

3 August 2022

ASX and Media Release

SCHEME BOOKLET REGISTERED WITH ASIC

MyDeal.com.au Limited (**MyDeal** or **Company**) (**ASX: MYD**) refers to the announcement made on 20 May 2022 in relation to the proposed acquisition of MyDeal by Woolworths Group Limited (**ASX:WOW**) (**Woolworths Group**) by way of scheme of arrangement (**Scheme**), and the announcement yesterday in relation to the orders made by the Supreme Court of New South Wales (**Court**) convening a meeting of MyDeal shareholders (other than holders of Excluded Shares¹ (**Scheme Shareholders**)) to consider and vote on the Scheme (**Scheme Meeting**) and approving the despatch of an explanatory statement providing information about the Scheme, together with the notices of meeting for the Scheme Meeting and Extraordinary General Meeting (**Scheme Booklet**) to Scheme Shareholders.

Scheme Booklet

MyDeal confirms that the Scheme Booklet has today been registered with the Australian Securities and Investments Commission (**ASIC**). A copy of the Scheme Booklet is attached to this announcement and will also be available on MyDeal's website <https://investors.mydeal.com.au/site/content/>.

The Scheme Booklet and personalised proxy forms are expected to be made available to MyDeal shareholders on or before 5 August 2022. For details of how you will receive these documents, please refer to the Company's previous announcement on Tuesday, 2 August 2022.

The Scheme Booklet includes a copy of the Independent Expert's Report prepared by Grant Thornton Corporate Finance Pty Limited (**Independent Expert**) that concludes that the Scheme is in the best interests of MyDeal shareholders, in the absence of a superior proposal.

The Independent Expert's conclusion should be read in context with the full Independent Expert's Report and Scheme Booklet.

MyDeal shareholders should read the Scheme Booklet in its entirety, including the material accompanying it, before deciding whether or not to vote in favour of the Scheme and resolution to be put to the Extraordinary General Meeting (**EGM Resolution**).

If the requisite majorities of MyDeal shareholders approve the Scheme at the Scheme Meeting, and all other conditions precedent to the Scheme except approval of the Court are satisfied or waived (if applicable), MyDeal will apply to the Court for orders approving the Scheme.

Board Recommendation

The MyDeal Board of Directors continues to unanimously recommend MyDeal shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal shareholders, and in

¹ As defined in the Scheme Booklet.

favour of the EGM Resolution.

Each MyDeal Director intends to vote, or procure the voting of, all MyDeal shares held or controlled by them (and able to vote at the Scheme Meeting) in favour of the Scheme, subject to the same qualification, and in favour of the EGM Resolution.

Details of the Meetings

The Scheme Meeting and Extraordinary General Meeting (together, **Meetings**) will be conducted as hybrid meetings. MyDeal shareholders will be able to attend the Meetings in person at Maddocks, Level 25, 727 Collins Street, Melbourne, VIC or via the online platform at <https://web.lumiagm.com/363261076>.

The Scheme Meeting will be held on Tuesday 6 September 2022 at 10.30 am (AEST). The EGM will commence at 10.45 am (AEST) on 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or been adjourned.

All MyDeal shareholders as at 7.00 pm (AEST) on 4 September 2022 will be eligible to vote at the Meetings other than:

- holders of Excluded Shares who are excluded from voting at the Scheme Meeting; and
- Key Management Personnel², the KMP Shareholders³ or any of their respective associates, and Woolworths Group or its associates, who are excluded from voting at the EGM.

Scheme Shareholders are encouraged to vote at the Meetings in person or online or via proxy, attorney or corporate representative. Further information about how to participate in and vote at the Meetings will be provided in the Notices of Meetings and the Scheme Booklet.

If you have any questions regarding the Scheme or require any further information, please call the Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) between 8.30 am and 5.30 pm (AEST), Monday to Friday, excluding New South Wales public holidays or email MyDeal's Company Secretary at vanessa.chidrawi@mydeal.com.au.

The MyDeal Board will continue to update MyDeal shareholders of any material developments in relation to the Scheme.

Amendment of Scheme Implementation Agreement

MyDeal and Woolworths Group have amended the Scheme Implementation Agreement so that the End Date (as defined in the Scheme Implementation Agreement) is now 20 February 2023. The Scheme Implementation Agreement remains unchanged in all other respects.

Authorisation

This ASX Announcement has been authorised by the Company's Board of Directors.

--ENDS--

² As defined in the Scheme Booklet.

³ As defined in the Scheme Booklet.

For more information

Media Enquiries	Investor Relations
https://investors.mydeal.com.au +61 401 496 334 ir@mydeal.com.au	https://investors.mydeal.com.au +61 3 9999 1091 ir@mydeal.com.au

About MyDeal

MyDeal is an online retail marketplace focused on home and lifestyle goods. MyDeal currently has more than 2,049 sellers (of which 1,373 are considered Active Sellers⁴ as at 30 June 2022) on its platform with over 6 million product SKUs listed across 2,000 categories (with the number of SKUs available for sale at any time determined by sellers).

<https://investors.mydeal.com.au/site/content>

⁴ "Active Sellers" are sellers that have sold products through the platform within the last three months.



MyDeal.com.au Limited

ACN 640 108 130

Scheme Booklet

In relation to a proposal from Woolworths Group Limited ACN 000 014 675 to acquire all of your MyDeal Participating Shares by way of a scheme of arrangement between MyDeal and MyDeal Shareholders.

Vote in Favour

The MyDeal Directors unanimously recommend that you vote in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders, **and in favour of the EGM Resolution.**

The Independent Expert has concluded that the Scheme is in the best interests of the MyDeal Shareholders.

The Independent Expert has also concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is, fair and reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.

This is an important document and requires your immediate attention. You should read this document in full before you decide whether or not to vote in favour of the Scheme Resolution and EGM Resolution. If you are in doubt as to what action you should take, please consult your legal, financial, tax or other professional advisers.

Financial Adviser:



**Capital
Markets**

Legal Adviser:



Maddocks

Important Notices

General

MyDeal Shareholders should read this Scheme Booklet in its entirety before making a decision as to how to vote on the Scheme Resolution to be considered at the Scheme Meeting and the EGM Resolution to be considered at the EGM. If you are in any doubt as to any action you should take, please consult your legal, financial, taxation or other professional adviser immediately.

This Scheme Booklet has been sent to you because you are shown in the Register as holding MyDeal Shares. If you have recently sold all of your MyDeal Shares, please disregard this Scheme Booklet.

Purpose of this Scheme Booklet

The purpose of this Scheme Booklet is to explain the terms of the Scheme and the manner in which the Scheme will be considered and implemented (if approved) and to provide such information as is prescribed or otherwise material to the decision of MyDeal Shareholders whether or not to vote in favour of the Scheme. This Scheme Booklet includes the explanatory statement required to be sent to MyDeal Shareholders under Part 5.1 of the Corporations Act.

The Scheme Booklet also contains the information required to be provided to MyDeal Shareholders by section 611, item 7 of the Corporations Act in relation to the EGM Resolution.

Responsibility for information

The information contained in this Scheme Booklet, other than the Woolworths Group Information and the Independent Expert's Report, has been prepared and given by, and is the sole responsibility of, MyDeal. MyDeal's Advisers do not assume any responsibility for the accuracy or completeness of the MyDeal Information. None of Woolworths Group, nor its directors, officers or Advisers assume any responsibility for the accuracy or completeness of the MyDeal Information and, to the maximum extent permitted by law, Woolworths Group will not be responsible for any MyDeal Information and disclaims liability for MyDeal Information appearing in this Scheme Booklet.

The Woolworths Group Information has been prepared and given by, and is the sole responsibility of, Woolworths Group. Woolworths Group's Advisers do not assume any responsibility for the accuracy or completeness of the Woolworths Group Information. None of MyDeal nor its directors, officers or Advisers assume any responsibility for the accuracy or completeness of the Woolworths Group Information and, to the maximum extent permitted by law, MyDeal will not be responsible for any Woolworths Group Information and disclaims liability for Woolworths Group Information appearing in this Scheme Booklet.

The Independent Expert has prepared the Independent Expert's Report in relation to the Scheme and the EGM Resolution and takes responsibility for that report. None of MyDeal, Woolworths Group nor their respective directors, officers and Advisers assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

ASIC and ASX

A copy of this Scheme Booklet has been provided to ASIC for review under section 411(2) of the Corporations Act and registered by ASIC under section 412(6) of the Corporations Act. MyDeal has asked ASIC to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the Second Court Hearing. Neither ASIC nor its officers take any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet has been provided to ASX. Neither ASX nor its officers take any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under subsection 411(1) of Corporations Act

The fact that, under subsection 411(1) of the Corporations Act the Court ordered on 2 August 2022 that the Scheme Meeting be convened and has approved this explanatory statement accompanying the Notice of Scheme Meeting does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how MyDeal Shareholders should vote (on this matter MyDeal Shareholders must reach their own conclusion);
- (b) has prepared, or is responsible for, the content of this Scheme Booklet; or
- (c) has approved or will approve the terms of the Scheme.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Notice of Scheme Meeting and Notice of EGM

The Notice of Scheme Meeting and Notice of EGM are at Attachment 4 to this Scheme Booklet.

Notice of Second Court Hearing and if a MyDeal Shareholder wishes to oppose the Scheme

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the vote on the Scheme Resolution at the Scheme Meeting.

Any MyDeal Shareholder has the right to appear and be heard at the Second Court Hearing, and may oppose the approval of the Scheme at the Second Court Hearing.

If you wish to oppose approval of the Scheme in this manner, you may do so by filing with the Court and serving on MyDeal a notice of appearance, in the prescribed court form, together with any affidavit on which you wish to rely at the Second Court Hearing. The notice of appearance and affidavit must be served on MyDeal at its address for service at least one day before the Second Court Date.

The address for service for MyDeal is: Level 1, 446 Collins Street, Melbourne Vic 3000 attention: Company Secretary or by email to vanessa.chidrawi@mydeal.com.au.

The Second Court Hearing is currently scheduled to be held at 9.15am (AEST) on 13 September 2022 at the Supreme Court of New South Wales, 184 Phillip Street, Sydney NSW 2000, though an earlier or later date may be sought. Any change to this date will be notified on MyDeal's website (<https://investors.mydeal.com.au/site/content/>) and on the ASX website (<https://www2.asx.com.au/>).

No investment advice

This Scheme Booklet has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any MyDeal Shareholder or any other person. The information and recommendations contained in this Scheme Booklet do not constitute, and should not be taken as, financial product advice. MyDeal Shareholders should seek independent financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme.

Forward looking statements

Certain statements in this Scheme Booklet, including statements relating to MyDeal's or Woolworths Group's plans, intentions or expectations of future costs or revenues, relate to the future and are forward looking statements or information. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual events and results to vary significantly from those included in or contemplated by such statements. Such risks, uncertainties, assumptions and other important factors include, among other things, general economic conditions, exchange rates, interest rates, the regulatory environment, competitive pressures, selling price and market demand.

A description of certain of those risks as they relate to MyDeal is set out in Section 7.

Any estimates, targets or forecasts reflect certain assumptions by MyDeal and/or Woolworths Group which assumptions may differ with respect to future events, economic, competitive and regulatory conditions, financial market conditions and future business decisions, including a continuation of existing business operations on substantially the same basis as currently exists, all of which assumptions are difficult to predict and many of which are beyond MyDeal's and/or Woolworths Group's control. Accordingly, there can be no assurance that any estimate, forecast or target is indicative of MyDeal's or Woolworths Group's future performance or that actual events and results would not differ materially from them.

Without limiting the generality of the other provisions of this cautionary statement, the Independent Expert's Report may contain or refer to forward looking information and is subject to certain assumptions, limitations, risks and uncertainties as described in this Scheme Booklet and in the Independent Expert's Report.

Other than as required by law, neither MyDeal nor Woolworths Group, their respective directors, officers and Advisers, nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Scheme Booklet will actually occur. MyDeal Shareholders are cautioned about relying on any such forward looking statements. The forward looking statements in this Scheme Booklet reflect views held only as at the date of this Scheme Booklet. Additionally, statements of the intentions of Woolworths Group in this Scheme Booklet reflect present intentions as at the date of this Scheme Booklet and may be subject to change. Forward looking statements are made as at the date of this Scheme Booklet and neither MyDeal nor Woolworths Group undertakes to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law.

All subsequent written and oral forward looking statements attributable to MyDeal or Woolworths Group or any person acting on their behalf are qualified by this cautionary statement.

Tax implications of the Scheme

Section 8 of this Scheme Booklet provides a general outline of the Australian income tax, capital gains tax, GST and stamp duty consequences for Australian tax resident MyDeal Shareholders who Dispose of their MyDeal Shares to Woolworths Group in accordance with the Scheme. It does not purport to be a complete analysis or to identify all potential tax consequences, nor is it intended to replace the need for specialist tax advice in respect of the particular circumstances of each individual MyDeal Shareholder.

MyDeal Shareholders who are subject to taxation outside Australia should also consult their tax adviser as to the applicable tax consequences of the Scheme in the relevant jurisdiction.

Privacy

MyDeal, Woolworths Group and the Share Registry may collect personal information in the process of implementing the Scheme. The personal information may include the names, addresses, other contact details and details of the security holdings of MyDeal Shareholders, and the names of individuals appointed by MyDeal Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting and EGM. The collection of some of this information is required or authorised by the Corporations Act.

The personal information is collected for the primary purposes of assisting MyDeal to conduct the Scheme Meeting and the EGM and to enable the Scheme to be implemented. The personal information may be disclosed to MyDeal's and Woolworths Group's share registries/transfer agents, securities brokers, print and mail service providers and any other service provider to the extent necessary to conduct the Scheme Meeting and the EGM and implement the Scheme.

If the information outlined above is not collected, MyDeal may be hindered in, or prevented from, conducting the Scheme Meeting and the EGM and implementing the Scheme.

MyDeal Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals should contact the Share Registry on 1300 737 760 (within Australia) or (+61) 2 9290 9600 (outside of Australia) if they wish to exercise these rights.

MyDeal Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at a Scheme Meeting should inform that individual of the matters outlined above.

The Privacy Policy of MyDeal is available at <https://investors.mydeal.com.au/site/utilities/privacy>. The Privacy Policy contains information about how an individual may access personal information about the individual that is held by MyDeal, seek the correction of such information or make a privacy related complaint and how such a complaint will be dealt with.

