

8 March 2022

Dispatch of Entitlement Offer Booklet

MOQ Limited (ASX:MOQ) ("**Company**") advises that in accordance with the indicative Entitlement Offer timetable disclosed to the ASX in the announcement dated Monday, 28 February 2022, dispatch of the Entitlement Offer Booklet and personalised Entitlement & Acceptance Form to all eligible shareholders was completed today.

Eligible shareholders are invited to participate in the entitlement offer on the basis of 1 new fully paid ordinary share in the Company (**New Share**) being offered to shareholders at an issue price of \$0.05 per New Share (**Offer Price**) for every existing 1.5879 shares in the Company held as at 7:00pm (Sydney time) on Thursday, 3 March 2022 (**Record Date**), to raise up to approximately \$6.0 million before costs and subject to rounding.

The Entitlement Offer includes a "top up facility", under which eligible shareholders (other than directors and related parties of MOQ) who fully subscribe for their entitlement under the Entitlement Offer will also have the right to apply for New Shares not subscribed for by other eligible shareholders under the Entitlement Offer at the Offer Price.

To participate in the Entitlement Offer, Eligible Shareholders can follow the instructions on their personalised Entitlement & Acceptance Form.

In accordance with ASX Listing Rule 7.7.1(b) the Company also dispatched a letter to ineligible shareholders.

A copy of the Entitlement Offer Booklet and letter to ineligible shareholders are enclosed with this announcement.

This announcement has been authorised by the MOQ Limited Board of Directors.

If you have any queries, please contact:

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Entitlement Offer Booklet

**A 1 FOR 1.5879 PARTIALLY UNDERWRITTEN PRO-RATA NON-RENOUNCEABLE ENTITLEMENT
OFFER OF ORDINARY SHARES IN MOQ LIMITED AT \$0.05 PER NEW SHARE TO RAISE
APPROXIMATELY \$6 MILLION**

OFFER CLOSES AT 5:00PM (SYDNEY TIME) ON FRIDAY, 18 MARCH 2022

This is an important document that requires your immediate attention. This document and the accompanying personalised Entitlement and Acceptance Form should be read in their entirety. This document is not a prospectus under the *Corporations Act 2001* (Cth) and has not been lodged with the Australian Securities and Investments Commission.

If you have any questions about the Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser.

If you have any questions in respect of the application process you can call the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES
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Important Notices

Defined terms used in these important notices have the meaning given in this Offer Booklet.

This Offer Booklet is dated Tuesday, 8 March 2022.

The Entitlement Offer is made in accordance with section 708AA of the Corporations Act. This Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision.

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

This Offer Booklet should be read in its entirety before you decide to participate in the Entitlement Offer. This Offer Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

By paying for your New Shares through BPAY® or EFT in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer set out in this Offer Booklet.

Future performance and forward looking statements

This Offer Booklet contains certain forward looking statements and comments about future events, including MOQ's expectations about the performance of its businesses and the effect of the funds raised under the Entitlement Offer on its business. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend" and other similar expressions.

You are cautioned not to place undue reliance on any forward looking statement. While due care and attention has been used in the preparation of forward looking statements, forward looking statements, opinions and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends which are based on interpretations of current market conditions. Forward looking statements may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of MOQ, including the risk factors described in the "Key Risks" section of this Offer Booklet. MOQ disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

Past performance

Investors should note that the past performance of MOQ, including past share price performance, provides no guarantee or guidance as to future performance, including MOQ's future financial position or share price performance.

No overseas offering

This Offer Booklet and the accompanying Entitlement and Acceptance Form do 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 offer or invitation. In particular, this Offer Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Offer Booklet is not to be distributed, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand is restricted by law. If you come into possession of the information in this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of MOQ with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Offer not made in the United States

This Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. The New Shares offered in the Entitlement Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold, directly or indirectly to persons in the United States or persons who are acting for the account or benefit of a person in the United States unless they have been registered under the U.S. Securities Act (which MOQ has no obligation to do so or procure) or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. The New Shares to be offered and sold in the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Offer Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Offer Booklet may not be relied upon as having been authorised by MOQ or any of its officers.

Risks

Refer to the "Key Risks" section included in section 2.11 of this Offer Booklet for a summary of general and specific risk factors that may affect MOQ.

Times and dates

Times and dates in this Offer Booklet are (except where historical) indicative only and subject to change. All times refer to Sydney, Australia time.

Currency

Unless otherwise stated, a reference to dollars (\$) or cents (¢) in this Offer Booklet is a reference to Australian currency.

Trading New Shares

MOQ will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade New Shares you believe will be issued to you before you receive your holding statement, whether on the basis of confirmation of the allocation provided by MOQ or the Share Registry or failure to maintain your updated details on the Share Registry or otherwise.

If you are in any doubts as to these matters, you should seek advice from your stockbroker, accountant or other independent professional adviser.

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Chairman's letter

8 March 2022

Dear Shareholder,

On 28 February 2022 MOQ announced its intention to raise up to approximately \$6 million by way of a 1 for 1.5879 partially underwritten, pro-rata non-renounceable entitlement offer of new Shares at an offer price of \$0.05 per new Share (**Entitlement Offer**).

As foreshadowed by MOQ in its trading update on 15 December 2021 (**December Update**), the Board initiated a comprehensive operational review by an independent third party to review and recommend steps to be taken to improve the Company's operational controls and project governance. These changes have been adopted in principle and are to be progressively implemented by the management team as MOQ's 'Back on Track' plan.

As one important part and outcome of that review, the Board has determined that it would be optimal for the Company to procure and use a cash injection of approximately \$6 million to enable the Company to fully implement a range of personnel and processing changes to reset the Company's project management and finance functions and satisfy its general working capital and banking requirements. Any lower amount raised between the pre-committed and partially underwritten amounts of \$3.2 million and the total entitlement offer of \$6 million, will be allocated appropriately based on immediate priorities and is still considered sufficient to cover general working capital requirements.

After thoroughly and diligently exploring various capital raising options, the Board has determined to seek to raise these funds by way of the Entitlement Offer, providing all shareholders with equal opportunity to participate. The base amount of \$3.2 million referred to above is pre-committed and underwritten by certain Board members, with further detail in this regard set out in this Offer Booklet.

As noted in the December Update, the Company was at that time in discussions with its bank regarding the potential impact on covenants for the reporting period ending 31 December 2021, which were due to be reported by 15 March 2022. The Company is pleased to advise that with the implementation of the Entitlement Offer and an agreed partial step down of the Company's overdraft facility on 30 June 2022 the Company's covenants will not be tested again until the reporting period ending 31 December 2022. The Company's other current facilities with the bank will continue to be available to the Company and serviced in accordance with their agreed terms.

The Entitlement Offer has been pre-committed to, in part, by certain shareholders (**Eligible Committed Shareholders**), whose pre-commitments have already been obtained in the amount of approximately \$2.4 million, which constitutes approximately 39.9% of the Entitlement Offer. It is noted that the Eligible Committed Shareholders are entities associated with relevant Directors of MOQ demonstrating their commitment to it and the success of the Entitlement Offer.

