Form that you should have received in the post. Alternatively, if you hold over 25,000 Cashrewards Shares, you can return your signed acceptance form via email to [contactprocessing@computershare.com.au](mailto:contactprocessing@computershare.com.au) noting that any forms which are received by email that are incomplete and/or do not meet signing requirements will be rejected.

If you have any questions or require a new acceptance form, please telephone the 1835i Offer Information Line on 1300 397 916 (or +61 3 9415 4155, if calling from outside Australia).

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## 4 Additional considerations

### 4.1 Changes to be made to the Cashrewards' board of directors

As noted in section 10.6 of the Target's Statement, 1835i and Cashrewards agreed in the Bid Implementation Deed that, as soon as reasonably practicable after the Offer has become or been declared wholly unconditional and 1835i becomes registered as the holder of at least 50.1% of all Cashrewards Shares, if requested to do so by 1835i, Cashrewards must use its best endeavors to procure:

- the appointment of 1835i nominees as directors of Cashrewards such that a majority of the directors of Cashrewards are nominees of 1835i; and
- that such Cashrewards Directors as 1835i nominates resign from the Cashrewards Board.

As a consequence of declaring the Offer unconditional, 1835i will become registered as the holder of at least 50.1% of all Cashrewards Shares and entitled to make such a request after this occurs. Cashrewards and 1835i are in discussions regarding the orderly transition of the Cashrewards Board on the basis that, at least in the short term, the Board will include 2 directors who are independent of 1835i in recognition that, at least for some period of time, there will be some residual minority shareholders in Cashrewards.

### 4.2 Cashrewards incentive arrangements

Section 10.8 of the Target's Statement states that it was the intention of 1835i following the Offer becoming unconditional and 1835i acquiring a Relevant Interest in at least 90% of Cashrewards shares on issue for:

- all ITM Cashrewards Options and Performance Rights<sup>1</sup> to vest and be exercisable; and
- all OTM Cashrewards to lapse (for nil consideration) by the end of the Offer Period.

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<sup>1</sup> This excludes any securities issued under the FY22 LTIP.

1835i have provided written confirmation as at the date of this First Supplementary Target's Statement that it is waiving the 90% Relevant Interest condition. As a result, all ITM Cashrewards Options and Performance Rights are now exercisable under the Offer and all OTM Cashrewards Options and Performance Rights will lapse at the completion of the Offer Period.

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## 5 Authorisation

This First Supplementary Target's Statement has been approved by a resolution passed by the Cashrewards Directors independent of 1835i.

Dated 24 December 2021, being the date on which the First Supplementary Target's Statement was lodged with ASIC.

Signed for and on behalf of Cashrewards Limited:



**Brett Johnson**  
Chairman  
Cashrewards Limited