The Privacy Policy of Woolworths Group is available at <https://www.woolworths.com.au/privacy-policy> and contains information about how an individual may access personal information about the individual that is held by Woolworths Group, seek the correction of such information or make a privacy related complaint and how such a complaint will be dealt with.

Effect of rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding, unless otherwise indicated. Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet.

Websites

The contents of MyDeal's and Woolworths Group's websites do not form part of this Scheme Booklet and MyDeal Shareholders should not rely on their content.

Any reference in this Scheme Booklet to a website is for information purposes only and no information in any website forms part of this Scheme Booklet.

Defined terms and Interpretation

Capitalised terms and certain abbreviations used in this Scheme Booklet have the meanings set out in the Glossary in Section 11. If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

The documents reproduced in the attachments to this Scheme Booklet may have their own defined terms, which may be different from those in the Glossary.

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Scheme Booklet.

All references to times in this Scheme Booklet are references to time in Sydney, New South Wales, Australia (AEST), unless otherwise stated.

All financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated.

Queries

If you have any questions or require any further information, you can call the Share Registry on 1300 737 760 (within Australia) or (+61) 2 9290 9600 (outside Australia), Monday to Friday (excluding New South Wales public holidays), between 8.30 am and 5.30 pm (AEST).

Date of Scheme Booklet

This Scheme Booklet is dated 2 August 2022.

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Key dates

Latest time and date by which completed Proxy Forms for the Scheme Meeting and EGM must be received by the Share Registry, including by lodging online via www.votingonline.com.au/mydsm2022 .	10.45 am (AEST) on 4 September 2022
Time and date for determining eligibility of MyDeal Shareholders to vote at the Scheme Meeting and EGM	7.00 pm (AEST) on 4 September 2022
Scheme Meeting	10.30 am (AEST) on 6 September 2022
Extraordinary General Meeting	10.45 am on 6 September 2022 (AEST) or as soon after that time as the Scheme Meeting has concluded or been adjourned.

If the Scheme is approved by MyDeal Shareholders at the Scheme Meeting and the EGM Resolution is passed at the EGM, the expected Timetable for implementation of the Scheme is set out below.

All of these dates are indicative only and, among other things, are subject to all necessary approvals from the Court and any relevant Government Agency. Any changes to the remainder of the Timetable (which may include an earlier or later date for the Second Court Hearing) will be announced through the ASX website (<https://www2.asx.com.au/>) and notified on MyDeal's website (<https://investors.mydeal.com.au/site/investors/ASX-Announcements>).

Second Court Hearing for approval of the Scheme	9.15 am (AEST) on 13 September 2022
Effective Date on which the Scheme comes into effect and is binding on MyDeal Shareholders Last day of trading in MyDeal Shares on the ASX (with MyDeal Shares suspended from close of trading)	14 September 2022
Record Date for determining entitlements to Scheme Consideration	7.00 pm (AEST) on 16 September 2022
Implementation Date on which payment of Scheme Consideration is made to MyDeal Shareholders	23 September 2022

Letter from the Chairman of MyDeal

2 August 2022

Dear MyDeal Shareholders,

On behalf of the MyDeal Board, I am pleased to provide you with this Scheme Booklet, which outlines details you will need to consider in relation to the proposed acquisition of MyDeal by Woolworths Group.

On 20 May 2022, MyDeal and Woolworths Group announced they had entered into a Scheme Implementation Agreement under which Woolworths Group agreed to acquire 80.2% of the issued capital in MyDeal. MyDeal's CEO, Sean Senvirtne, and other Key Management Personnel, will (through their respective KMP Shareholder) retain a 19.8% shareholding in MyDeal. The MyDeal Shares which are to be retained by Key Management Personnel are referred to as Excluded Shares in this Scheme Booklet. The Excluded Shares will not participate in the Scheme.

Woolworths Group's proposed acquisition of MyDeal is being structured as a members' scheme of arrangement between MyDeal and MyDeal Shareholders, which is a commonly used legal procedure to enable one company to acquire another company.

This Scheme Booklet sets out important information relating to the Scheme, the reasons why the MyDeal Board has unanimously recommended that MyDeal Shareholders vote in favour of the Scheme together with the Independent Expert's Report. The Scheme Booklet also sets out some of the reasons why you may wish to vote against the Scheme.

For the Scheme to proceed, it must be approved by the Requisite Majorities of MyDeal Shareholders (the requirements of which are set out later in this Scheme Booklet), and by the Court.

MyDeal Shareholders will be asked separately at the EGM to approve the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options. This Scheme Booklet also contains information in relation to these arrangements.

Amongst other conditions, the Scheme is conditional on the EGM Resolution being approved by MyDeal Shareholders at the EGM and the Post-Implementation

Agreements remaining in Agreed Form as at 8.00 am on the Second Court Date. The Key Management Personnel (either themselves or their respective KMP Shareholders) will enter into certain Post-Implementation Agreements with Woolworths Group on or around the Implementation Date.

Please read this Scheme Booklet carefully and in its entirety. It will assist you in making an informed decision on how to vote.

Overview

If the Scheme is approved and implemented, MyDeal Shareholders will receive the Scheme Consideration of \$1.05 per MyDeal Share in respect of all of their MyDeal Participating Shares held on the Record Date.

The Scheme Consideration represents:

- > a 62.8% premium to the closing price of MyDeal Shares on the ASX of \$0.65 on 19 May 2022 (being the last trading day prior to the announcement of the Scheme on 20 May 2022);
- > a premium of 74.7% over the 3 months VWAP of MyDeal Shares up to and including 19 May 2022 of \$0.60; and
- > a 5.0% premium to the IPO offer price of MyDeal Shares on the ASX of \$1.00 on 22 October 2020

The Scheme values MyDeal's equity at \$271.8 million.

MyDeal Directors' Recommendation

The MyDeal Directors have considered the advantages and disadvantages of the Scheme, and unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude at all times prior to the Second Court Date that the Scheme is in the best interests of MyDeal Shareholders.

Subject to those same qualifications, each of the MyDeal Directors intends to vote, or cause to be voted, all MyDeal Participating

Shares held or Controlled by them in favour of the Scheme, which collectively represent approximately 29.15% of MyDeal Shares currently on issue.

While the MyDeal Board is confident that MyDeal is well positioned to continue to deliver growth for MyDeal Shareholders into the future, the MyDeal Directors consider that the material premium implicit in Woolworths Group's offer and the opportunity to realise certain and immediate cash value represents an attractive outcome for MyDeal Shareholders.

Some of the reasons you may wish to vote in favour of the Scheme are set out in detail in Section 2.2 of this Scheme Booklet. There are also reasons why you may choose to vote against the Scheme which are set out in Section 2.3. The MyDeal Directors unanimously believe that the benefits of the Scheme outweigh its potential disadvantages and risks.

The MyDeal Directors also unanimously recommend that you vote in favour of the EGM Resolution.

Each of the MyDeal Directors (other than Sean Senvirtne) intends to vote or cause to be voted, all MyDeal Shares held or Controlled by them in favour of the EGM Resolution. Sean Senvirtne will be excluded from voting the MyDeal Shares held or Controlled by him at the EGM due to his interest in the matters that are the subject of the EGM Resolution.

Interests of directors and the Independent Board Committee

It is proposed that Sean Senvirtne will continue as CEO, director and shareholder of MyDeal. After the Scheme becomes Effective, Sean Senvirtne will retain an interest in 48,997,216 MyDeal Shares (representing 18.93% of MyDeal Shares) which are held by SS Shareholder and Controlled by him. These MyDeal Shares will form part of the Excluded Shares.

The Excluded Shares held by SS Shareholder and Controlled by Sean Senvirtne will not be voted at the Scheme Meeting.

Sean Senvirtne and his associates will also not be able to vote any of the other MyDeal Shares Controlled by them at the EGM.

The Excluded Shares (including the Excluded Shares Controlled by Sean Senvirtne and held by the SS Shareholder) will be subject to the Put and Call Options which will form part of the Post-Implementation Agreements.

Under the Put and Call Options, Woolworths Group or Key Management Personnel (through their respective KMP Shareholder) may trigger a buy-out of the Excluded Shares generally after 3 to 4 years.

Sean Senvirtne or SS Shareholder (and the other Key Management Personnel or their respective KMP Shareholder) may receive the same as, more than or less than the Scheme Consideration for each Excluded Share held or Controlled by them at the time the Put and Call Options are exercised depending on the future financial performance of MyDeal.

Further details of the Post-Implementation Agreements are contained in Section 9.

The balance of the MyDeal Shares held or Controlled by Sean Senvirtne, being 73,495,824 MyDeal Shares (representing 28.40% of MyDeal Shares) will be MyDeal Participating Shares and the holder of the Shares Controlled by Sean Senvirtne will, if the Scheme is approved and implemented, receive the Scheme Consideration.

The MyDeal Shares held or controlled by the other MyDeal Directors will be MyDeal Participating Shares and will, if the Scheme is approved and implemented, receive the Scheme Consideration. Details of the interests of MyDeal Directors in MyDeal Shares are set out in Section 10.1.1.

All MyDeal Directors will receive cancellation payments from the proposed cancellation of MyDeal Incentive Plan Options held by each of them¹. Details of the cancellation of the MyDeal Incentive Plan Options are set out in Sections 5.3.1 and 10.2.2.

Finally, the MyDeal Directors (other than Sean Senvirtne) will be eligible to receive special exertion fees of \$65,000 each in relation to their work as part of the Independent Board Committee (**IBC**). Details of the special exertion fees are set out in Section 10.2.3.

Senvirtne will receive \$1,153,750 on cancellation of the relevant MyDeal Incentive Plan Options.

¹ Subject to the Scheme becoming Effective, I will receive \$10,000, James Joughin will receive \$5,500, Chris Tait will receive \$5,500 and Sean

In light of the interests of Sean Senvirtne in the Scheme, the MyDeal Board established an IBC consisting of myself and the other independent non-executive MyDeal Directors, to consider and negotiate the terms of the Scheme with Woolworths Group.

You should have regard to the interests of Sean Senvirtne when considering his recommendations in relation to the Scheme and the EGM Resolution. Despite these interests in the outcome of the Scheme, Sean Senvirtne considers that, given the importance of the Scheme, and his role as a director of MyDeal, it is important and appropriate for him to provide a recommendation to MyDeal Shareholders in relation to voting on the Scheme. The MyDeal Board (excluding Sean Senvirtne) also considers that it is appropriate for him to make a recommendation on the Scheme given his role in the management and operation of MyDeal.

Substantial Shareholders' Voting Intentions

MyDeal's substantial shareholders, Aavasan Pty Ltd and Silver Globe Investments Pty Ltd, which hold 15.31% and 13.20% of MyDeal Shares respectively, have each advised MyDeal that they intend to vote in favour of the Scheme in the absence of a Superior Proposal.

Independent Expert

The MyDeal Directors' unanimous recommendation of the Scheme is supported by the conclusion of Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987 (**Grant Thornton**), the Independent Expert engaged by the IBC to assess the merits of the Scheme and opine on whether it is in the best interests of MyDeal Shareholders.

The Independent Expert has concluded that the Scheme is in the best interests of MyDeal Shareholders, in the absence of a Superior Proposal.

The Independent Expert has assessed the value of MyDeal Shares on a 100% controlling interest basis to be between \$0.92 and \$1.07 per MyDeal Share. The Scheme Consideration of \$1.05 per MyDeal Participating Share is within the top quartile of this range.

The Independent Expert has also concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is fair and

reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.

How to Vote at the Scheme Meeting

Your vote is important and we encourage you to vote on the Scheme.

The Scheme Meeting is to be held at 10.30 am on 6 September 2022.

MyDeal Shareholders can attend the Scheme Meeting in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or alternatively you can participate in the Scheme Meeting online via <https://web.lumiagm.com/363261076>. The online platform will allow MyDeal Shareholders to view the Scheme Meeting, ask questions and vote during the Scheme Meeting.

If you cannot participate in the Scheme Meeting, you should appoint a proxy online or, if you received a hardcopy Proxy Form, by following the instructions on the Proxy Form as soon as possible. To be effective your proxy instructions must be received by the Share Registry or lodged online by no later than 10.45 am (AEST) on 4 September 2022.

For the Scheme to be approved by MyDeal Shareholders, votes in favour of the Scheme must be received from a majority in number (more than 50%) of MyDeal Shareholders present and voting (whether in person, virtually or by appointing a proxy, attorney or corporate representative to attend and vote at the Scheme Meeting) at the Scheme Meeting (unless the Court orders otherwise) and at least 75% of the total number of votes cast on the Scheme by MyDeal Shareholders (whether in person, virtually or by appointing a proxy, attorney or corporate representative to attend and vote at the Scheme Meeting).

Details of how to vote at the Scheme Meeting are set out in the Notices of Meeting at Attachment 4.

The Scheme also requires Court approval at the Second Court Hearing.

How to Vote at the EGM

Your vote is important and we encourage you to vote on the EGM Resolution.

The EGM is to be at 10.45 am on 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or has been adjourned.

MyDeal Shareholders can attend the EGM in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or alternatively you can participate in the EGM online via <https://web.lumiagm.com/363261076>. The online platform will allow MyDeal Shareholders to view the EGM, ask questions and vote during the EGM.

If you cannot participate in the EGM, you should appoint a proxy online or, if you received a hardcopy Proxy Form, by following the instructions on the Proxy Form as soon as possible. To be effective your proxy instructions must be received by the Share Registry or lodged online by no later than 10.45 am (AEST) on 4 September 2022.

The Scheme is conditional on the EGM Resolution being passed.

For the EGM Resolution to be approved by MyDeal Shareholders, it must be approved by a simple majority of votes cast by MyDeal Shareholders entitled to vote on the EGM Resolution.

Details of MyDeal Shareholders who are entitled to vote at the EGM and how to vote at the EGM are set out in the Notices of Meeting.

Further Information

I encourage you to read this Scheme Booklet carefully and in its entirety as it contains important information that you could consider before you vote. You should also seek independent legal, financial, taxation or other professional advice before making an investment decision in relation to MyDeal Shares.

If you have any general queries about the Scheme, the EGM Resolution or the Scheme Booklet, please do not hesitate to contact the Share Registry on 1300 737 760 (within Australia) or (+61) 2 9290 9600 (outside Australia), Monday to Friday (excluding New South Wales public holidays), between 8.30 am and 5.30 pm (AEST).