The Entitlement Offer is also partially underwritten by Richmond Hill Capital Pty Ltd, Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, Monash Private Capital Pty Ltd and Davcol Nominees Pty Ltd, which are associated with MOQ Directors, Mr Alex White, Ms Karen Bell, Mr Joseph Fridman and Mr David Shein, respectively (**Underwriters**). The Underwriters are underwriting approximately \$0.8 million of the Entitlement Offer (**Underwritten Entitlement Offer**). This ensures that, together with the commitments of the Eligible Committed Shareholders, a minimum of approximately \$3.2 million will be raised.

Further details of the underwriting arrangements are described in section 4.10.

The Directors of MOQ accordingly invite you to participate in the Entitlement Offer.

Details of the Entitlement Offer

This Offer Booklet sets out the terms of the Entitlement Offer.

Under the Entitlement Offer, eligible shareholders are entitled to subscribe for 1 New Share for every 1.5879 existing Shares held at 7:00pm (Sydney time) on Thursday, 3 March 2022 (the **Record Date**) at the Offer Price of \$0.05 per New Share.

The price at which Shares trade on ASX during the period prior to the close of the Entitlement Offer may go up or down and you should check the current trading price of Shares before making a decision in relation to your Entitlements.

The pro-rata nature of the Entitlement Offer favours existing MOQ shareholders in recognition of their continuing support of MOQ, and provides an equitable mechanism for shareholders to maintain their level of ownership in MOQ.

The Entitlement Offer is seeking to raise up to approximately \$6 million (before costs).

New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue. The Entitlement Offer is partially underwritten by the Underwriters.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX, cannot be sold and are therefore not transferable. I encourage you to consider this offer carefully.

How to apply

This Offer Booklet is important and requires your immediate attention. It is accompanied by your personalised Entitlement and Acceptance Form which contains details of your Entitlement as well as important information including:

- key dates for the Entitlement Offer;
- instructions on how to apply, setting out how to accept all or part of your Entitlement in the Entitlement Offer if you choose to do so; and
- the ASX Offer Announcements.

The Entitlement Offer closes at 5:00pm (Sydney time) on Friday, 18 March 2022. To participate, you need to ensure that you have completed your application by paying Application Monies via BPAY® or EFT pursuant to the instructions that are set out on the Entitlement and Acceptance Form so that your payment via BPAY® or EFT has been received by the Share Registry by 5:00pm (Sydney time) on Friday, 18 March 2022.

You may also apply for Additional Shares beyond your Entitlement via the Top Up Facility, which will operate if other Shareholders fail to fully take up their Entitlement.

Please refer to the instructions in section 2 of this Offer Booklet for further information in this regard.

If you do not wish to take up your Entitlement, you do not have to take any action.

Additional information

Further information on the Entitlement Offer is detailed in this Offer Booklet. You should read the entirety of this Offer Booklet carefully before deciding whether to participate in the Entitlement Offer.

If you have any further questions about the Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser.

If you have any questions in respect of the application process you can call the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

On behalf of the Board of Directors of MOQ, I thank you for your ongoing support of MOQ.

Yours sincerely,

David Shein
Non-Executive Chairman
MOQ Limited

Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 1.5879 existing Shares
Offer Price	\$0.05 per New Share
Size	Approximately 119,769,767 New Shares ¹
Gross proceeds	\$5,988,488.35

Key dates for the Entitlement Offer

Event	Date
Announce Entitlement Offer	Monday, 28 February 2022
Ex date	Wednesday, 2 March 2022
Record Date	Thursday, 3 March 2022
Despatch Offer Booklet to Eligible Shareholders	Tuesday, 8 March 2022
Entitlement Offer opens	Tuesday, 8 March 2022
Last day to extend the Entitlement Offer closing date	Before noon, Tuesday, 15 March 2022
Entitlement Offer closes	5.00pm, Friday, 18 March 2022
Deferred settlement trading of New Shares commences	Monday, 21 March 2022
Shortfall notice issued to Underwriters	Monday, 21 March 2022
Announce results of Entitlement Offer	Wednesday, 23 March 2022
Issue New Shares	Friday, 25 March 2022
Normal (T+2) trading of New Shares commences	Monday, 28 March 2022
Holding Statements sent to Shareholders	Monday, 28 March 2022

Note: The timetable above is indicative only and subject to change. MOQ reserves the right to amend any or all of these events, dates and times, without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, MOQ reserves the right to extend the closing date of the Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX. All references in this Offer Booklet are to Sydney, Australia time.

MOQ also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to applicants.

The commencement and quotation of New Shares is subject to the discretion of ASX.

¹ The final number of New Shares issued will depend on the number of entitlements accepted and will be subject to rounding.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

Enquiries

If you have any questions about the Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser.

If you have any questions in respect of the application process you can call the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

1 Overview of the Entitlement Offer

1.1 Entitlement Offer

The Entitlement Offer is an offer of approximately 120 million New Shares at the Offer Price of \$0.05 per New Share. All Eligible Shareholders are entitled to subscribe for 1 New Share for every 1.5879 existing Shares held at 7:00pm (Sydney time) on the Record Date.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be sold, transferred or otherwise disposed of.

Eligible Shareholders are invited to take up all or part of their Entitlements. Eligible Shareholders who take up all of their Entitlements may also apply for Additional Shares via the Top Up Facility.

The Entitlement Offer opens at 10:00am (Sydney time) on Tuesday, 8 March 2022 and closes at 5:00pm (Sydney time) on Friday, 18 March 2022. The Offer Booklet will be dispatched on Tuesday, 8 March 2022, along with a personalised Entitlement and Acceptance Form, to Eligible Shareholders.

New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue.

The Entitlement Offer is partially underwritten (to approximately \$0.8 million, being the Underwritten Entitlement Offer) by Richmond Hill Capital Pty Ltd, Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, Monash Private Capital Pty Ltd and Davcol Nominees Pty Ltd, which are associated with MOQ Directors, Mr Alex White, Ms Karen Bell, Mr Joseph Fridman and Mr David Shein, respectively (**Underwriters**). Eligible Committed Shareholders have pre-committed to take up approximately \$2.4 million of their Entitlements under the Entitlement Offer. Together, this guarantees MOQ a minimum raise of approximately \$3.2 million.

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act, which allows rights issues to be offered without a prospectus provided certain conditions are satisfied.

Accordingly, this offer is not being made under a prospectus and it is important for Eligible Shareholders to read and understand the information publicly available on MOQ and in the Entitlement Offer, prior to taking up all or part of their Entitlement. Please refer to section 3.

