Announcement Summary

Entity name

READYTECH HOLDINGS LIMITED

Announcement Type

New announcement

Date of this announcement

16/6/2022

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Earn Out Shares	18

Proposed +issue date

16/11/2022

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

READYTECH HOLDINGS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	25632137216

1.3 ASX issuer code

RDY

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

16/6/2022

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	15/11/2022	☑ Estimated	

Comments

ReadyTech will seek shareholder approval at its next annual general meeting (expected to be held in November 2022) to issue the Earn Out Shares. See ReadyTech's ASX announcement and investor presentation lodged on 16 June 2022 for further information.

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
Other (please specify in comment section)	31/7/2022	☑ Estimated	

Comments

Acquisition of IT Vision completion is expected by 31 July 2022 subject to satisfaction of conditions precedent, including necessary regulatory approvals (including necessary ASX waivers and confirmations), receipt of consents under material contracts, raising of debt funding sufficient for the transaction, no material adverse event occurring and key management not having terminated or resigned from their employment.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ New class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
No

ASX +security code
New class-code to be confirmed

+Security description
Earn Out Shares

+Security type
Redeemable preference shares/units

Number of +securities proposed to be issued
18

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities
As announced to ASX on 16 June 2022, the shares are being issued as part of the consideration for the acquisition of IT Vision. See ReadyTech's ASX announcement and investor presentation lodged on 16 June 2022 for further information.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities
31,500,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?
Yes

Redeemable preference shares/units details

These securities are:
Convertible

Type of security
Preference security

+Security currency
AUD - Australian Dollar

Face value
AUD 1.0000

Dividend rate type
Zero coupon/no dividend

Frequency of coupon/dividend

payments per year

No coupon/dividend payments

s128F of the Income Tax Assessment Act status applicable to the +security

Not applicable

Is the +security perpetual (ie. no maturity date)?

Yes

Select other features applicable to the +security

Redeemable

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?

No

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged

RDY : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

The Earn Out Shares are, in aggregate, capable of converting into a maximum of 15,750,000 Shares. If this maximum cap is reached, the balance of any milestone payments must be paid in cash.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer to ASX Announcement and Investor Presentation dated 16 June 2022 regarding the proposed IT Vision acquisition.

Part 7C - Timetable

7C.1 Proposed +issue date

16/11/2022

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

15/11/2022

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ No

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Fees and costs incurred by ReadyTech in connection with the IT Vision transaction.

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

As announced to ASX on 16 June 2022, the shares are being issued to the sellers as part of the consideration for the proposed acquisition of IT Vision.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?
☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

The Ordinary Fully Paid Shares to be issued on conversion of the Earn Out Shares will be determined by reference to the lower of: (a) the VWAP of ReadyTech shares for the 5 day period ending on the day prior to the allotment of the Ordinary Fully Paid Shares; and (b) the VWAP of ReadyTech shares for the last 3 calendar months prior to the day of allotment of the Ordinary Fully Paid Shares. See ReadyTech's ASX announcement and investor presentation lodged on 16 June 2022 for further information.