On behalf of the MyDeal Board, I would like to take this opportunity to thank you for your ongoing support of MyDeal and I look forward to your participation at the Scheme Meeting and the EGM.

Yours sincerely



Paul Greenberg
Chairman

1. Summary of Scheme and Voting Arrangements

You should read this Scheme Booklet carefully in its entirety before making any decision as to how to vote on the Scheme or the EGM Resolution. Reasons to vote in favour of or against the Scheme are set out in Section 2 of this Scheme Booklet. Answers to various frequently asked questions about the Scheme are set out in Section 3 of this Scheme Booklet.

1.1 Summary of Scheme

Topic	Details	Section References
Overview	<p>On 20 May 2022, MyDeal announced that it had entered into the Scheme Implementation Agreement with Woolworths Group, under which it is proposed that Woolworths Group will acquire 80.2% of the MyDeal Shares on issue by way of the Scheme. The remaining 19.8% of MyDeal Shares will be retained by Key Management Personnel through their respective KMP Shareholder (referred to as the Excluded Shares).</p> <p>The Key Management Personnel (or, in the case of the Shareholders Agreement, KMP Shareholders) will enter into certain Post-Implementation Agreements on or around the Implementation Date with Woolworths Group with respect to the Excluded Shares, their employment and the operation and governance of MyDeal after the Implementation Date (a summary of the Post-Implementation Agreements is set out in Section 9). If the Scheme is approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution is passed at the EGM, if all other Conditions are satisfied or waived (where capable of waiver) and the Scheme is approved by the Court, and is implemented, MyDeal will become a Subsidiary of Woolworths Group and will be delisted from the ASX.</p>	Section 4.1
The Scheme Consideration	<p>If the Scheme becomes Effective, MyDeal Shareholders at the Record Date will be entitled to receive the Scheme Consideration of \$1.05 cash for each MyDeal Participating Share they hold as at the Record Date.</p> <p>The Scheme Consideration will be paid on the Implementation Date.</p> <p>Payments will be made by electronic funds transfer to a bank account nominated by the MyDeal Shareholder or, if no bank account has been nominated and no alternative arrangements have been agreed with MyDeal, by cheque for the relevant amount in Australian currency.</p>	Section 4.3
Key Steps in the Scheme	<p>The key steps to implement the Scheme are:</p> <ul style="list-style-type: none">▪ MyDeal Shareholders will have an opportunity to vote whether to approve the Scheme at the Scheme Meeting which is scheduled to be held as a hybrid meeting at 10.30 am (AEST) on 6 September 2022.▪ MyDeal Shareholders will also be asked to approve the EGM Resolution at the EGM which is scheduled to be held as a hybrid meeting, immediately after the close or adjournment of the Scheme Meeting.▪ If MyDeal Shareholders approve the Scheme Resolution by the Requisite Majorities, approve the EGM Resolution at the EGM and all other Conditions (other than Court approval) have been satisfied or waived (where capable of waiver), MyDeal will apply to the Court for approval of the Scheme.▪ If the Court approves the Scheme, MyDeal will lodge with ASIC a copy of the Court orders approving the Scheme. The Scheme will then become Effective and the date on which this occurs will be the Effective Date for the Scheme and will be the last day for trading of MyDeal Shares on the ASX.	Section 4.2

Topic	Details	Section References
The MyDeal Directors' recommendation	<p>The MyDeal Directors unanimously recommend that you vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude at all times prior to the Second Court Date that the Scheme is in the best interests of MyDeal Shareholders.²</p> <p>The MyDeal Directors also unanimously recommend that you vote in favour of the EGM Resolution at the EGM.</p>	
Independent Expert's Conclusion	<p>The Independent Expert has concluded that the Scheme is in the best interests of MyDeal Shareholders.</p> <p>The Independent Expert has also concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is fair and reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.</p>	Attachment 1

1.2 Voting Arrangements

Topic	Details	Section References
Who is entitled to vote at the Scheme Meeting and the EGM?	MyDeal Shareholders entered on the Register at 7.00 pm (AEST) on 4 September 2022 will be entitled to attend in person or virtually and vote at the Scheme Meeting and the EGM.	Section 4.9
Your vote is important	Your vote is important in determining whether or not the Scheme proceeds. Your MyDeal Directors strongly encourage you to participate in this important decision, either by attending the Scheme Meeting and the EGM in person or virtually and voting, or by submitting your Proxy Forms for the Scheme Meeting and the EGM either via email, mail, in person or online via www.votingonline.com.au/mydsm2022 .	
Details of the Scheme Meeting	<p>The Scheme Meeting to approve the Scheme is scheduled to be held as a hybrid meeting at 10.30 am (AEST) on 6 September 2022.</p> <p>MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives may attend, participate and vote at the Scheme Meeting in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or online via https://web.lumiagm.com/363261076.</p> <p>The votes at the Scheme Meeting will be conducted by poll.</p>	
Details of the EGM	<p>The EGM is scheduled to be held as a hybrid meeting at 10.45 am on 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or has been adjourned.</p> <p>MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives may attend, participate and vote at the EGM</p>	

² MyDeal Shareholders should have regard to the fact that, if the Scheme becomes Effective:

1. The MyDeal Directors will be entitled to receive payments in relation to the cancellation of the MyDeal Incentive Plan Options held by them, details of which are described in Section 10.2.2.
2. The MyDeal Directors (excluding Sean Senvirtne) will be entitled to special exertion fees, details of which are described in Section 10.2.3.
3. Sean Senvirtne (or, in the case of the Shareholders Agreement, SS Shareholder) will become a party to some of the Post-Implementation Agreements and will be potentially entitled to benefits under the Post-Implementation Agreements described in Section 9.

Despite these interests in the outcome of the Scheme, Sean Senvirtne considers that, given the importance of the Scheme, and his role as a director of MyDeal, it is important and appropriate for him to provide a recommendation to MyDeal Shareholders in relation to voting on the Scheme. The MyDeal Board (excluding Sean Senvirtne) also considers that it is appropriate for him to make a recommendation on the Scheme given his role in the management and operation of MyDeal.

Topic	Details	Section References
	<p>in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or online via https://web.lumiagm.com/363261076. The votes at the EGM will be conducted by poll.</p>	
Voting virtually, by attorney or corporate representation	<p>The Scheme Meeting and the EGM are being held as hybrid meetings and MyDeal Shareholders may attend these meetings in person or virtually.</p> <p>Details on how to vote virtually at the Scheme Meeting and EGM, are set out in the Notices of Meeting at Attachment 4 and the Lumi Online Meeting Guide which is available at https://www.reportsonline.net.au/?documentid=A35DC1332D60425EB8B70AF4EA07F73A.</p> <p>Persons who are attending the Scheme Meeting or the EGM in person or virtually as an attorney must provide a certified copy of the power of attorney to the Share Registry for notation by 10.45 am (AEST) on 4 September 2022.</p> <p>A MyDeal Shareholder or proxy which is a corporation and which wishes to appoint an individual to act as its representative, should contact the Share Registry on how to lodge the authority to act.</p>	Section 4.7
Voting by Proxy - Scheme	<p>A Proxy Form for the Scheme Meeting accompanies this Scheme Booklet at Attachment 5.</p> <p>You may vote by proxy by completing and lodging the Proxy Form online via www.votingonline.com.au/mydsm2022. Alternatively the Proxy Form can be lodged by mail, fax or in person. Further information setting out how you may vote by proxy is contained in the Notices of Meeting at Attachment 4 and Section 4.8.</p> <p>If your Proxy Form is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms should be completed and lodged in accordance with the instructions set out on the Proxy Form. Proxy Forms, together with any power of attorney or authority under which the Proxy Form is signed, must be received no later than 10.45 am (AEST) on 4 September 2022 (48 hours prior to the commencement of the Scheme Meeting). Proxy Forms received after this time will be invalid.</p>	Section 4.8
Voting by Proxy - EGM	<p>A Proxy Form for the EGM accompanies this Scheme Booklet at Attachment 5.</p> <p>You may vote by proxy by completing and lodging the Proxy Form online via www.votingonline.com.au/mydsm2022. Alternatively the Proxy Form can be lodged by mail, email or in person. Further information setting out how you may vote by proxy is contained in the Notices of Meeting at Attachment 4 and Section 4.8.</p> <p>If your Proxy Form is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms should be completed and lodged in accordance with the instructions set out on the Proxy Form. Proxy Forms, together with any power of attorney or authority under which the Proxy Form is signed, must be received no later than 10.45 am (AEST) on 4 September 2022 (48 hours prior to the commencement of the EGM). Proxy Forms received after this time will be invalid.</p>	Section 4.8

2. Reasons to vote for and against the Scheme

The Scheme has a number of advantages and disadvantages which may affect MyDeal Shareholders in different ways depending on their individual circumstances. MyDeal Shareholders should seek independent professional advice on their particular circumstances, as appropriate, before voting on the Scheme. Section 2.2 provides a summary of some of the reasons why the MyDeal Board unanimously recommends MyDeal Shareholders vote in favour of the Scheme.

Section 2.2 should be read in conjunction with Section 2.3, which sets out some of the reasons why MyDeal Shareholders may wish to vote against the Scheme.

While the MyDeal Directors acknowledge the reasons to vote against the Scheme, they believe the advantages of the Scheme significantly outweigh the disadvantages.

You should read this Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote in relation to the Scheme.

2.1 Summary

Reasons to vote in favour of the Scheme

- | | |
|---|---|
| ✓ | The MyDeal Directors unanimously recommend that you vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude at all times prior to the Second Court Date, that the Scheme is in the best interests of MyDeal Shareholders. |
| ✓ | The Independent Expert has concluded that the Scheme Consideration is in the best interests of MyDeal Shareholders in the absence of a Superior Proposal. |
| ✓ | <p>The value of the Scheme Consideration represents a significant premium for your MyDeal Shares of:</p> <ul style="list-style-type: none">• 62.8% to the last closing price prior to the announcement of the Scheme, based on MyDeal's Share price on 19 May 2022 of \$0.65;• 74.7% over the 3 month VWAP of MyDeal Shares up to and including 19 May 2022 of \$0.60; and• 5.0% to the IPO offer price of MyDeal Shares on the ASX of \$1.00 on 22 October 2020. |
| ✓ | The value of the Scheme Consideration represents an attractive acquisition multiple of ~0.9x FY22 EV ³ /GTV ⁴ . |
| ✓ | The Scheme Consideration provides MyDeal Shareholders with certainty of value and the opportunity to realise their investment for cash. |
| ✓ | No Superior Proposal has emerged as at the date of this Scheme Booklet. |
| ✓ | If the Scheme does not proceed, you will continue to be subject to the risks and uncertainties associated with MyDeal's business and general market risks. |
| ✓ | The price of MyDeal Shares may fall if the Scheme does not proceed and no Superior Proposal emerges. |
| ✓ | You will not incur any brokerage charges on the transfer of your MyDeal Participating Shares if the Scheme proceeds. |

These reasons are discussed in more detail in Section 2.2 of this Scheme Booklet.

³ Based on all MyDeal Shares of 258.8 million and \$32.4 million in Net Cash as at 30 June 2022.

⁴ Total GTV for FY22 of \$272.2 million contained in MyDeal's Q4 FY22 Activities Report dated 12 July 2022.

Reasons you may choose to vote against the Scheme

x	You may disagree with the MyDeal Directors' unanimous recommendation and the Independent Expert's conclusion and believe that the Scheme is not in your best interests.
x	You may prefer to remain a MyDeal Shareholder and participate in the future financial performance of MyDeal's business.
x	You may wish to maintain your investment in MyDeal as an ASX listed company.
x	The tax consequences of the Scheme may not be suitable for your circumstances.
x	You may believe there is potential for a Superior Proposal to be made in the foreseeable future.

These reasons are discussed in more detail in Section 2.3 of this Scheme Booklet.

2.2 Reasons to vote in favour of the Scheme

2.2.1 **Your MyDeal Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of MyDeal Shareholders.**

In reaching their recommendation, the MyDeal Directors have assessed the Scheme having regard to the reasons to vote in favour of, or against, the Scheme, as set out in this Scheme Booklet.

In the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of MyDeal Shareholders, each of the MyDeal Directors intends to vote all MyDeal Participating Shares held or Controlled by them in favour of the Scheme. The interests of MyDeal Directors are set out in Section 10.1 of this Scheme Booklet.

In making this recommendation, the MyDeal Board has, among other things, considered:

- (a) the reasons MyDeal Shareholders should vote in favour of the Scheme as set out in this Section 2.2;
- (b) the reasons MyDeal Shareholders may wish to vote against the Scheme as set out in Section 2.3;
- (c) the risks outlined in Section 7; and
- (d) the Independent Expert's Report.⁵

⁵ MyDeal Shareholders should have regard to the fact that, if the Scheme becomes Effective:

- 1. the MyDeal Directors will be entitled to receive certain payments, details of which are described in Section 10.2.2.
- 2. the MyDeal Directors (excluding Sean Senvirtne) will be entitled to special exertion fees, details of which are described in Section 10.2.3; and
- 3. Sean Senvirtne (or in the case of the Shareholders Agreement, SS Shareholder) will become a party to some of the Post-Implementation Agreements and potentially be entitled to benefits under the Post-Implementation Agreements described in Section 9.

Despite these interests in the outcome of the Scheme, Sean Senvirtne considers that, given the importance of the Scheme, and his role as a director of MyDeal, it is important and appropriate for him to provide a

2.2.2 The Independent Expert has concluded that the Scheme Consideration is in the best interests of MyDeal Shareholders in the absence of a Superior Proposal

The IBC appointed the Independent Expert to prepare an Independent Expert's Report, including an opinion as to whether the Scheme is in the best interests of MyDeal Shareholders.

The Independent Expert has concluded that the Scheme Consideration is in the best interests of MyDeal Shareholders in the absence of a Superior Proposal.

The Independent Expert has assessed the value of MyDeal Shares on a 100% controlling interest basis to be between \$0.92 and \$1.07 per MyDeal Share. The Scheme Consideration is within the top quartile of this range.