1.2 Purpose and use of funds

The Entitlement Offer will raise up to approximately \$6 million (before costs of approximately \$0.18 million). MOQ is currently proposing to use the funds raised under the Entitlement Offer as follows:

Description	If the minimum \$3.2 million is raised		If the full \$6.0 million is raised	
	Amount	Percentage	Amount	Percentage
General working capital	3.0 million	95%	4.1 million	69%
Systems enhancement investments and MOQ teams reorganisation	-	-	1.7 million	28%
Costs of the Entitlement Offer	0.2 million	5%	0.2 million	3%
Total	\$3.2 million	100%	\$6.0 million	100%

1.3 Who is eligible to participate in the Entitlement Offer?

Shareholders are eligible to participate in the Entitlement Offer if they:

- (a) are registered as a holder of Shares as at the Record Date, being 7:00pm (Sydney time) on Thursday, 3 March 2022;
- (b) as at the Record Date, have a registered address in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

1.4 What is your Entitlement?

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated on the basis of 1 New Share for every 1.5879 existing Shares you held as at the Record Date, being 7:00pm (Sydney time) on Thursday, 3 March 2022. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

1.5 Can you trade your Entitlement?

The Entitlement Offer is non-renounceable. Accordingly, your Entitlement cannot be traded on the ASX, nor can it be sold, transferred or otherwise disposed of.

1.6 Can you apply for more than your Entitlement?

Yes, MOQ is offering a Top Up Facility so Eligible Shareholders (other than Directors and related parties of MOQ) who fully subscribe for their Entitlement under the Entitlement Offer will also have the right to apply for New Shares not subscribed for by other Eligible Shareholders under the Entitlement Offer (i.e. Additional Shares) at the Offer Price.

Additional Shares will only be available if all Eligible Shareholders do not take up all of their Entitlements in full.

There is no guarantee that there will be any Additional Shares to apply for, or that you will receive all, or any, of the Additional Shares you apply for. If you are allocated fewer Additional Shares than you applied for, any excess Application Monies will be refunded to you without interest.

MOQ proposes to adopt the following allocation policy for allocating Additional Shares:

- (a) if there are Additional Shares, each Eligible Shareholder who has applied for Additional Shares through the Top Up Facility will be entitled to be allocated their pro rata share of them having regard to their holdings at the Record Date (if an Eligible Shareholder has made an application for Additional Shares for an amount less than the amount of Additional Shares that the Eligible Shareholder would otherwise be allocated under this process, the Eligible Shareholder will be allocated the amount applied for);
- (b) the allocation process described above will be repeated in relation to any remaining Additional Shares and any subsequent remaining Additional Shares, until either all New Shares proposed to be issued have been allocated or all Additional Shares applications have been satisfied in full; and
- (c) if any Additional Shares remain following the above allocation process, the Underwriters will subscribe for them in accordance with their underwriting commitments.

For the avoidance of doubt, the prohibitions set out in section 606 of the Corporations Act on certain acquisitions of relevant interests in voting shares will apply to limit the acquisition of Additional Shares through the Top Up Facility.

1.7 ASX quotation

Subject to approval being granted, quotation of the New Shares is expected to commence on Monday, 28 March 2022 for New Shares issued under the Entitlement Offer.

Holding statements will be despatched in accordance with the Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. MOQ and the Underwriters disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by MOQ, the Underwriters or the Share Registry or otherwise.

1.8 Ineligible Shareholders

All Shareholders who are not Eligible Shareholders are ineligible Shareholders. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares or otherwise permit the public offering of the New Shares in any jurisdiction other than Australia and New Zealand. Shareholders in any such jurisdictions (**Ineligible Shareholders**) will not be entitled to participate in the Entitlement Offer.

MOQ has determined that it would be unreasonable on this occasion to extend the Entitlement Offer to Ineligible Shareholders, having regard to the very small number of such shareholders, the number of securities held by such Shareholders, the number and value of New Shares that they would be offered, and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Foreign Shareholders in those places.

1.9 Effect on capital structure and control

The total number of New Shares to be issued under the Entitlement Offer will be up to approximately 120 million. Of these, Eligible Committed Shareholders (who are associated with the Directors of the Company (including some of the Underwriters and their associates)) have pre-committed to take up approximately \$2.4 million of their Entitlements under the Entitlement Offer. The Underwriters have committed to underwrite approximately \$0.8 million of the Entitlement Offer (i.e. the Underwritten Entitlement Offer). This guarantees MOQ at least approximately \$3.2 million under the Entitlement Offer.

The table below sets out, for illustrative purposes only, the existing Share capital structure before the Entitlement Offer, together with the impact of the issue of the New Shares under the Entitlement Offer.

Holders	At the date of this Offer Booklet		If all Eligible Shareholders take up all of their Entitlements under the partially Underwritten Entitlement Offer		If all Eligible Shareholders take up 50% of their Entitlements under the partially Underwritten Entitlement Offer		If all Eligible Shareholders do not take up any of their Entitlements under the partially Underwritten Entitlement Offer	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Existing Shareholders (excluding the Underwriters and Committed Eligible Shareholders)	107,395,805	56.36%	174,794,126	56.33%	141,094,966	48.90%	107,395,805	42.14%
Committed Eligible Shareholders (excluding the Underwriters)	40,861,061	21.44%	66,593,832	21.46%	62,141,896	21.54%	62,141,896	24.38%
Richmond Hill Capital Pty Ltd, being an Underwriter	21,571,214	11.32%	35,155,958	11.33%	41,571,218	14.41%	41,571,218	16.31%
Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, being an Underwriter	0	0.00%	0	0.00%	6,000,000	2.08%	6,000,000	2.35%
Monash Private Capital, being an Underwriter	18,228,334	9.57%	29,707,857	9.57%	33,228,337	11.52%	33,228,337	13.04%
Davcol Nominees Pty Ltd, being an Underwriter	2,500,001	1.31%	4,074,409	1.31%	4,502,889	1.56%	4,502,889	1.77%
Total	190,556,415	100.00%	310,326,182	100.00%	288,539,306	100.00%	254,840,145	100.00%

Notes:

¹ Assumes Committed Eligible Shareholders (which include some Underwriters) take up approximately \$2.4 million of their Entitlements under the Entitlement Offer.

² Assumes no Shares or other securities in MOQ are issued on or after the date of this Offer Booklet other than the New Shares.

³ Assumes no Shares or other securities in MOQ are cancelled on or after the date of this Offer Booklet.

⁴ Assumes no options to be issued Shares or other securities on issue in MOQ which are not Shares are converted into Shares on or after the date of this Offer Booklet.

⁵ Assumes no additional Shares are issued to any holders via the Top Up Facility.

⁶ Assumes the Underwriters underwrite the Underwritten Entitlement Offer based on their proportionate underwriting commitments described in section 4.10.

⁷ The number of New Shares shown as being issued to the Eligible Shareholders is indicative only. The entitlements held by the Eligible Shareholders will be subject to rounding and eligibility on the Record Date.

2 How to apply

2.1 What you may do – choices available

If you have any questions about the Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser.

If you have any questions in respect of the application process you can call the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

If you are an Eligible Shareholder, you may do any one of the following:

- take up all of your Entitlement (see section 2.2 of this Offer Booklet);
- take up part of your Entitlement (see section 2.3 of this Offer Booklet);
- do nothing and let your Entitlement lapse (see section 2.4 of this Offer Booklet); or
- take up all of your Entitlement and subscribe for Additional Shares via the Top Up Facility (see section 2.5 of this Offer Booklet).

You should note that, if you do not take up all of your Entitlement, your percentage shareholding in MOQ will be diluted.

MOQ reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the closing date of the Entitlement Offer of 5:00pm (Sydney time) on Friday, 18 March 2022.

2.2 If you wish to take up all of your Entitlement

If you wish to take up all of your Entitlement, you should make your payment by BPAY® or EFT for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement) so that it is received by 5:00pm (Sydney time) on Friday, 18 March 2022.

You are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

For further information on how you can pay for New Shares, please refer to section 2.7.

If you take up and pay for your Entitlement before the closing date of the Entitlement Offer of 5:00pm (Sydney time) on Friday, 18 March 2022 you will be allotted your New Shares on Friday, 25 March 2022. MOQ's decision on the number of New Shares allotted to you will be final.

2.3 If you wish to take up part of your Entitlement

If you wish to take up part of your Entitlement and reject the balance, you should make your payment by BPAY® or EFT for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself) so that it is received by 5:00pm (Sydney time) on Friday, 18 March 2022.

You are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

For further information on how you can pay for New Shares, please refer to section 2.7.

If you take up and pay for part of your Entitlement before the closing date of the Entitlement Offer of 5:00pm (Sydney time) on Friday, 18 March 2022, you will be allotted your New Shares on Friday, 25 March 2022. MOQ's decision on the number of New Shares allotted to you will be final.

2.4 If you do not wish to take up your Entitlement

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

2.5 If you wish to subscribe for Additional Shares in the Top Up Facility

Subject to section 606 of the Corporations Act, if you are an Eligible Shareholder who is not a Director or other related party of MOQ, you may, in addition to taking up your Entitlement in full, apply for Additional Shares in excess of your Entitlement via the Top Up Facility.

If you wish to subscribe for Additional Shares in addition to your Entitlement, you should make your payment by BPAY® or EFT for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement, plus the Offer Price multiplied by the number of Additional Shares you wish to subscribe for) so that it is received by 5:00pm (Sydney time) on Friday, 18 March 2022.

You are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

For further information on how you can pay for New Shares, please refer to section 2.7.

If you subscribe for and pay for your Entitlement and the Additional Shares you wish to subscribe for before the closing date of the Entitlement Offer of 5:00pm (Sydney time) on Friday, 18 March 2022, you will be allotted your New Shares on Friday, 25 March 2022. MOQ's decision on the number of New Shares allotted to you will be final.

2.6 Consequences of not accepting all or part of your Entitlement

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those New Shares for which you would have otherwise been entitled under the Entitlement Offer (including New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by an Underwriter.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your shareholding in MOQ will also be diluted.

2.7 Payment

(a) General

The Offer Price of \$0.05 per New Share accepted is payable on acceptance of your Entitlement. You can pay via BPAY® or EFT.

Cash, cheque, bank draft and money order payments will not be accepted. Receipts for payment will not be issued.

Application Monies received from Eligible Shareholders will be held in the MOQ Entitlement Offer Account solely for the purpose of holding the Application Monies.

MOQ reserves the right to cancel the Entitlement Offer at any time prior to the allocation of New Shares under the Entitlement Offer. If the Entitlement Offer is cancelled, all Application Monies will be refunded without interest. To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to MOQ will not entitle them to any interest against MOQ and that any interest earned in respect of Application Monies will belong to MOQ. This will be the case, whether or not all or none (if the Entitlement Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

Any Application Monies received for more than your final allocation of New Shares will be refunded. No interest will be paid on any Application Monies received or refunded.

(b) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique reference number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Reference Number on your Entitlement and Acceptance Form.

If you have multiple holdings and receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, please only use the Reference Number specific to the Entitlement on that Form. If you do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of your Entitlements, your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the statements on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00pm (Sydney time) on Friday, 18 March 2022. 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.

(c) Payment by EFT

For payment by EFT, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes your unique reference number).

If you are paying by EFT, please make sure to use the specific unique Reference Number on your Entitlement and Acceptance Form.

If you have multiple holdings and receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, please only use the Reference Number specific to the Entitlement on that Form. If you do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of your Entitlements, your application will not be recognised as valid.

Please note that should you choose to pay by EFT:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the statements on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your EFT payment is received by the Share Registry by no later than 5:00pm (Sydney time) on Friday, 18 March 2022. 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.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your EFT for Application Monies is insufficient to pay in full for the number of New Shares you have applied for, you will be taken to have

applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and you will be taken to have applied for that number of New Shares).

Alternatively, your application will not be accepted.

2.8 Effect of participating in Entitlement Offer

By making a payment by BPAY® or EFT, or otherwise applying to participate in the Entitlement Offer or exercising an Entitlement, you:

- (a) declare that:
 - (i) if you are an Eligible Shareholder, all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
 - (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement Offer; and
 - (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (b) authorise MOQ to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (c) acknowledge that:
 - (i) once MOQ receives your payment by BPAY® or EFT, you may not withdraw it except as allowed by law;
 - (ii) you have read and understood this Offer Booklet and the personalised Entitlement and Acceptance Form;
 - (iii) the information contained in this Offer Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
 - (iv) this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in MOQ and is given in the context of MOQ's past and ongoing continuous and periodic disclosure announcements to ASX; and
 - (v) none of MOQ, any Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of MOQ, nor do they guarantee the repayment of capital;
- (d) agree to:
 - (i) apply for, and be issued with up to, the number of New Shares that you apply for at the Offer Price of \$0.05 per New Share; and
 - (ii) be bound by the terms of this Offer Booklet and the provisions of MOQ's constitution;
- (e) authorise MOQ to register you as the holder of New Shares and authorise MOQ and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of the Share Registry by using the contact details set out in the personalised Entitlement and Acceptance Form; and
- (f) represent and warrant that:
 - (i) the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Offer Booklet or making an application for New Shares; and

- (ii) you are an Eligible Shareholder.

By making a payment by BPAY® or EFT, or otherwise applying to participate in the Entitlement Offer, you will also be treated as:

- (a) having represented and warranted that:
 - (i) you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
 - (ii) you and each person on whose account you are acting are not engaged in the business of distributing securities; and
 - (iii) you and each person on whose account you are acting have not and will not send any materials relating to the Entitlement Offer, including this Offer Booklet and the Entitlement and Acceptance Form, to any person that is in the United States or that is acting for the account or benefit of a person in the United States; and
- (b) acknowledging on your own behalf and on behalf of each person on whose account you are acting that:
 - (i) you are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (ii) you understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States;
 - (iii) you are subscribing for the New Shares outside the United States in an “offshore transaction” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with reliance on Regulation S under the U.S. Securities Act;
 - (iv) you have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
 - (v) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

2.9 Brokerage and stamp duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty should be payable for subscribing for New Shares under the Entitlement Offer.