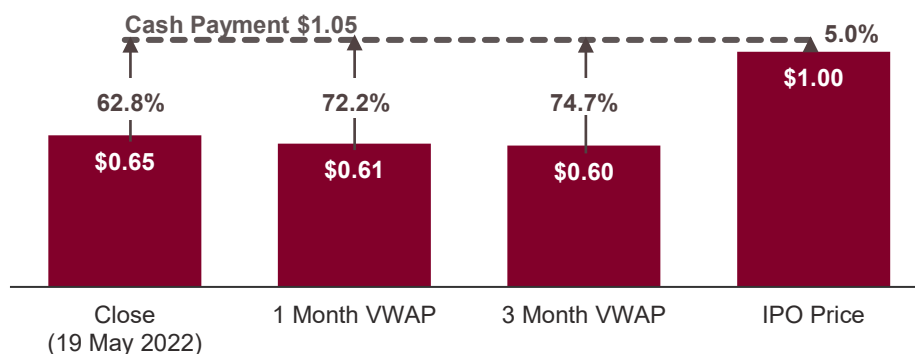
A complete copy of the Independent Expert's Report is included as Attachment 1 to this Scheme Booklet and the MyDeal Directors encourage you to read the Independent Expert's Report in full.

2.2.3 The value of the Scheme Consideration represents a significant premium for your MyDeal Participating Shares

The Scheme Consideration of \$1.05 per MyDeal Participating Share represents an attractive premium of 62.8% to last close prior to the announcement of the Scheme, based on MyDeal's Share price on 19 May 2022 of \$0.65, 74.7% over the 3-month VWAP of MyDeal Shares up to and including 19 May 2022 of \$0.60⁶, and 5.0% to the IPO offer price of MyDeal Shares on the ASX of \$1.00 on 22 October 2020.

The chart below shows the Scheme Consideration of \$1.05 per MyDeal Share, and the premium associated with last close and VWAP of MyDeal Shares on 19 May 2022, being the last trading day before MyDeal's announcement to ASX on 20 May 2022 that it had entered into a Scheme Implementation Agreement with Woolworths Group.

Figure 1 – Premium of Scheme Consideration over historical trading prices of MyDeal⁷



Source: Bloomberg, S&P Capital IQ

recommendation to MyDeal Shareholders in relation to voting on the Scheme. The MyDeal Board (excluding Sean Senvirtne) also considers that it is appropriate for him to make a recommendation on the Scheme given his role in the management and operation of MyDeal.

⁶ Close (19 May 22) based on MyDeal Share price on 19 May 2022, being the last trading day prior to MyDeal's announcement of the Scheme to ASX. 1-month VWAP based on cumulative trading volume from 20 April 2022 up to and including 19 May 2022. 3-month VWAP based on cumulative trading volume from 21 February 2022 up to and including 19 May 2022.

⁷ Source: Bloomberg, S&P Capital IQ.

2.2.4 The value of the Scheme Consideration represents an attractive acquisition multiple of GTV

The total value of the Scheme Consideration of \$1.05 per MyDeal Participating Share represents ~0.9x FY22 EV⁸/GTV⁹. This is considered by the MyDeal Board to be attractive given the Independent Expert applied a multiple range of 0.8x to 0.9x in its assessment of the value of MyDeal on a 100% controlling basis.

2.2.5 The Scheme Consideration provides MyDeal Shareholders with certainty of value and the opportunity to realise their investment for cash

The total value of the Scheme Consideration of \$1.05 per MyDeal Participating Share provides you with certainty of value for your MyDeal Participating Shares held on the Record Date (subject to the Scheme becoming Effective).

The certainty of the Scheme Consideration should be compared with the risks and uncertainties of remaining a MyDeal Shareholder should the Scheme not become Effective, which include, but are not limited to, the risks set out in Section 7.

2.2.6 No Superior Proposal has emerged as at the date of this Scheme Booklet

Since the announcement of the execution of the Scheme Implementation Agreement on 20 May 2022 and up to the date of this Scheme Booklet, no Superior Proposal has emerged. As at the date of this Scheme Booklet, neither the MyDeal Board nor any of MyDeal's Advisers have received any Competing Proposal from a third party and there are no third party discussions underway with MyDeal (or its Advisers) in relation to any Competing Proposal.

In reaching its unanimous decision to recommend the Scheme to MyDeal Shareholders (subject to the qualifications described elsewhere in this Scheme Booklet), the MyDeal Directors considered a number of alternatives to maximise value, including the assessment of standalone value creation opportunities. The various alternatives including the Scheme were evaluated across a number of criteria. The Scheme was selected on the basis of it delivering the highest and most certain value to MyDeal Shareholders.

2.2.7 If the Scheme does not proceed, you will continue to be subject to the risks and uncertainties associated with MyDeal's business and general market risks.

The MyDeal Directors consider that MyDeal has significant growth opportunities as an independent listed company on ASX. This includes the benefits to be achieved by MyDeal management's successful execution of MyDeal's strategic initiatives.

Nevertheless, these initiatives will take time to fully implement, may require further capital investment and carry execution risks, some of which are outside the control of MyDeal.

If the Scheme does not become Effective, MyDeal Shareholders will continue to be exposed to market risks, as well as other external risks and specific risks inherent in MyDeal's business, including those summarised in more detail in Section 7.

⁸ Based on all MyDeal Shares of 258.8 million and \$32.4 million in Net Cash as at 30 June 2022.

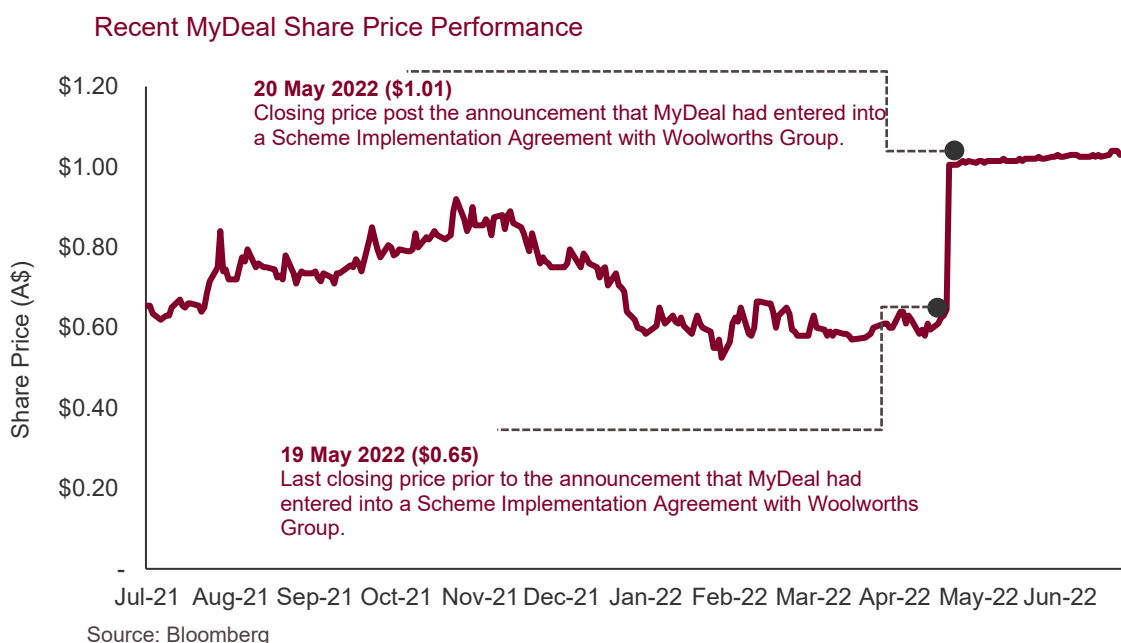
⁹ Total GTV for FY22 of \$272.2 million contained in MyDeal's Q4 FY 22 Activities Report dated 12 July 2022.

The Scheme Consideration removes these risks and uncertainties for MyDeal Shareholders and allows MyDeal Shareholders to exit their investment in MyDeal at a price that the MyDeal Directors consider is attractive. If the Scheme is approved and implemented, these risks and uncertainties will be assumed by Woolworths Group (and the KMP Shareholders).

2.2.8 MyDeal's Share price may fall if the Scheme does not proceed and no Superior Proposal emerges.

If the Scheme does not become Effective, MyDeal Shares will remain quoted on ASX and will continue to be subject to market volatility, including general stock market movements and the impact of general economic conditions. As such, if the Scheme is not implemented, the price at which MyDeal Shares trade may fall, including to a price that is materially below the value of the Scheme Consideration of \$1.05 per MyDeal Participating Share.

On the last trading day before the announcement of the Scheme, the MyDeal Share price closed at \$0.65. On the day of the announcement of the Scheme, the MyDeal Share price closed at \$1.01. From the day after the announcement of the Scheme to the Last Practicable Date, the closing price of MyDeal Shares has ranged between \$1.01 and \$1.04.



2.2.9 You will not incur any brokerage charges on the transfer of your MyDeal Participating Shares if the Scheme proceeds

You will not incur brokerage on the transfer of your MyDeal Participating Shares to Woolworths Group pursuant to the Scheme.

If you sell your MyDeal Participating Shares on the ASX (rather than Disposing of them via the Scheme), you may incur brokerage charges (and, potentially, GST on those charges).

2.3 Reasons that you might vote AGAINST the Scheme

The Scheme has a number of potential disadvantages and risks that MyDeal Shareholders should consider in deciding whether or not to vote in favour of the Scheme. While the MyDeal Directors are of the opinion that these disadvantages are outweighed

by the Scheme's advantages, MyDeal Shareholders should consider their individual circumstances and make their own determination.

Factors which may lead MyDeal Shareholders to consider voting against the Scheme are set out below.

2.3.1 You may disagree with the MyDeal Board's recommendation and the opinion of the Independent Expert and consider that the Scheme is not in your best interests

In concluding that the Scheme is in the best interests of MyDeal Shareholders, absent a Superior Proposal, the MyDeal Directors and the Independent Expert are making judgments based on future trading conditions and events which cannot be predicted with any certainty and which may prove to be inaccurate (positively or negatively). You may hold a different view from, and are not obliged to follow the recommendation of, the MyDeal Directors, and you may not agree with the Independent Expert's conclusion.

2.3.2 You may wish to maintain your investment in MyDeal as an ASX listed company

You may wish to maintain your investment in MyDeal in order to have an investment in a publicly listed company with the specific characteristics of MyDeal in terms of industry, operational profile, size, capital structure and potential dividend payments (**Investment Profile**).

Implementation of the Scheme may result in a disadvantage to those who wish to maintain their Investment Profile. MyDeal Shareholders who wish to maintain their Investment Profile may find it difficult to find an investment with a similar profile to that of MyDeal and they may incur Scheme costs in undertaking any new investment.

You also may consider that the value of your investment in MyDeal may increase above the Scheme Consideration over time if the Scheme did not become Effective and therefore be preferable.

2.3.3 The tax consequences of the Scheme for you may not suit your financial position

If the Scheme proceeds, it will potentially result in Australian taxation consequences (including Australian income tax consequences) for MyDeal Shareholders, which may arise earlier than may otherwise be the case.

You should read the general outline of the taxation implications for MyDeal Shareholders in relation to the Scheme in Section 8. MyDeal Shareholders should seek their own professional advice regarding the taxation implications relevant to them.

You should also note that even if the Scheme does not proceed, Australian taxation consequences (including Australian income tax consequences) may arise at any future time that you Dispose of your MyDeal Shares.

2.3.4 You may consider that there is potential for a Superior Proposal to be made in the foreseeable future

It is possible that, if MyDeal were to continue as an independent listed entity, a corporate control proposal for MyDeal could materialise in the future, such as a takeover bid with a higher price.

Implementation of the Scheme will mean that MyDeal Shareholders will not receive the benefit of any such proposal were it to arise. Since the announcement of the Scheme to ASX on 20 May 2022 and up to the date of this Scheme Booklet, no Competing Proposal has emerged and the MyDeal Directors (or MyDeal Advisers) are not aware of any Competing Proposal that is likely to emerge.

The Scheme Implementation Agreement prohibits MyDeal from soliciting a Competing Proposal and provides a Matching Right to Woolworths Group in the event that a Superior Proposal is received by MyDeal. However, MyDeal is permitted to respond to any Competing Proposal which is or is reasonably likely to become a Superior Proposal in circumstances where the Competing Proposal was not solicited by MyDeal and was not otherwise brought about as a result of any breach by MyDeal of its exclusivity obligations to Woolworths Group, should the MyDeal Directors determine, after receiving advice, that failing to do so would likely constitute a breach of their fiduciary or statutory duties. Further details of the key terms of the exclusivity provisions are provided in Section 10.7.3.

2.4 Other relevant considerations

2.4.1 The Scheme may be implemented even if you vote against the Scheme or you do not vote at all

You should be aware that if you do not vote, or if you vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of MyDeal Shareholders, the EGM Resolution is passed at the EGM, the Scheme is approved by the Court, and if the other Conditions are satisfied or waived (where capable of waiver). If this occurs, your MyDeal Participating Shares will be transferred to Woolworths Group and you will receive the Scheme Consideration even though you voted against, or did not vote on, the Scheme at the Scheme Meeting.

2.4.2 If the Scheme is not implemented, MyDeal Shareholders will not receive the Scheme Consideration

If the Scheme is not approved by the Requisite Majorities of MyDeal Shareholders or the Court, the EGM Resolution is not approved or all outstanding Conditions are not satisfied or waived (where capable of waiver), the Scheme will not proceed. In that case, MyDeal Shareholders will not receive the Scheme Consideration and, in the absence of another proposal, MyDeal will continue to operate as a standalone entity listed on ASX and MyDeal Shareholders will retain their MyDeal Shares and continue to be exposed to risks and opportunities associated with their investment in MyDeal. See Section 7 for a summary of the key risks relating to MyDeal's business.

If the Scheme is not implemented, the advantages to the Scheme described in Section 2.2 will not be realised.

2.4.3 Conditionality of the Scheme

Implementation of the Scheme is subject to the approval of the EGM Resolution and to the other Conditions, which are summarised in Section 10.7.1 and set

out in full in clause 3.2 of the Scheme Implementation Agreement. If the Conditions are not satisfied or waived (where capable of waiver), the Scheme will not become Effective and Shareholders will not receive the Scheme Consideration.

2.4.4 Exclusivity

The Scheme Implementation Agreement includes certain exclusivity arrangements that MyDeal has made in favour of Woolworths Group. These include customary no-shop, no-talk and no-due diligence obligations, as well as obligations of notification of Competing Proposals and providing a Matching Right to Woolworths Group in the event that a Superior Proposal is received by MyDeal. These exclusivity arrangements are described in further detail in Section 10.7.3.