2.10 Withdrawal of the Entitlement Offer

Subject to applicable law, MOQ reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case MOQ will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

2.11 Risks

Eligible Shareholders should be aware that an investment in MOQ involves risks. The key risks identified by MOQ are set out below but these are not an exhaustive list of the risks associated with an investment in MOQ shares:

- (a) **Bank waiver**

The covenant waiver received from MOQ's bank until the reporting period ending 31 December 2022, requires the implementation of the Entitlement Offer (including a

minimum cash raise of \$3.0 million), an agreed partial step down of the Company's overdraft facility on 30 June 2022 and the service and maintenance of all current facilities with the bank in accordance with their agreed terms. There is a risk that MOQ does not generate sufficient cash to service its obligations and reduce its overdraft facility within the agreed period, and the bank withdraws its waiver. MOQ would need to renegotiate its banking arrangements to support continued trading.

(b) **Turnaround strategy delays**

If MOQ does not raise the full \$6 million it may limit the Company's ability to comprehensively implement the proposed 'Back on Track' turnaround strategy including potential delays to reorganisation of the teams and investment in systems enhancements.

(c) **Concentration of ownership and liquidity**

The Board of MOQ hold in excess of 50% of MOQ's fully diluted capital. For the avoidance of doubt however, the respective directors do not have any relevant interests in other than their own shares (or those of entities they respectively control). Given the magnitude of the Board's shareholdings in MOQ, there may be an impact on the liquidity of MOQ's securities.

(d) **Competition and new technologies**

MOQ competes against other IT service providers and it faces the risk that one or more of its competitors, or a new entrant to the market, will increase its competitive position through aggressive marketing campaigns, product innovation, price discounting, acquisitions or advances in technology.

(e) **Loss of key customers**

MOQ is exposed to the loss of a key customer or if a customer reduces the amount of work that MOQ receives. Some of the revenue generated by MOQ is project-related which can lead to volatility in revenue if MOQ is not able to replace revenue from projects that have ended.

(f) **Inability to attract new customers**

MOQ is reliant upon attracting new customers to achieve its growth objectives. There is a risk that one or more of MOQ's competitors, or a new entrant to the market, will increase their competitive position, or that customers may prefer to undertake services offered by MOQ internally rather than using external / outsourced products and services provided by MOQ.

(g) **Failure to execute on material contracts**

MOQ has lower margin projects contributing to its revenue. As such, a failure of one of these projects could have an adverse effect on MOQ's overall profitability.

(h) **COVID-19**

COVID-19 is a major community and economic concern which is having an impact on business operations in Australia and globally. There is a risk that government or industry measures taken in response to COVID-19, such as lockdowns and other restrictions on movements, may restrict MOQ's operations or supply chains. There is a risk that MOQ's employees who contract COVID-19 or are otherwise subject to quarantine restrictions may be unable to attend work or perform their work remotely, which may have an adverse impact on MOQ's operations. There is also a risk that MOQ's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.

(i) **Economic and geopolitical conditions**

There are a number of general economic and geopolitical conditions which may have an adverse effect on MOQ's operations, and ability to pursue its growth strategies and pay

dividends. Such changes include changes in government policy, taxation or other legislation, interest rates, unemployment, consumer sentiment, the strength of the Australian equity markets, natural disasters, acts of terrorism, financial failures of suppliers with which MOQ contracts or the global economic outlook. As a result of COVID-19 and government or industry measures taken in response to COVID-19, a number of these factors have recently experienced volatility and may continue to in the future.

(j) **Equity market risks**

There can be no assurance that the price of the Shares will increase or even remain at the Offer Price, even if MOQ is profitable and performing well. Shares may trade at a discount to the Offer Price. The Share price may be affected by a number of factors, many of which are outside MOQ's control, including investor attitudes. Further, there can be no certainty that an active market in the Shares will exist.

(k) **Taxation**

The acquisition and disposal of Shares will have tax consequences which will differ depending on individual investors' affairs. Any change in the general treatment of companies for taxation purposes may impact on investors' returns, the treatment of dividends for income tax purposes or the taxation treatment of capital gains or losses for investors. Eligible Shareholders are advised to obtain their own professional taxation advice before making a decision in relation to the Entitlement Offer.

(l) **Dilution risk**

MOQ may undertake capital raisings in the future to raise funds, facilitate employee share plans or fund growth and other strategic initiatives. While MOQ will be subject to the constraints of the Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period, Shareholders at the time may be diluted as a result of such capital raisings.

2.12 **Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period. If you have any further questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

3 ASX Offer Announcements

Entitlement Offer Announcement:

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

28 February 2022

ASX Announcement

MOQ 2022 Half Year Results, Equity Raising and Strategic Review

The Board of MOQ Limited (ASX: MOQ) (**Company** or **MOQ**) today announces:

- its interim results for the half year ended 31 December 2021; and
- a partially underwritten non-renounceable entitlement offer to raise a total of approximately \$6.0 million, of which \$3.2 million has been pre-committed and partially underwritten by the Board of MOQ (**Entitlement Offer**).

Funds raised under the Entitlement Offer will be used for general working capital, systems enhancements, restructuring the MOQdigital team (as referred to below) and paying the costs of the Entitlement Offer.

In light of current circumstances and in response to a number of unsolicited expressions of interest, MOQ has also decided to commence a formal strategic review process with the objective of maximising shareholder value.

2022 Interim Results and Key Highlights (vs. 1H FY21)²

Interim results reflect a period of operational and strategic flux for MOQ and include the acquisition and integration of Dienst Consulting³; divestment of a non-core asset, Skoolbag⁴ and the write off and provisions of \$3.5 million resulting from professional services contract cost over-runs⁵.

- Total Revenue (from continuing operations) up 22.0% to \$42.4 million including:
 - Services revenue growth of 14.1% to \$25.2 million
 - Annuity/recurring revenue growth of 9.6% to \$10.7 million
 - Azure cloud services revenue growth from \$0.1 million in 1H FY21 to \$1.8 million
- Gross Profit (from continuing operations) down 37.9% to \$4.8 million but with a greater share (71.5%) attributable to annuity revenue
 - Technology Services margins decreased by 2.5% due to competitive pressures and supply chain disruptions
 - Recurring Services margins decreased by 5.1% but corrective measures are being implemented
- Underlying EBITDA loss (from continuing operations) of \$4.3 million, down from a \$2.2 million profit in 1H FY21 (pre-impairment and excluding the impact of \$0.7 million related to M&A costs, Microsoft Expert MSP investment and AASB15 adjustment)
- Underlying NPBT loss (from continuing operations) of \$6.5 million, down from a \$0.1 million profit in 1H FY21 (pre-impairment and excluding the impact of \$0.7 million related to M&A costs, Microsoft Expert MSP investment and AASB15 adjustment)

Background to Equity Raising

As foreshadowed by MOQ in its trading update on 15 December 2021 (**December Update**), the Board initiated a comprehensive operational review by an independent third party to review and recommend steps to be taken to improve the Company's operational controls and project governance. These changes have been adopted in principle and are to be progressively implemented by the management team as MOQ's 'Back on Track' plan.

As one important part and outcome of that review, the Board has determined that it would be

² Comparative information excludes Skoolbag discontinued operations, as well as \$1.44 million gain on sale of Skoolbag in 1H FY22

³ ASX announcements, 2 July 2021 and 30 July 2021

⁴ ASX announcements, 3 September 2021 and 1 October 2021

⁵ ASX announcement, 15 December 2021

optimal for the Company to procure and use a cash injection of approximately \$6.0 million to enable the Company to fully implement a range of personnel and processing changes to reset the Company's project management and finance functions and satisfy its general working capital and banking requirements. Any lower amount raised between the pre-committed and partially underwritten amounts of \$3.2 million and the total entitlement offer of \$6.0 million, will be allocated appropriately based on immediate priorities and is still considered sufficient to cover general working capital requirements.

After thoroughly and diligently exploring various capital raising options, the Board has determined to seek to raise these funds by way of the Entitlement Offer, providing all shareholders with equal opportunity to participate. The base amount of \$3.2 million referred to above is pre-committed and underwritten by certain Board members, with further detail in this regard set out in the Entitlement Offer booklet to be sent to shareholders as per the indicative Timetable below.

As noted in the December Update, the Company was at that time in discussions with its bank regarding the potential impact on covenants for the reporting period ending 31 December 2021, which were due to be reported by 15 March 2022. The Company is pleased to advise that with the implementation of the Entitlement Offer and an agreed partial step down of the Company's overdraft facility on 30 June 2022 the Company's covenants will not be tested again until the reporting period ending 31 December 2022. The Company's other current facilities with the bank will continue to be available to the Company and serviced in accordance with their agreed terms.

Entitlement Offer

Eligible shareholders will be invited to participate in the entitlement offer on the basis of 1 new fully paid ordinary share in the Company (**New Share**) being offered to shareholders at an issue price of \$0.05 per New Share (**Offer Price**) for every existing 1.5879 shares in the Company held as at 7:00pm (Sydney time) on Thursday, 3 March 2022 (**Record Date**), to raise up to approximately \$6.0 million before costs and subject to rounding.

The Offer Price reflects the current circumstances of the capital raise, including financial markets volatility. It represents a discount of:

- 63.0% to the MOQ Last Close (Friday, 25 February 2022) of \$0.135
- 51.1% to the Theoretical Ex-Rights Price (TERP) as at Friday, 25 February 2022 of \$0.102⁶
- 66.0% to the MOQ 30-day VWAP⁷ as at Friday, 25 February 2022 of \$0.147

The Entitlement Offer will also include a "top up facility", under which eligible shareholders (other than directors and related parties of MOQ) who fully subscribe for their entitlement under the Entitlement Offer will also have the right to apply for New Shares not subscribed for by other eligible shareholders under the Entitlement Offer at the Offer Price.

Eligible shareholders who are directors or related parties of MOQ (which include some Underwriters) have pre-committed to take up approximately \$2.4 million of their entitlements under the Entitlement Offer.

The Entitlement Offer will be partially underwritten (for approximately \$0.8 million) (**Underwritten Entitlement Offer**) by Richmond Hill Capital Pty Ltd, Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, Monash Private Capital Pty Ltd and Davcol Nominees Pty Ltd (**Underwriters**), which are associated with MOQ directors, Mr Alex White, Ms Karen Bell, Mr Joseph Fridman and Mr David Shein, respectively. There will be no fees payable to the Underwriters by MOQ pursuant to the Underwritten Entitlement Offer.

The remaining \$2.8 million is not being underwritten.

A summary of the terms of the underwriting agreement will be provided in the Entitlement Offer booklet.

⁶ TERP is the theoretical price at which MOQ shares should trade immediately after the ex-date of the Entitlement Offer, and is calculated based on the maximum size of the Entitlement Offer of approximately \$6.0 million. TERP is a theoretical calculation only and the actual price at which MOQ shares will trade on the ASX immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. TERP is calculated by reference to the closing price of MOQ shares traded on the ASX on the last trading day prior to the announcement of the Entitlement Offer of \$0.135.

⁷ VWAP means the volume weighted average price of MOQ Shares traded on ASX.

Eligible shareholders will comprise those shareholders with a registered address in Australia and New Zealand at 7:00pm (Sydney time) on the Record Date.

MOQ expects to issue up to a maximum of approximately 120 million New Shares under the Entitlement Offer, depending on the rounding of fractional entitlements on the Record Date and the number of Shares held on that date by ineligible shareholders. The New Shares will rank equally with existing Shares.

Further details about the Entitlement Offer, including the terms of the agreement with the Underwriters, are contained in the Appendix 3B uploaded by MOQ today and the Entitlement Offer booklet which will be made available to all eligible shareholders in accordance with the indicative timetable set out below, including further instructions on how to take up entitlements.

Indicative timetable for the Entitlement Offer

An indicative timetable of key dates in relation to the Entitlement Offer is set out below:

Announce Entitlement Offer and lodge Appendix 3B	Monday, 28 February 2022
Ex date	Wednesday, 2 March 2022
Record Date	Thursday, 3 March 2022
Despatch Entitlement Offer booklet to eligible shareholders	Tuesday, 8 March 2022
Entitlement Offer opens	Tuesday, 8 March 2022
Last day to extend the Entitlement Offer closing date	Tuesday, 15 March 2022
Entitlement Offer closes	Friday, 18 March 2022
Deferred settlement trading of New Shares commences	Monday, 21 March 2022
Shortfall notice issued to Underwriters	Monday, 21 March 2022
Announce results of Entitlement Offer	Wednesday, 23 March 2022
Issue New Shares and lodge Appendix 2A	Friday, 25 March 2022
Normal (T+2) trading of New Shares commences	Monday, 28 March 2022

The timetable is indicative only and MOQ reserves the right to amend the dates at its discretion and without notice, subject to the ASX Listing Rules and the Corporations Act.

This announcement has been authorised by the MOQ Limited Board of Directors.

If you have any queries, please contact:

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pward@moqdigital.com.au

Brett Bergheim, CFO
+61 7 3118 9592
bbergheim@moqdigital.com.au

Index of other ASX announcements made by MOQ over the past 12 months

Document description	Date
*Half Yearly Report and Accounts	28/02/2022

Document description	Date
Change of Company Secretary	25/01/2022
*Trading Update H1FY22	15/12/2021
*Trading Halt	13/12/2021
Appointment of CFO	13/12/2021
Appointment of Director	01/12/2021
Initial Director's Interest Notice	01/12/2021
JobKeeper Payments Notice	12/11/2021
Results of Meeting	09/11/2021
AGM Chairman & CEO Address to Shareholders	09/11/2021
*Appointment of new CEO	12/10/2021
Notice of Annual General Meeting / Proxy Form	08/10/2021
Letter to Shareholders - Notice of General Meeting	08/10/2021
Completion of Skoolbag Sale	01/10/2021
Notification regarding unquoted securities - MOQ	01/10/2021
Appointment of GM - Microsoft Solutions & Partnerships	03/09/2021
*Sale of Skoolbag	03/09/2021
*Investor Presentation FY21	30/08/2021
*2021 Annual Report and Appendix 4E	30/08/2021
Appendix 4G & Corporate Governance Statement	30/08/2021
Release of Shares from Voluntary Escrow	26/08/2021
Application for quotation of securities - MOQ	02/08/2021
Completion of Dienst Consulting Acquisition	30/07/2021
Notification regarding unquoted securities - MOQ	12/07/2021
Notification of cessation of securities - MOQ	06/07/2021
Proposed issue of securities - MOQ	02/07/2021
*Strategic Acquisition of Dienst Consulting – Announcement	02/07/2021
Change in substantial holding	29/06/2021
Application for quotation of securities - MOQ	16/06/2021
Proposed issue of securities - MOQ	15/06/2021
Settlement of Wardy IT Solutions Earn-Out	15/06/2021
Ceasing to be a substantial holder from CGF	31/05/2021