2.4.5 Break Fee

MyDeal must pay the MyDeal Break Fee to Woolworths Group in certain circumstances as summarised in Section 10.7.7 and set out in full in clause 10 of the Scheme Implementation Agreement.

3. Frequently Asked Questions

This Scheme Booklet contains detailed information on the proposed Scheme. The following Section provides summary answers to some basic questions you may have in relation to the Scheme and will assist you to locate further detailed information in this Scheme Booklet.

Question	Answer	Section references
The Scheme at a glance		
1 Why have I received this Scheme Booklet?	<p>This Scheme Booklet has been sent to you because you are a MyDeal Shareholder, and MyDeal Shareholders are being asked to vote on a Scheme which, if approved and implemented, will result in Woolworths Group acquiring your MyDeal Participating Shares for the Scheme Consideration of \$1.05 cash for each MyDeal Participating Share held on the Record Date.</p> <p>This Scheme Booklet is intended to help you to decide how to vote on the Scheme Resolution that needs to be passed at the Scheme Meeting to allow the Scheme to proceed and be implemented.</p>	
2 What is a scheme of arrangement?	A scheme of arrangement is a statutory procedure under the Corporations Act that is commonly used in Australia to undertake an acquisition of a publicly listed company such as MyDeal.	
3 What is the Scheme?	<p>The Scheme involves Woolworths Group acquiring all MyDeal Participating Shares by way of a scheme of arrangement between MyDeal and MyDeal Shareholders under Part 5.1 of the Corporations Act. MyDeal announced the proposed Scheme to the ASX on 20 May 2022.</p> <p>The Scheme requires approval of MyDeal Shareholders by the Requisite Majorities of MyDeal Shareholders at a meeting of MyDeal Shareholders convened by the Court, followed by Court approval.</p> <p>If the Scheme is approved and implemented, MyDeal Shareholders will receive the Scheme Consideration of \$1.05 cash per MyDeal Participating Share they own at the Record Date (provided they are a registered MyDeal Shareholder on the Record Date) from Woolworths Group in consideration for the transfer of their MyDeal Participating Shares to Woolworths Group.</p>	Section 4.1
4 Is this a takeover?	<p>No. The Scheme is not a takeover offer, it is a scheme of arrangement. However if the Scheme is implemented, the outcome will be similar to a successful cash takeover bid in that:</p> <ul style="list-style-type: none">▪ all of the MyDeal Participating Shares held by MyDeal Shareholders as at the Record Date will be transferred to Woolworths Group; and▪ MyDeal Shareholders will receive the Scheme Consideration of \$1.05 cash per MyDeal Participating Share, <p>whether or not they were present at the Scheme Meeting, and whether they voted in favour of, or against, or did not vote on, the Scheme Resolution at the Scheme Meeting.</p>	
5 How will the Scheme be implemented?	In order for the Scheme to be implemented, the Scheme Resolution must be approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution must be passed at the EGM, all other Conditions under the Scheme Implementation Agreement must be satisfied or waived (if capable of waiver), and the Scheme must be approved by the Court.	
6 What will I receive if the Scheme is implemented?	If the Scheme is implemented, MyDeal Shareholders who hold MyDeal Participating Shares on the Record Date will receive \$1.05 cash for each MyDeal Participating Share they hold on the Record Date.	

	Question	Answer	Section references
7	What premium is being offered?	<p>The Scheme Consideration of \$1.05 cash for each MyDeal Participating Share represents a significant premium of:</p> <ul style="list-style-type: none"> ▪ 62.8% to MyDeal's closing price of \$0.65 per share on 19 May 2022 being the last trading day prior to the announcement of the Scheme and entry into the Scheme Implementation Agreement with Woolworths Group; ▪ 74.7% over the 3-month VWAP of MyDeal Shares up to and including 19 May 2022 of \$0.60; and ▪ 5.0% to the IPO offer price of MyDeal Shares on the ASX of \$1.00 on 22 October 2020. 	Section 2.2.3
8	Is the Scheme subject to any conditions?	<p>There are a number of Conditions that must either be satisfied or (if capable of waiver) waived in order for the Scheme to be implemented. The Conditions include:</p> <ul style="list-style-type: none"> ▪ Woolworths Group receiving confirmation that the ACCC does not object to the acquisition of MyDeal; ▪ MyDeal Shareholders approving the Scheme by the Requisite Majorities; ▪ MyDeal Shareholders approving the EGM Resolution; ▪ the Post-Implementation Agreements being agreed and remaining in Agreed Form; ▪ Court approval of the Scheme; and ▪ no MyDeal Material Adverse Effect occurring with respect to MyDeal. <p>The Scheme is subject to other standard Conditions for a scheme of this nature.</p> <p>The Conditions are summarised in Section 10.7.1, and set out in full in clause 3.2 of the Scheme Implementation Agreement.</p> <p>As at the date of this Scheme Booklet, neither MyDeal nor Woolworths Group is aware of any reason why the Conditions will not be satisfied.</p>	Section 10.7.1
9	Why is Woolworths Group not acquiring 100% of the MyDeal Shares ?	<p>Woolworths Group regards MyDeal CEO Sean Senvirtne, as well as Kate Dockery and Dean Ramler (collectively the Key Management Personnel), as key to the ongoing success of MyDeal given their capability and experience. Accordingly, Woolworths Group required that the Key Management Personnel retain a 19.8% shareholding in MyDeal under the terms of the Scheme in order to align the interests of the Key Management Personnel and Woolworths Group as MyDeal enters its next phase of growth.</p> <p>The Key Management Personnel (or, in the case of the Shareholders Agreement, the KMP Shareholders) will enter into various agreements, referred to in this Scheme Booklet as the Post-Implementation Agreements on or around the Implementation Date relating to the Put and Call Options, their employment and the operation and governance of MyDeal after the Implementation Date.</p> <p>The Post-Implementation Agreements are described in Section 9.</p>	Section 9
10	Why am I being asked to vote on the EGM Resolution	<p>The Post-Implementation Agreements provide for the operation and governance of MyDeal after the Implementation Date and are mostly proposed to be entered into on or around the Implementation Date.</p> <p>The Post-Implementation Agreements will include the Put and Call Options, which provide Woolworths Group and the KMP Shareholders a right to trigger the buy-out of the Excluded Shares generally in 3 to 4 years following the Implementation Date.</p> <p>MyDeal Shareholders need to approve the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options (at the EGM) to ensure that Woolworths Group complies with the technical requirements of the Corporations Act.</p> <p>For this technical reason, Non-associated MyDeal Shareholders are being asked to approve the EGM Resolution as a Condition to the Scheme.</p>	Section 9

	Question	Answer	Section references
11	What happens if the Conditions are not satisfied or the Scheme Implementation Agreement is terminated?	<p>The Scheme can be terminated by MyDeal or Woolworths Group (as applicable) in limited circumstances which are customary for a transaction of this nature.</p> <p>The circumstances in which MyDeal or Woolworths Group (as applicable) can terminate the Scheme are summarised in Sections 10.7.8 and 10.7.9 of this Scheme Booklet and set out in full in clauses 3.8 and 11 of the Scheme Implementation Agreement.</p> <p>If the Conditions are not satisfied or waived, or the Scheme Implementation Agreement is terminated for another reason, then the Scheme will not be implemented, and:</p> <ul style="list-style-type: none"> ▪ you will retain your MyDeal Participating Shares; ▪ you will not receive the Scheme Consideration; and ▪ MyDeal will continue to operate as a standalone company listed on the ASX (it will not be acquired by Woolworths Group). <p>Depending on the reasons for the Scheme not being implemented, MyDeal may be liable to pay the MyDeal Break Fee to Woolworths Group.</p> <p>No MyDeal Break Fee is payable merely because MyDeal Shareholders do not approve the Scheme.</p>	Section 10.7
12	What happens if the Scheme is approved, all Conditions are satisfied and the Scheme is implemented?	<p>If the Scheme becomes Effective and is implemented:</p> <ul style="list-style-type: none"> ▪ provided that you are a MyDeal Shareholder on the Record Date, all of your MyDeal Participating Shares will be transferred to Woolworths Group and you will receive the Scheme Consideration of \$1.05 cash for each MyDeal Participating Share you hold; and ▪ MyDeal will be acquired by Woolworths Group and delisted from the ASX, with the last day of trading on the ASX being close of trading on the Effective Date. 	
13	When will the Scheme become Effective?	Subject to the satisfaction or, as applicable, waiver of the Conditions, and approval of the Court at the Second Court Hearing, the Scheme will become Effective on the Effective Date, currently anticipated to be around 14 September 2022.	
14	What do the MyDeal Directors recommend?	<p>The MyDeal Directors unanimously recommend that you vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders.¹⁰</p> <p>The MyDeal Directors also unanimously recommend that you vote in favour of the EGM Resolution.</p> <p>The reasons for the MyDeal Directors' recommendation are set out in Section 2.2 of this Scheme Booklet.</p>	Section 2.1

¹⁰ MyDeal Shareholders should have regard to the fact that, if the Scheme becomes Effective:

1. The MyDeal Directors will be entitled to receive payments in relation to the cancellation of the MyDeal Incentive Plan Options held by them, details of which are described in Section 10.2.2;
2. The MyDeal Directors (excluding Sean Senvirtne) will be entitled to special exertion fees, details of which are described in Section 10.2.3; and
3. Sean Senvirtne (or, in the case of the Shareholders Agreement, SS Shareholder) will become a party to some of the Post-Implementation Agreements and will be potentially entitled to benefits under the Post-Implementation Agreements described in Section 9.

Despite these interests in the outcome of the Scheme, Sean Senvirtne considers that, given the importance of the Scheme, and his role as a director of MyDeal, it is important and appropriate for him to provide a recommendation to MyDeal Shareholders in relation to voting on the Scheme. The MyDeal Board (excluding Sean Senvirtne) also considers that it is appropriate for him to make a recommendation on the Scheme given his role in the management and operation of MyDeal.

	Question	Answer	Section references
15	How do the MyDeal Directors intend to vote?	<p>Each of the MyDeal Directors who own or Control MyDeal Participating Shares at the time of the Scheme Meeting intend to vote those MyDeal Participating Shares in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders.</p> <p>Each of the MyDeal Directors (other than Sean Senvirtne) who own or Control MyDeal Shares, at the time of the EGM Resolution intend to vote in favour of the EGM Resolution.</p> <p>Sean Senvirtne will be excluded from voting MyDeal Shares owned or Controlled by him in relation to the EGM Resolution under the terms of section 611, item 7 of the Corporations Act.</p>	Section 10.1.1
16	Do any of the MyDeal Directors have additional interest in the Scheme	<p>Each of the MyDeal Directors will be entitled to receive payments from the cancellation of the MyDeal Incentive Plan Options held by them and the MyDeal Directors (other than Sean Senvirtne) will receive additional special exertion fees.</p> <p>The SS Shareholder (an entity Controlled by Sean Senvirtne) will retain a shareholding of 18.93% in MyDeal after the Scheme becomes Effective. Sean Senvirtne (or, in the case of the Shareholders Agreement, SS Shareholder) will become a party to some of the Post-Implementation Agreements (refer to Section 9.1 for further details).</p>	Section 9.1
17	What is the Independent Expert's conclusion?	<p>The Independent Expert has concluded that the Scheme is in the best interests of the MyDeal Shareholders.</p> <p>The Independent Expert has also concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is fair and reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.</p> <p>The Independent Expert's Report is at Attachment 1 to this Scheme Booklet.</p>	Attachment 1
18	When is the Exclusivity Period?	<p>The Exclusivity Period commenced on 20 May 2022. It will expire on the earlier of:</p> <ul style="list-style-type: none"> ▪ the date the Scheme Implementation Agreement is terminated; ▪ the Implementation Date; and ▪ the End Date, being 20 February 2023. <p>During the Exclusivity Period, MyDeal may generally not solicit, discuss or provide due diligence to third parties with respect to a Competing Proposal.</p> <p>If a condition precedent to the Scheme is not satisfied, for example if the Scheme is not approved by the Requisite Majorities at the Scheme Meeting, or the EGM Resolution is not passed at the EGM, MyDeal will have the right to terminate the Scheme Implementation Agreement if, after 5 Business Days (or such shorter period of time ending at 5.00 pm on the day before the Second Court Date) MyDeal and Woolworths Group after having consulted in good faith, cannot agree an alternative means of implementing the Scheme. If the MyDeal Board considered it to be in the best interests of MyDeal Shareholders to do so, MyDeal would exercise that termination right, which would bring the Exclusivity Period to an end.</p>	Section 10.7
19	What will happen if a Superior Proposal emerges?	<p>If MyDeal receives a Superior Proposal from a third party, there are certain steps that must be taken by MyDeal in respect of that proposal, including providing Woolworths Group with the opportunity to submit a Counter Proposal within 5 Business Days. A summary of these steps is set out in Section 10.7.5. However, please see the question immediately below titled "What are the prospects of receiving a Superior Proposal?"</p>	Section 10.7