Document description	Date
Ceasing to be a substantial holder	31/05/2021
Initial Director's Interest Notice	01/04/2021
Final Director's Interest Notice	31/03/2021
Director Appointment/Resignation	31/03/2021
Change of Share Registry Provider	12/03/2021
Change of Director's Interest Notice	03/03/2021
Appendix 3G - Issue of Employee Share Options	02/03/2021

4 Important information

4.1 Responsibility for Offer Booklet

This Offer Booklet (including the ASX Offer Announcements and the enclosed personalised Entitlement and Acceptance Form) has been prepared by MOQ.

This Offer Booklet is dated Tuesday, 8 March 2022.

No party other than MOQ has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by MOQ, or its related bodies corporate in connection with the Entitlement Offer.

4.2 Additional announcements

There may be additional announcements made by MOQ after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by MOQ (by visiting the ASX website at www2.asx.com.au) before submitting your application to take up your Entitlement.

4.3 Status of Offer Booklet

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues to be offered without a prospectus.

Neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC. This Offer Booklet is not a prospectus under the Corporations Act and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in MOQ. They do not contain all the information which would be required to be disclosed in a prospectus.

As a result, it is important for Eligible Shareholders to carefully read and understand the information on MOQ and the Entitlement Offer made publicly available prior to accepting all or part of their Entitlement. In particular, please refer to this Offer Booklet and other announcements made available at www2.asx.com.au.

This Offer Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. MOQ is not licensed to provide financial product advice in respect of the New Shares. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

4.4 Offer Booklet availability

Eligible Shareholders in Australia and New Zealand can obtain a copy of this Offer Booklet during the period of the Entitlement Offer by accessing the ASX website or accessing the MOQ Entitlement Offer website at www.moq.com.au. Persons who access the electronic version of this Offer Booklet should ensure that they download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the ASX website and the MOQ Entitlement Offer website will not include a personalised Entitlement and Acceptance Form.

A replacement personalised Entitlement and Acceptance Form can be requested by calling the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time between 8:30am and 5:00pm (Sydney time) on Monday to Friday during the Entitlement Offer period.

This Offer Booklet (including the accompanying personalised Entitlement and Acceptance Form) may not be distributed or released to, or relied upon by, persons in the United States or that are acting for the account or benefit of a person in the United States.

4.5 **Risks**

Section 2.11 of this Offer Booklet details important factors and risks that could affect the financial and operating performance of MOQ. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

4.6 **No cooling off**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

4.7 **Privacy statement**

If you complete an application for New Shares, you will be providing personal information to MOQ (directly or through the Share Registry). MOQ collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Share Registry at the relevant contact numbers set out in section 6 of this Offer Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that, if the information required on the Entitlement and Acceptance Form is not provided, MOQ may not be able to accept or process your application.

4.8 **Governing law**

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.9 **Foreign jurisdictions**

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

The Entitlements and New Shares being offered under the Entitlement Offer are being offered to shareholders with registered addresses in New Zealand in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. This Offer Booklet is not a product disclosure statement under the Financial Markets Conduct Act 2013 (**FMCA**) or other similar offering or disclosure document under New Zealand law and has not been registered, filed with, or approved by any New Zealand regulatory authority or under or in accordance with the FMCA or any other relevant law in New Zealand. It does not contain all the information that a product disclosure document, under New Zealand law, is required to contain.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares or otherwise permit the public offering of the New Shares in any jurisdiction other than Australia and New Zealand.

This Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

The New Shares to be offered and sold in the Entitlement Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Any non-compliance with these restrictions may contravene applicable securities laws.

4.10 Underwriting

The Entitlement Offer is partially underwritten by the Underwriters pursuant to an underwriting agreement dated 28 February 2022 between the Underwriters and MOQ (**Underwriting Agreement**).

(a) **Amount underwritten**

The Underwriters are underwriting \$818,211 of the Entitlement Offer (**Underwritten Entitlement Offer**).

(b) **Underwriters**

The Underwriters will underwrite the Underwritten Entitlement Offer in the following proportions:

Underwriter	Associated Director	Respective proportion
Richmond Hill Capital Pty Ltd ACN 642 505 584	Alex White	39.2%
Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291	Karen Bell	36.7%
Monash Private Capital Pty Ltd ACN 152 004 218	Joseph Fridman	21.5%
Davcol Nominees Pty Ltd ACN 104 934 938	David Shein	2.6%

(c) **Fees**

MOQ will not pay the Underwriters any underwriting fees.

(d) **Conditions**

The Underwriters' obligations to underwrite the Underwritten Entitlement Offer is conditional on:

- (i) **(shortfall notice)** the Underwriters receiving notice of the shortfall under the Underwritten Entitlement Offer by 9.00am on Monday, 21 March 2022; and
- (ii) **(certificate)** delivery by MOQ to the Underwriters of a duly executed certificate certifying that MOQ has complied with its obligations under the Underwriting Agreement and that no termination event (as described below) has occurred by 9.00am on Monday, 21 March 2022.

(e) **Termination events**

The Underwriters may terminate the Underwriting Agreement if any of the following events occurs at any time before the New Shares are issued under the Entitlement Offer:

- (i) **(withdrawal)** MOQ withdraws the Entitlement Offer;
- (ii) **(unable to issue)** MOQ is prevented from issuing the New Shares by applicable laws, an order of a court of competent jurisdiction or a government agency;
- (iii) **(insolvency)** MOQ suffers an insolvency event;
- (iv) **(S&P/ASX 200 index)** the S&P/ASX 200 index published by ASX is more than 15% below its level as at 5.00pm on Friday, 25 February 2022 and remains at that level at the close of trading on ASX for five (5) consecutive business days;
- (v) **(breach of material contract)** MOQ defaults under one or more of material contracts to which it is party, where such default has, or is reasonably likely to have, a material adverse effect on MOQ's financial position; or
- (vi) **(disruption in financial markets)** any of the following occurs:
 - (A) there is a material disruption to the commercial banking, security settlement or clearance services in any one or more of Australia, New Zealand, the United States and the United Kingdom; or
 - (B) trading in all securities quoted or listed on ASX, the London Stock Exchange, or the New York Stock Exchange is suspended for at least two (2) days on which such exchange is ordinarily open for trading,

where such event has, or is reasonably likely to have, a materially adverse effect on the success, settlement or outcome of the Entitlement Offer.