	Question	Answer	Section references
20	What are the prospects of receiving a Superior Proposal?	The proposal from Woolworths Group was announced on 20 May 2022. As at the date of this Scheme Booklet, neither the MyDeal Board nor any of MyDeal's Advisers has received any Competing Proposal from a third party and there are no third party discussions underway with MyDeal (or its Advisers) in relation to any Competing Proposal.	Section 2 and 4
21	When is a MyDeal Break Fee payable to Woolworths Group?	Under the Scheme Implementation Agreement, MyDeal must pay to Woolworths Group the MyDeal Break Fee in the circumstances detailed in Section 10.7.7. MyDeal Shareholders failing to approve the Scheme Resolution or the EGM Resolution will not, of itself, result in the payment of the MyDeal Break Fee.	Section 10.5
22	Why should you vote in favour of the Scheme?	The MyDeal Directors have described in Section 2.2 of this Scheme Booklet the reasons why MyDeal Shareholders should vote in favour of the Scheme. A summary of these reasons is: <ul style="list-style-type: none"> the Scheme Consideration represents a significant premium to MyDeal's Share price prior to the announcement of the Scheme; the cash nature of the Scheme Consideration represents an opportunity for MyDeal Shareholders to realise immediate cash value for their MyDeal Participating Shares, and provides certainty against certain risks that MyDeal and/or MyDeal Shareholders may otherwise have to mitigate or address to achieve that value, as described in Section 7, including MyDeal's business and general market risks; the Independent Expert has concluded that the Scheme is in the best interests of MyDeal Shareholders; since the Scheme was announced, no Superior Proposal has emerged nor has the MyDeal Board (or MyDeal's Advisers) received any Superior Proposal from a third party, and there are no third party discussions underway with MyDeal in relation to any Competing Proposal; if the Scheme is not implemented and there is no Superior Proposal, the MyDeal Directors believe that MyDeal Shares are likely to trade at a materially lower price in the near term than the current price; and no brokerage will be payable on the transfer of MyDeal Participating Shares under the Scheme. 	Section 2.2
23	Why you might consider voting against the Scheme?	The MyDeal Directors have described in Section 2.3 of this Scheme Booklet the reasons why you may decide to vote against the Scheme. A summary of these reasons is: <ul style="list-style-type: none"> you may disagree with the MyDeal Directors' recommendation or the Independent Expert's conclusion and believe that the Scheme is not in your best interests; you may believe there is an opportunity for increased value from MyDeal remaining as a standalone entity and prefer to have the opportunity to participate in the future financial performance of the MyDeal business; you may believe it is in your best interests to maintain your current investment and risk profile; you may consider that there is potential for a Superior Proposal to emerge in the foreseeable future; the tax consequences of transferring your MyDeal Participating Shares pursuant to the Scheme may not be optimal for your financial position; and the Scheme may be subject to Conditions that you consider are unacceptable. 	Section 2.3

	Question	Answer	Section references
24	What are the risks for me if the Scheme is not implemented?	<p>If the Scheme is not implemented, and no Superior Proposal is received, you will continue to be a MyDeal Shareholder and participate in the future financial performance of MyDeal's business, continue to be subject to the specific risks associated with MyDeal's business, and other general risks.</p> <p>MyDeal considers that MyDeal's Share price is likely to fall or trade at a price below the Scheme Consideration of \$1.05 cash per MyDeal Share, at least in the near term, if the Scheme is not implemented.</p> <p>MyDeal will also incur costs relating to the Scheme, which may impact the value of MyDeal Shares if the Scheme is not implemented.</p> <p>Finally, depending on the reasons why the Scheme is not implemented, MyDeal may have to pay the MyDeal Break Fee.</p>	Section 7
25	What happens if the Scheme becomes Effective?	<p>If the Scheme becomes Effective and is implemented, no further action is required on the part of the MyDeal Shareholders in order to implement the Scheme.</p> <p>Under the Scheme, MyDeal is given authority to effect a valid transfer of all MyDeal Participating Shares to Woolworths Group and to enter the name of Woolworths Group in the Register as holder of all the MyDeal Participating Shares.</p>	Section 4
26	What should I do?	<p>You should read this Scheme Booklet carefully and in its entirety and then vote by attending the Scheme Meeting in person or online (or appointing an attorney or, if you are a corporate shareholder, a corporate representative to attend the Scheme Meeting on your behalf) or vote by proxy by submitting a Proxy Form either online via www.votingonline.com.au/mydsm2022, via email, mail or in person.</p> <p>Full details of who is eligible to vote and how to vote are set out in Section 4 of this Scheme Booklet.</p>	Section 4
What MyDeal Shareholders will receive under the Scheme			
27	Who is entitled to participate in the Scheme?	Each person who is a MyDeal Shareholder as at the Record Date will be entitled to participate in the Scheme.	Timetable Section 4.10
28	What will I receive if the Scheme becomes Effective and is implemented?	If the Scheme is approved, becomes Effective and is implemented, MyDeal Shareholders will receive \$1.05 cash per MyDeal Participating Share they hold on the Record Date.	Section 4
29	When will I be paid?	You will receive the Scheme Consideration on the Implementation Date.	Section 4
30	How will I be paid?	All payments will be made in AUD by direct deposit into your nominated Australian bank account as advised to the Share Registry. If you have not nominated an Australian bank account, payments will be made by AUD cheque dispatched by prepaid post to your address shown in the Register as at the Record Date.	Section 4
31	What are the Australian tax implications of the Scheme?	<p>If the Scheme becomes Effective, there may be tax implications for MyDeal Shareholders. The tax treatment will depend on the specific nature and characteristics of each Shareholder and their specific circumstances.</p> <p>Section 8 of this Scheme Booklet provides a general outline of the Australian income tax, capital gains tax, GST and stamp duty consequences for MyDeal Shareholders. Section 8 is expressed in general terms and is not intended to provide taxation advice in respect of the particular circumstances of any MyDeal Shareholder.</p> <p>You should consult with your tax adviser regarding the tax consequences of Disposing of your MyDeal Shares in accordance with</p>	Section 8

Question	Answer	Section references
	the Scheme, in light of current tax laws and your particular circumstances.	
32 Will I have to pay brokerage fees?	No, you will not have to pay brokerage if your MyDeal Participating Shares are acquired by Woolworths Group under the Scheme. If you Dispose of your MyDeal Shares before the Record Date, brokerage fees may be payable.	Section 2.2.9
Voting to approve the Scheme and EGM Resolution		
33 When and where will the Scheme Meeting be held?	The Scheme Meeting will be held as a hybrid meeting at 10.30 am (AEST) on 15 September 2022. MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives may attend, participate and vote at the Scheme Meeting in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or online via https://web.lumiagm.com/363261076 . MyDeal Shareholders who participate in the Scheme Meeting online will be able to watch the Scheme Meeting, cast an online vote and ask questions online in real time. Further details for voting online are included in Section 4.5.	Notices of Meeting
34 When and where will the EGM be held?	The EGM will be held as a hybrid meeting at 10.45 am on 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or has been adjourned. MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives may attend, participate and vote at the EGM in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 or online via https://web.lumiagm.com/363261076 . MyDeal Shareholders who participate in the EGM online will be able to watch the EGM, cast an online vote and ask questions online in real time. Further details for voting online are included in Section 4.5.	Notices of Meeting
35 Am I entitled to vote at the Scheme Meeting?	If you are registered as a MyDeal Shareholder on the Register at 7.00 pm (AEST) on 4 September 2022 you will be entitled to attend and vote at the Scheme Meeting.	Section 4.9
36 Am I entitled to vote at the EGM?	If you are registered as a MyDeal Shareholder on the Register at 7.00 pm (AEST) on 4 September 2022 you will be entitled to attend and vote at the EGM unless you are the holder of Excluded Shares or an associate of such holders.	Section 4.9
37 What vote is required to approve the Scheme?	The Scheme Resolution must be approved by the Requisite Majorities of MyDeal Shareholders, being: <ul style="list-style-type: none"> a majority in number (more than 50%) of MyDeal Shareholders present and voting (in person, online or by proxy, attorney or corporate representative) at the Scheme Meeting (referred to as the 'Headcount Test'); and at least 75% of the votes cast on the Scheme. The votes at the Scheme Meeting will be conducted by poll. Under the Scheme Implementation Agreement, if the Scheme is not approved by reason only of the non-satisfaction of the Headcount Test and either party considers (acting reasonably) that there are grounds to apply for a Court order (under the Court's discretion) to approve the Scheme, notwithstanding that the Headcount Test was not satisfied, the party may give notice to the other within three Business Days of the Scheme Meeting setting out those grounds and if such notice is given, MyDeal must promptly apply for the Court order (under the Court's discretion) to approve the Scheme notwithstanding that the Headcount Test was not satisfied.	
38 What vote is required to approve	The EGM Resolution is an ordinary resolution and must be approved by a majority in number of votes cast at the EGM.	

	Question	Answer	Section references
	the EGM Resolution?	The votes at the EGM will be conducted by poll.	
39	What choices do I have as a MyDeal Shareholder?	<p>As a MyDeal Shareholder, you have the following choices:</p> <ul style="list-style-type: none"> ▪ you can vote for or against the Scheme in person, online, by proxy, by attorney or by corporate representative (if you are a corporate shareholder) at the Scheme Meeting; ▪ you can elect not to vote at the Scheme Meeting; ▪ you can sell your MyDeal Shares on market at any time before the close of trading on the ASX on the Effective Date; ▪ you can sell your MyDeal Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 5:00 pm on the Record Date; or ▪ you can do nothing, in which case, if the Scheme becomes Effective and is implemented, your MyDeal Participating Shares will be transferred to Woolworths Group and you will receive the Scheme Consideration, or, if the Scheme does not become Effective and is not implemented, you will continue to hold your MyDeal Participating Shares. 	Section 4.4
40	Is voting compulsory?	<p>Voting is not compulsory. However, the Scheme will only be successful if it is approved by the Requisite Majorities of MyDeal Shareholders, the EGM Resolution is passed at the EGM and all other Conditions are satisfied or waived (if capable of waiver). The MyDeal Directors believe that the Scheme is important for all MyDeal Shareholders, and they unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders.¹¹</p> <p>If the Scheme is approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution is passed at the EGM, the Scheme is approved by the Court, all other Conditions are satisfied or waived (if capable of waiver), and is implemented, you will be bound by the Scheme whether or not you voted in favour of it.</p>	
41	How do I vote?	<p>You may vote by attending the Scheme Meeting and the EGM in person or online. Alternatively, you may vote by proxy by completing and lodging the Proxy Form online via www.votingonline.com.au/mydsm2022. Alternatively the Proxy Form can be lodged by mail, fax or in person. Further information setting out how you may vote by proxy is contained in the Notices of Meeting at Attachment 4 and in Section 4.8.</p> <p>The votes at the Scheme Meeting and EGM will be conducted by poll.</p>	Section 4

¹¹ MyDeal Shareholders should have regard to the fact that, if the Scheme becomes Effective:

1. the MyDeal Directors will be entitled to receive payments in relation to the cancellation of the MyDeal Incentive Plan Options held by them, details of which are described in Section 10.2.2;
2. the MyDeal Directors (excluding Sean Senvirtne) will be entitled to special exertion fees, details of which are described in Section 10.2.3; and
3. Sean Senvirtne (or in the case of the Shareholders Agreement, SS Shareholder) will become a party to certain Post-Implementation Agreements and will be potentially entitled to benefits under the Post-Implementation Agreements described in Section 9.

Despite these interests in the outcome of the Scheme, Sean Senvirtne considers that, given the importance of the Scheme, and his role as a director of MyDeal, it is important and appropriate for him to provide a recommendation to MyDeal Shareholders in relation to voting on the Scheme. The MyDeal Board (excluding Sean Senvirtne) also considers that it is appropriate for him to make a recommendation on the Scheme given his role in the management and operation of MyDeal.

Question	Answer	Section references
42 What happens if I do not vote, or I vote against the Scheme?	<p>If you do not vote, or if you vote against the Scheme, the Scheme may not be approved at the Scheme Meeting. If this occurs the Scheme will not be implemented.</p> <p>If the Scheme is not implemented:</p> <ul style="list-style-type: none"> the Scheme Consideration will not be paid to MyDeal Shareholders; MyDeal will continue to be listed on the ASX; MyDeal Shareholders will retain their MyDeal Shares and continue to share in any risks and benefits of MyDeal's ongoing business. Details of these risks are set out in Section 7; and if no Superior Proposal emerges, MyDeal Shares will likely trade at a materially lower price in the near term than the current MyDeal Share price as at the date of this Scheme Booklet, in the absence of substantially improved market conditions. <p>If the Scheme is approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution is passed at the EGM, the Scheme is approved by the Court, all other Conditions are satisfied or waived (if capable of waiver) and is implemented, all MyDeal Participating Shares that you hold on the Record Date will be transferred to Woolworths Group and you will receive the Scheme Consideration for your MyDeal Participating Shares. This will occur even if you did not attend the Scheme Meeting, or did not vote, or voted against the Scheme.</p>	Section 4.4
43 When will the result of the Scheme Meeting be known?	<p>The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to the ASX (https://www2.asx.com.au/) and accessible on the MyDeal website https://investors.mydeal.com.au/site/investors/ASX-Announcements.</p> <p>Even if the Scheme Resolution is approved by the Requisite Majorities at the Scheme Meeting and the EGM Resolution is passed at the EGM, the Scheme will not become Effective unless Court approval of the Scheme is obtained at the Second Court Hearing and all of the Conditions are satisfied or waived (if capable of waiver).</p>	
Questions about Woolworths Group		
44 Is Woolworths Group related to MyDeal?	<p>Woolworths Group is not related to MyDeal. However, it currently has a relevant interest in 19.9% of MyDeal Shares under the Call Option. Other than under the Call Option, Woolworths Group has no other relevant interest in MyDeal Shares.</p>	Section 6.6.1
45 Who is Woolworths Group and what are its intentions for MyDeal?	<p>Woolworths Group is Australia and New Zealand's leading food and everyday needs business with strong retail platform capabilities and complementary businesses and partnerships. In the first half of FY22, Woolworths Group delivered revenue from continuing operations of \$31,894 million, EBITDA of \$2,596 million and EBIT of \$1,382 million. For more information on Woolworths Group, please see Section 6 of this Scheme Booklet.</p> <p>If the Scheme is implemented, it is intended that MyDeal will operate as a standalone business within Woolworths Group, with its own strategic objectives and governance arrangements.</p> <p>For more information on Woolworths Group's intentions, please see Section 6.4 of this Scheme Booklet.</p>	Section 6.4
46 How is Woolworths Group funding the Scheme Consideration?	<p>Woolworths Group intends to fund the aggregate amount of the Scheme Consideration through existing balance sheet capacity and bank debt facilities, as described in Section 6.5 of this Scheme Booklet.</p>	Section 6.5
Other		

	Question	Answer	Section references
47	Can I keep my MyDeal Shares?	<p>If the Scheme is approved by the Requisite Majorities at the Scheme Meeting, the EGM Resolution is passed at the EGM, the Scheme is approved by the Court, and all other Conditions are satisfied or waived (if capable of waiver) and is implemented, all your MyDeal Participating Shares will be transferred to Woolworths Group. This will happen even if you did not vote or if you voted against the Scheme. However, the Key Management Personnel through the KMP Shareholders will retain the Excluded Shares, which represent 19.8% of MyDeal.</p> <p>If the Scheme does not become Effective, and is not implemented, you will continue to hold your MyDeal Shares.</p>	Section 4.4
48	Can I sell my MyDeal Shares on the ASX before the Scheme becomes Effective?	<p>Yes, you can sell your MyDeal Shares on the ASX up to and including the Effective Date. Trading in MyDeal Shares on the ASX will be suspended following close of trading on the Effective Date, so you will not be able to sell your MyDeal Shares on the ASX after that time.</p> <p>If you sell your MyDeal Shares on the ASX:</p> <ul style="list-style-type: none"> ▪ you may pay brokerage on the sale; and ▪ you will not receive the Scheme Consideration. <p>MyDeal Shareholders may also sell their MyDeal Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 5.00 pm on the day on which the Record Date occurs.</p>	
49	Are there any other approvals required?	<p>The Scheme is conditional on the ACCC not objecting to the proposed acquisition by Woolworths Group of MyDeal.</p> <p>The Scheme must also be approved by the Court on the Second Court Date.</p> <p>If the Scheme is approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution is passed at the EGM and the other Conditions are satisfied or waived, MyDeal will apply to the Court for approval of the Scheme. Further details of the Court approval process are set out in Section 4.16 of this Scheme Booklet.</p>	Section 4.16
50	Do I need to do or sign anything to participate in the Scheme and transfer my MyDeal Shares?	<p>If the Scheme becomes Effective and the Scheme is implemented:</p> <ul style="list-style-type: none"> ▪ To participate in the Scheme (if it is implemented), you simply need to hold MyDeal Participating Shares on the Record Date. ▪ MyDeal will automatically have authority to sign a transfer document on behalf of the MyDeal Shareholders. <p>You should be aware that, if you are a MyDeal Shareholder, you will be deemed to have warranted to MyDeal, and authorised MyDeal to warrant to Woolworths Group on your behalf, that:</p> <ul style="list-style-type: none"> ▪ all of your MyDeal Participating Shares are fully paid and free from all encumbrances (for example, mortgages or other Security Interests); ▪ you have full power and capacity to transfer your MyDeal Participating Shares to Woolworths Group; and ▪ you have no existing right to be issued any MyDeal Shares. 	Section 4.14
51	Who is the Independent Expert?	The IBC appointed Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987 as Independent Expert to provide a report as to whether the Scheme is in the best interests of MyDeal Shareholders.	Attachment 1
52	How was the Independent Expert appointed?	<p>The IBC undertook a review of potential independent experts, having regard to their expertise and previous experience in similar transactions.</p> <p>The Independent Expert was selected after this process and has confirmed its independence and ability to act as Independent Expert in relation to the Scheme.</p>	
53	What if I have further questions about the Scheme?	If MyDeal Shareholders have any questions in relation to the Scheme or require further information they should call the Share Registry on 1300 737 760 (within Australia) or (+61) 2 9290 9600 (outside Australia),	Section 4.10

Question	Answer	Section references
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Monday to Friday (excluding New South Wales public holidays),
between 8.30 am and 5.30 pm (AEST).

4. Details of the Scheme and how to vote

4.1 Overview

On 20 May 2022, MyDeal announced that it had entered into the Scheme Implementation Agreement with Woolworths Group. Under the terms of the Scheme Implementation Agreement it is proposed that Woolworths Group will acquire 80.2% of the MyDeal Shares on issue by way of the Scheme and for a Scheme Consideration of \$1.05 per MyDeal Participating Share. MyDeal has agreed to propose the Scheme to MyDeal Shareholders. A copy of the Scheme Implementation Agreement is attached to MyDeal's ASX announcement of 20 May 2022 and is available on the ASX website (<https://www2.asx.com.au/>). The Scheme Implementation Agreement is summarised at Section 10.7.

At the same time as the Scheme Implementation Agreement was entered into, Sean Senvirtne granted the Call Option under which Woolworths Group can call for the sale to it of MyDeal Shares held by Sean Senvirtne equal to 19.9% of MyDeal. The Call Option is exercisable upon Woolworths Group becoming aware of, or the announcement of, a Competing Proposal. The exercise price per MyDeal Share under the Call Option is equal to the Scheme Consideration (subject to the entitlement of Sean Senvirtne to receive an additional amount above the exercise price) if Woolworths Group on-sells the relevant MyDeal Shares within 12 months after the completion of the Call Option and the amount per MyDeal Share received by Woolworths Group is greater than the exercise price.

Key Management Personnel (through their respective KMP Shareholder) will retain 19.8% of MyDeal after the Implementation Date of the Scheme. These MyDeal Shares are referred to as the Excluded Shares. The Key Management Personnel are Sean Senvirtne, Kate Dockery and Dean Ramler, each of whom will remain in the MyDeal business after the Scheme becomes Effective.

The Excluded Shares will not be voted at the Scheme Meeting or at the EGM, will not participate in the Scheme and will not receive the Scheme Consideration.

However, an aggregate of 79,086,736 MyDeal Shares (representing 38.12% of MyDeal Shares) held by entities Controlled by Sean Senvirtne and the other Key Management Personnel (other than the KMP Shareholders) will participate in the Scheme. As a consequence, these MyDeal Participating Shares will vote at the Scheme Meeting and receive the Scheme Consideration. These MyDeal Participating Shares will not, however, vote at the EGM.

Woolworths Group and Key Management Personnel (or, in the case of the Shareholders Agreement, the KMP Shareholders) will enter into certain Post-Implementation Agreements on or around the Implementation Date to regulate the operation and governance of MyDeal. Further details of the Post-Implementation Agreements are contained in Section 9.

Under the Shareholders Agreement, Woolworths Group and the KMP Shareholders have granted the Put and Call Options in relation to the Excluded Shares under which either Woolworths Group or the relevant KMP Shareholder may trigger a buy-out of the Excluded Shares in the period after the Scheme is implemented (generally after 3 to 4 years).

For the reasons set out in Section 9, the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options must be approved by Non-associated MyDeal Shareholders by the passing of the EGM Resolution at the EGM. This is despite the fact that the Put and Call Options will not come into force until on or around the Implementation Date.

The Scheme is conditional on the EGM Resolution being passed. Further information about the EGM Resolution is also contained in Section 9.

4.2 Key steps

The key steps to implement the Scheme are:

- At the Scheme Meeting, MyDeal Shareholders will have an opportunity to vote to approve the Scheme Resolution.
- At the EGM, Non-associated MyDeal Shareholders will have an opportunity to vote to approve the EGM Resolution.
- If MyDeal Shareholders approve the Scheme Resolution by the Requisite Majorities at the Scheme Meeting, the EGM Resolution is approved at the EGM and all other Conditions (other than Court approval) have been satisfied or waived (if capable of waiver), MyDeal will apply to the Court for approval of the Scheme.
- If the Court approves the Scheme, MyDeal will lodge with ASIC a copy of the Court orders approving the Scheme. The date on which this occurs will be the Effective Date, and will be the last day for trading of MyDeal Shares on the ASX.
- On the Implementation Date, Woolworths Group will acquire all of the MyDeal Participating Shares from MyDeal Shareholders and will pay the Scheme Consideration.
- After the Scheme becomes Effective, MyDeal will apply for suspension of trading in MyDeal Shares, and MyDeal will be removed from the official list of the ASX.

4.3 Scheme Consideration

If the Scheme is implemented, MyDeal Shareholders on the Register on the Record Date (being 7.00 pm (AEST) on the second Business Day following the Effective Date), will receive the Scheme Consideration of \$1.05 cash per MyDeal Participating Share in respect of the MyDeal Participating Shares they hold on the Record Date.

The Scheme Consideration will be paid on the Implementation Date.

All payments will be made in AUD by electronic funds transfer to an Australian bank account nominated by the MyDeal Shareholder in accordance with that election. If no Australian bank account has been nominated and no other arrangements have been agreed with MyDeal, a cheque for the relevant amount in Australian currency will be dispatched by prepaid post to that MyDeal Shareholder's Registered Address.

For MyDeal Shares held in joint names, the relevant payment will be made to the joint holders and the cheque will be sent to the holder whose name appears first in the Register as at the Record Date.

MyDeal may cancel a cheque if it is returned to MyDeal or has not been presented for payment within six months after the date on which the cheque was sent, and the *Unclaimed Money Act 2008* (Vic) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' under that Act.

If the Scheme Meeting is adjourned or the Effective Date is otherwise delayed, payments of the Scheme Consideration to MyDeal Shareholders described above may also be delayed.

Under the terms of the Scheme, Woolworths Group is required to deposit (or procure the deposit of) an amount equal to the aggregate amount of the Scheme Consideration into an Australian dollar denominated trust account, operated by MyDeal as trustee for the MyDeal Shareholders, by no later than the Business Day before the Implementation Date. Then, on the Implementation Date, MyDeal will procure the payment from the trust account of the Scheme Consideration to each MyDeal Shareholder in accordance with the above.

4.4 Your choices as a MyDeal Shareholder

As a MyDeal Shareholder, you have the following choices:

- you can vote for or against the Scheme at the Scheme Meeting in person, online, by attorney, by proxy or, in the case of corporate shareholders, by corporate representative;
- you can elect not to vote at the Scheme Meeting;
- you can sell your MyDeal Shares on market at any time before the close of trading on the ASX on the Effective Date;
- you can sell your MyDeal Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 5.00 pm on the day on which the Record Date occurs; or
- you can do nothing, in which case:
 - if the Scheme becomes Effective and is implemented, your MyDeal Participating Shares will be transferred to Woolworths Group and you will receive the Scheme Consideration; or
 - if the Scheme does not become Effective and is not implemented, you will continue to hold your MyDeal Shares.

You should be aware that even if you do not attend the Scheme Meeting, or do not vote, or vote against the Scheme, the Scheme may still be implemented if MyDeal Shareholders approve the Scheme Resolution by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting, the EGM Resolution is approved at the EGM, the Scheme is approved by the Court, and if the Scheme becomes unconditional. If this occurs, any MyDeal Participating Shares that you hold on the Record Date will be transferred to Woolworths Group and you will receive the Scheme Consideration for those MyDeal Participating Shares, even though you did not vote on, or voted against, the Scheme.

4.5 How to vote in person

MyDeal Shareholders can attend the Scheme Meeting and EGM in person at Maddocks, Level 25, Tower 2, 727 Collins Street, Melbourne VIC 3000 and vote during the meetings using the electronic voting devices which will be provided at the meetings.

4.6 How to vote online

Vote online at the Scheme Meeting and EGM: via <https://web.lumiagm.com/363261076> (see below for details).

How to attend and vote online:

- MyDeal Shareholders can watch and participate in the Scheme Meeting and EGM online via the online platform at <https://web.lumiagm.com/363261076> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.
- Please refer to the Lumi Online Meeting Guide available at <https://www.reportsonline.net.au/?documentid=A35DC1332D60425EB8B70AF4EA07F73A> for further information.
- **Your username** is your SRN / HRN

- **Your password** is your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the user guide for their password details.

Participation in the Scheme Meeting and EGM online enables MyDeal Shareholders to view the Scheme Meeting and EGM live, ask questions and cast votes at the appropriate times during the meetings.

4.7 How to vote by attorney or corporate representative

Persons who are attending in person or virtually as an attorney must provide a certified copy of the power of attorney to the Share Registry by no later than 10.45 am (AEST) on 4 September 2022.

Persons who are attending as a corporate representative for a corporation must provide evidence of their appointment. The appointment must comply with section 250D of the Corporations Act and must be lodged with the Share Registry. You should contact the Share Registry on how to lodge the authority to act as a corporate representative.

4.8 How to vote by proxy

All Proxy Forms, together with any power of attorney or authority under which the Proxy Form is signed, must be received no later than 10.45 am (AEST) on 4 September 2022 (48 hours prior to the commencement of the Scheme Meeting). Proxy votes received after this time will be invalid.

Your appointment of a proxy does not preclude you from attending and voting at the Scheme Meeting and EGM. The appointment of your proxy is not revoked merely by your attendance to, and participation in, the Scheme Meeting and EGM. However if you vote on the Scheme, any vote made by your proxy on your behalf will not be counted.

Proxy Forms may be submitted in one of the following ways:

- by mail to Boardroom Pty Limited at GPO Box 3993, Sydney NSW 2001;
- by fax to Boardroom Pty Limited on +61 2 9290 9655 (within Australia);
- online via www.votingonline.com.au/mydsm2022; or
- by hand delivery to Boardroom Pty Limited at Level 12, 225 George Street, Sydney NSW 2000.

4.9 Eligibility to vote

The time for determining eligibility to vote at the Scheme Meeting and EGM is 7.00 pm (AEST) on 4 September 2022. Only those MyDeal Shareholders entered on the Register at that time will be entitled to attend and vote at the Scheme Meeting. Non-associated MyDeal Shareholders entered on the Register at that time will be entitled to vote at the EGM.

4.10 How to ask questions

MyDeal Shareholders who would like to ask questions at the Scheme Meeting and EGM are encouraged to do so in writing before the Scheme Meeting by emailing their questions to vanessa.chidrawi@mydeal.com.au.

Alternatively MyDeal Shareholders can submit questions when attending the Scheme Meeting and EGM. More information regarding how to participate in the Scheme Meeting and EGM (including virtual participation and how to ask questions online during the meeting) is set out in Section 4.5 and in the Notices of Meeting set out at Attachment 4.

4.11 Record Date

Those MyDeal Shareholders on the Register on the Record Date, being 7.00 pm (AEST) on the second Business Day following the Effective Date, will be entitled to receive the Scheme Consideration in respect of the MyDeal Participating Shares they hold as at the Record Date.

4.12 No trading on ASX after Effective Date

After the Scheme becomes Effective, MyDeal will apply for suspension of trading in MyDeal Shares. The last date for trading MyDeal Shares on the ASX will be the Effective Date.

4.13 Determination of entitlement to Scheme Consideration

For the purposes of establishing who are the MyDeal Shareholders entitled to receive the Scheme Consideration, dealings in MyDeal Participating Shares will only be recognised if:

- in the case of dealings of the type to be effected by CHESS, the transferee is registered in the Register as the holder of the relevant MyDeal Participating Shares on or before the Record Date; and
- in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before 5.00 pm on the day on which the Record Date occurs.

Subject to the Corporations Act, Listing Rules and MyDeal's constitution, MyDeal must register transmission applications or transfers which it receives by 5.00 pm on the day on which the Record Date occurs. MyDeal will not accept for registration or recognise for any purpose any transmission application or transfer in respect of MyDeal Participating Shares received after that time.