(f) **Warranties**

MOQ has given limited customary warranties to the Underwriters, including as to its capacity to enter into the Underwriting Agreement, about the New Shares and that it is not subject to an insolvency event.

4.11 Disclaimer of representations

Except as required by law, and only to the extent so required, none of MOQ, or any other person, warrants or guarantees the future performance of MOQ or any return on any investment made pursuant to this Offer Booklet.

No entity (other than MOQ) referred to in the Corporate Directory in section 6 of this Offer Booklet, nor any of their respective related bodies corporate, nor any of their respective directors, officers, partners, employees, representatives or agents, have authorised or caused the issue of this Offer Booklet and they do not take any responsibility for this Offer Booklet or any action taken by you on the basis of such information contained in this Offer Booklet. None of those persons has made or purports to make any statement in this Offer Booklet and there is no statement in this Offer Booklet which is based on any statement by any of them. To the maximum extent permitted by law, each of those persons exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and the information contained in this Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

5 Glossary

Additional Shares means New Shares applied for by an Eligible Shareholders that are in excess of the Eligible Shareholder's Entitlement.

Application Monies means the consideration for New Shares under the Entitlement Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it on which Shares are quoted.

ASX Offer Announcements means the ASX announcements reproduced in section 3 of the Offer Booklet, being the announcement to ASX on Monday, 28 February 2022 of the launch of the Entitlement Offer.

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

Directors means the directors of MOQ.

EFT means electronic funds transfer.

Eligible Committed Shareholders means Eligible Shareholders who are Directors or related parties of MOQ (which include some Underwriters) who have pre-committed to take up \$2,395,976 of their Entitlements under the Entitlement Offer.

Eligible Shareholders has the meaning given in section 1.3 of the Offer Booklet.

Entitlement means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 1.5879 existing Shares held at the Record Date.

Entitlement and Acceptance Form means the personalised form accompanying this Offer Booklet to be used to make an application in accordance with the instructions set out on that form.

Entitlement Offer means the fully underwritten pro rata non-renounceable entitlement offer of up to 119,769,767 New Shares to Eligible Shareholders at the ratio of 1 New Share for every 1.5879 existing Shares held at the Record Date at an Offer Price of \$0.05 per New Share.

Ineligible Shareholders has the meaning given in section 1.8 of this Offer Booklet.

Listing Rules means the official listing rules of ASX.

MOQ means MOQ Limited ACN 050 240 330.

New Shares means the Shares offered under the Entitlement Offer.

Offer Booklet means this Offer Booklet in relation to the Entitlement Offer, including the ASX Offer Announcements reproduced in section 3 and the personalised Entitlement and Acceptance Form accompanying the Offer Booklet.

Offer Price means \$0.05, being the price payable per New Share under the Entitlement Offer.

Record Date means 7:00pm (Sydney time) on Thursday, 3 March 2022.

Share means a fully paid ordinary share in MOQ.

Share Registry means Automic Pty Limited.

Shareholder means a holder of a Share.

Top Up Facility means the mechanism by which Eligible Shareholders can apply for Additional Shares.

Underwriters means Richmond Hill Capital Pty Ltd ACN 642 505 584, Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, Monash Private Capital Pty Ltd ACN 152 004 218 and Davcol Nominees Pty Ltd ACN 104 934 938.

Underwriting Agreement means the underwriting agreement between MOQ and the Underwriters dated 28 February 2002 pursuant to which the Underwriters have agreed to underwrite the Underwritten Entitlement Offer.

Underwritten Entitlement Offer means \$818,211 of the Entitlement Offer.

U.S. Securities Act means the United States Securities Act 1933 (as amended).

6 Corporate directory

MOQ Limited

G.01, 3-5 West Street
North Sydney NSW 2060

www.moq.com.au

Share Registry – Automic Pty Limited

Automic Registry Services
Level 5, 126 Phillip St
Sydney NSW 2000

1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)

Open between 8:30am and 5:00pm (Sydney time) Monday to Friday

Australian legal adviser – Thomson Geer

Level 14, 60 Martin Place
Sydney NSW 2000

28 February 2022

Dear shareholder

**Non-renounceable entitlement offer
Notification to ineligible shareholders**

On 28 February 2022, MOQ Limited (ASX:**MOQ**) announced a non-renounceable, pro-rata entitlement offer to eligible shareholders to subscribe for 1 new ordinary share in MOQ (**Shares**) (**New Shares**) for every 1.5879 existing Shares held at 7.00pm (Sydney time) on Thursday, 3 March 2022 (**Record Date**) at the offer price of \$0.05 per New Share (**Entitlement Offer**).

The Entitlement Offer is partially underwritten (to approximately \$0.8 million) by Richmond Hill Capital Pty Ltd, Kensington Trust Singapore Limited ATO IS&P Singapore Retirement Fund, Sub-fund 291, Monash Private Capital Pty Ltd and Davcol Nominees Pty Ltd, which are associated with directors, Alex White, Karen Bell, Joseph Fridman and David Shein, respectively (**Underwriters**). Shareholders who are associated with the directors of the Company have pre-committed to take up \$2.4 million of their entitlements under the Entitlement Offer. This guarantees the Company at least approximately \$3.2 million under the Entitlement Offer.

The Entitlement Offer is seeking to raise approximately \$6 million before costs, which will, depending on how much is actually raised, will be used for general working capital, systems enhancements, restructuring the MOQ digital team and paying the costs of the Entitlement Offer. Further information on the Entitlement Offer is detailed in an ASX announcement dated Monday, 28 February 2022 and an entitlement offer booklet (**Offer Booklet**), which will be dispatched to eligible shareholders on or about Tuesday, 8 March 2022 and be made available on the ASX's company announcement platform at www.asx2.com.au and at www.moq.com.au.

This letter is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.

Only "**Eligible Shareholders**" may participate in the Entitlement Offer. Eligible Shareholders are MOQ shareholders who:

- are registered as a holder of existing Shares as at the Record Date, being 7:00pm (Sydney time) on Thursday, 3 March 2022;
- as at the Record Date, have a registered address in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**).

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the *Corporations Act 2001* (Cth) (**Corporations Act**), MOQ wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer.

The restrictions upon eligibility under the Entitlement Offer are due to a number of factors, including the legal and regulatory requirements in countries other than Australia and New Zealand and costs associated with complying with them, the relatively small number of MOQ shareholders in those countries, the relatively small number of existing Shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled. MOQ has determined, pursuant to ASX Listing Rule

7.7.1(a) and section 9A(3)(a) of the Corporations Act and having regard to the factors identified above, that it would be unreasonable to make or extend offers under the Entitlement Offer to Ineligible Shareholders.

As the Entitlement Offer is non-renounceable, entitlements in respect of the New Shares you would have been offered if you were an Eligible Shareholder will lapse and you will not receive any payment or value for those entitlements.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters. MOQ and its respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

On behalf of the Board, we thank you for your continued support of MOQ.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Shein', with a stylized flourish at the end.

David Shein
Chairman