4.14 Deemed warranty that MyDeal Shares are fully paid and free of encumbrances on transfer of MyDeal Shares to Woolworths Group

Under the terms of the Scheme, each MyDeal Shareholder is deemed to have warranted to Woolworths Group, and appointed and authorised MyDeal as its attorney and agent to warrant to Woolworths Group that all of their MyDeal Participating Shares (including any rights and entitlements attaching to their MyDeal Participating Shares) will, at the time of the transfer, be fully paid and free from all encumbrances (such as mortgages and other Security Interests), that they have full power and capacity to transfer their MyDeal Participating Shares (including any rights and entitlements attaching to those MyDeal Participating Shares) to Woolworths Group and that they have no existing right to be issued any MyDeal Participating Shares.

Under the terms of the Scheme, MyDeal undertakes that it will provide such warranties to Woolworths Group as agent and attorney of each MyDeal Shareholder.

You should ensure that your MyDeal Participating Shares are free of all encumbrances (such as mortgages or other Security Interests).

MyDeal Shareholders should be aware that, to the extent that this warranty is untrue in respect of their MyDeal Participating Shares, and their MyDeal Participating Shares are not transferred under the Scheme free from all encumbrances, they may be liable to compensate Woolworths Group for any damage caused to Woolworths Group resulting from that failure to transfer.

4.15 Deed Poll

On or about 29 July 2022, Woolworths Group executed the Deed Poll under which Woolworths Group agreed, subject to the Scheme becoming Effective, to pay the Scheme Consideration to MyDeal for distribution to MyDeal Shareholders and acquire all MyDeal Participating Shares held by MyDeal Shareholders under the Scheme. A summary of the key terms of the Deed Poll is set out in 10.11. A copy of the Deed Poll is also included at Attachment 2.

4.16 Court approval

MyDeal will apply to the Court for an order approving the Scheme if:

- the Scheme is approved by the Requisite Majorities of MyDeal Shareholders at the Scheme Meeting;
- the EGM Resolution is approved at the EGM; and
- all other Conditions to the Scheme (except Court approval of the Scheme) have been satisfied or waived (if capable of waiver).

The Court has discretion as to whether to grant the orders approving the Scheme, even if the Scheme is approved by the Requisite Majorities, and the EGM Resolution is passed at the EGM.

Each MyDeal Shareholder and, with the Court's permission, any other interested person has the right to appear at the Second Court Date.

The Second Court Date is currently scheduled to be 9.15 am (AEST) on 13 September 2022, though an earlier date may be sought. Any change to this date will be notified on MyDeal's website at <https://investors.mydeal.com.au/site/investors/ASX-Announcements>.

5. Information on MyDeal

5.1 Overview of MyDeal

5.1.1 Overview and history

MyDeal is an online marketplace and retailer focused on home and lifestyle goods. MyDeal currently has more than 2,049 sellers (of which 1,373 are considered active sellers as at 30 June 2022) on its platform with over 6 million product stock keeping units (**SKUs**) listed across over 2,000 categories (with the number of SKUs available for sale at any time determined by sellers).

In 2022 MyDeal launched Amazed.com (**Amazed**), a marketplace of activities and experiences built for locals. Over 250 suppliers are already on the marketplace, including Melbourne Zoo, Liberty Balloon Flights and Experience Co.

MyDeal is a technology led business and has largely built its scale:

- by building both sides of the marketplace (attracting both consumers and sellers) concurrently; and
- on internally developed proprietary marketplace technology whereas certain other Australian retailers have built their marketplaces on leased technology from third party software providers.

A brief history of MyDeal is set out below.

Calendar Year	Highlight
2011	<p>Sean Senvirtne (Founder and CEO) observed a number of group buying/daily deal websites (e.g. Groupon) were gaining traction and launched a similar business from his apartment in Southbank, Victoria under the mydeal.com.au website.</p> <p>MyDeal was able to negotiate discounted packages with restaurants, beauty parlours and other service providers and sell them online through the website.</p> <p>To support the business launch, MyDeal raised \$150,000 in seed capital.</p>
2012	<p>The MyDeal business model evolved from group buying into selling products sourced from overseas and local suppliers.</p> <p>The Company outgrew the apartment and relocated to a warehouse in Ascot Vale, Victoria and began importing containers of products from China.</p>
2013 – 2015	<p>The capital-intensive requirements of sourcing additional inventory and warehouse space became an encumbrance.</p> <p>In response, MyDeal began selling products on a drop ship fulfilment basis which enabled the business to increase its product range, resulting in rapid business growth.</p>
2016	<p>Given the pivot to the drop ship model, MyDeal shut down the warehouse and moved into the Melbourne CBD to focus on developing an online marketplace platform.</p> <p>MyDeal was one of the first online retailers in Australia to adopt the online marketplace model.</p>

2017	In March MyDeal completed a \$5.0 million Series A capital raise from Gandel Invest. The funding allowed MyDeal to accelerate development of its marketplace technology platform.
2018 – 2019	MyDeal built integrations or API connections with a number of leading e-commerce software platforms and channel partners including Shopify (including a Shopify App), Magento, WooCommerce, Neto, ChannelAdvisor, and IntelligentReach. These integrations have enabled MyDeal to rapidly increase the number of sellers and products on the marketplace by largely automating the onboarding and maintenance of sellers' products.
2020	On 22 October 2020, MyDeal.com.au Limited was admitted to the Official List of ASX Limited with the ASX code MYD. Introduced private label in-stock brands to the MyDeal platform.
2021	Introduced third party in-stock brands to the MyDeal platform. Launched the MyDeal iOS and Android apps, with 315,000 downloads by 31 December 2021.
2022	Reached 1,051,701 active customers as at 30 June 2022. Launched Amazed.com, a global marketplace of activities and experiences built for locals.

5.1.2 Current operations

MyDeal is organised as two reportable segments as follows:

- Marketplace - which relates to the sale of home and lifestyle products by third party sellers who remain responsible for inventory and distribution.
- In-stock - which relates to the sale of home and lifestyle products where MyDeal.com.au remains responsible for inventory and distribution.

The sources of revenue are from commission earned on third party sales through the MyDeal marketplace and revenue from the sale of private label products and third-party branded products as part of its in-stock business.

5.1.3 MyDeal Group structure

The following entities are Subsidiaries of MyDeal:

Name	Country of incorporation	Ownership Interest
E-Com (Aus) Pty Ltd	Australia	100%
Duke Living Pty Ltd	Australia	100%
Amazed.com Pty Ltd	Australia	100%

5.2 Directors and senior management

5.2.1 MyDeal Board

At the date of this Scheme Booklet, the MyDeal Board is comprised of the following directors:

Name	Current Position
Paul Greenberg	Chairman – Independent Non-Executive
James Joughin	Director – Independent Non-Executive
Chris Tait	Director – Independent Non-Executive
Sean Senvirtne	Director and Chief Executive Officer

5.2.2 The MyDeal Board's intentions

Subject to the Scheme becoming Effective, on the Implementation Date, all current MyDeal Directors (other than Sean Senvirtne) will resign as directors of MyDeal and the MyDeal Board will be reconstituted so that it consists of Sean Senvirtne, nominees of Woolworths Group and a newly appointed independent director. It will be for the reconstituted MyDeal Board to determine its intentions as to:

- (a) the continuation of the business of MyDeal;
- (b) any major changes to be made to the business of MyDeal; and
- (c) the future employment of the present employees of MyDeal.

The current intentions of Woolworths Group with respect to these matters are set out in Section 6.4.3.

If the Scheme is not implemented, the existing MyDeal Board intends to continue the business of MyDeal as it is now conducted, and MyDeal may require further funding over the medium term.

5.2.3 MyDeal senior management

At the date of this Scheme Booklet, MyDeal's senior management personnel are:

Name	Current Position
Sean Senvirtne	Chief Executive Officer
Josh Mangan	Chief Operating Officer
Lachlan Freeman	Chief Financial Officer

5.3 Capital Structure

5.3.1 MyDeal Shares on issue

The equity structure of MyDeal as at the date of this Scheme Booklet is as follows:

Type of Security	Number on Issue
Fully paid ordinary MyDeal Shares	258,827,306
MyDeal Incentive Plan Options	12,925,696

Under the Scheme Implementation Agreement, MyDeal must ensure that there are no outstanding MyDeal Incentive Plan Options by no later than the Effective Date.

The MyDeal Directors intend to procure that all of the MyDeal Incentive Plan Options are cancelled no later than the Effective Date.

To the extent that the exercise price of the relevant MyDeal Incentive Plan Option is less than the Scheme Consideration, the holder of the MyDeal Incentive Plan Option will on cancellation receive a cash payment equal to the difference between the exercise price and the Scheme Consideration. All other MyDeal Incentive Plan Options will be cancelled for nil consideration on the Effective Date.

The total amount payable by MyDeal in relation to the cancellation of the MyDeal Incentive Plan Options is \$4,050,235.

5.3.2 MyDeal substantial shareholders

As at the Last Practicable Date the substantial shareholders of MyDeal Shares are:

Substantial Shareholder	Number of MyDeal Shares	Percentage of Issued Capital
Sean Senvirtne ¹²	126,966,347	49.05%
Aavasan Pty Ltd (“Gandel Invest”)	39,617,841	15.31%
Silver Globe Investments Pty Ltd	34,173,853	13.20 %

Note: Woolworths Group also holds a relevant interest in 19.9% of MyDeal’s share capital by virtue of the Call Option described in Section 4.1 and Section 6.6.1.

5.3.3 Other MyDeal Securities

MyDeal has no securities on issue other than MyDeal Shares and MyDeal Incentive Plan Options.

¹² Includes 4.47m MyDeal Shares held by or Controlled by Kate Dockery, Sean Senvirtne’s partner.

5.4 Historical Financial information

The financial information in this Section is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet only. The key financial information has been extracted from MyDeal's financial results for FY20 and FY21 respectively and the six months ended on 31 December 2020 and 31 December 2021 which, as relevantly applicable, were audited or reviewed by Pitcher Partners.

The financial information of MyDeal is presented in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act, and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements.

Further details about MyDeal's financial performance can be found on MyDeal's website at <https://investors.mydeal.com.au/site/content/>.

5.4.1 Statement of Profit or Loss and Other Comprehensive Income

AUD	Half Year ended 31-Dec-21 (reviewed)	Half Year ended 31-Dec-20 (reviewed)	Full Year ended 30-Jun-21 (audited)	Full Year ended 30-Jun-20 (audited)
Continuing operations				
Revenue and other income				
Revenue from contracts with customers	32,895,659	21,206,021	38,271,998	15,335,680
Cost of sales	(10,236,925)	(2,307,330)	(4,926,100)	(84,094)
Gross profit	22,658,734	18,898,691	33,345,898	15,251,586
Other revenue	7,056	485,264	117,224	426,995
Less: Expenses				
Advertising expense	(15,480,931)	(13,891,264)	(23,032,201)	(8,575,077)
Depreciation and amortisation expense	(772,536)	(252,419)	(751,657)	(286,228)
Distribution expense	(3,221,539)	(1,198,611)	(2,789,787)	(23,414)
Employee benefits expense	(5,159,500)	(2,016,276)	(5,052,221)	(2,908,672)
Finance costs	(16,732)	(104,333)	(104,502)	(51,309)
Merchant fees	(2,247,141)	(1,832,038)	(3,236,011)	(1,472,908)
Occupancy expense	(59,292)	(41,868)	(80,993)	(74,496)
Professional fees	(770,242)	(327,804)	(843,799)	(480,537)
Software expenses	(1,413,371)	(979,896)	(1,984,092)	(1,147,445)
Other expenses	(393,286)	(495,663)	(893,068)	(326,863)
	(29,534,570)	(21,140,172)	(38,768,331)	(15,346,949)
Profit/(loss) before income tax expense	(6,868,780)	(1,756,217)	(5,305,209)	331,632
Income tax (expense)/benefit	--	(550,120)	(550,120)	517,600
Net Profit/(loss) from continuing operations	(6,868,780)	(2,306,337)	(5,855,329)	849,232
Other comprehensive income for the year	--	--	--	--
Total comprehensive income	(6,868,780)	(2,306,337)	(5,855,329)	849,232

5.4.2 Consolidated Statement of Financial Position

AUD	31-Dec-21 (reviewed)	30-Jun-21 (audited)
Current assets		
Cash and cash equivalents	40,173,747	42,674,560
Receivables	471,315	351,967
Inventories	11,314,851	5,326,581
Other assets	1,990,860	922,099
Total current assets	53,950,773	49,275,207
Non-current assets		
Intangible assets	2,755,613	1,952,469
Lease assets	674,829	124,053
Property, plant & equipment	725,136	261,222
Total non-current assets	4,155,578	2,337,744
Total assets	58,106,351	51,612,951
Current liabilities		
Payables	29,430,972	19,083,329
Lease liabilities	81,466	154,489
Provisions	729,523	554,092
Other liabilities	2,321,463	925,106
Total current liabilities	32,563,424	20,717,016
Non-current liabilities		
Lease liabilities	671,666	--
Provisions	79,736	67,377
Total non-current liabilities	751,402	67,377
Total liabilities	33,314,826	20,784,393
Net assets	24,791,525	30,828,558
Equity		
Contributed capital	40,771,727	40,771,727
Reserves	836,284	4,537
Accumulated losses	(16,816,486)	(9,947,706)
Total equity	24,791,525	30,828,558

5.4.3 Consolidated Statement of Cash Flows

AUD	Half Year ended 31-Dec-21 (reviewed)	Half Year ended 31-Dec-20 (reviewed)	Full Year ended 30-Jun-21 (audited)	Full Year ended 30-Jun-20 (audited)
Cash flow from operating activities				
Receipts from customers	160,699,467	134,712,827	229,381,111	106,603,916
Payments to suppliers and employees	(161,214,064)	(134,809,254)	(233,245,212)	(94,626,335)
Interest received	26,325	6,047	42,139	22,080
Interest paid	(15)	(14,841)	(9,881)	(104)
Income tax paid	--	--	(32,520)	--
Net cash provided by/(used in) operating activities	(488,287)	(105,221)	(3,864,363)	11,999,557
Cash flow from investing activities				
Payment for property, plant and equipment	(571,196)	(54,970)	(279,087)	(45,074)
Payment for intangibles	(1,378,095)	(977,897)	(2,283,365)	(278,733)
Net cash provided by/(used in) investing activities	(1,949,291)	(1,032,867)	(2,562,452)	(323,807)
Cash flow from financing activities				
Proceeds from share issue	--	32,568,611	32,456,811	2,950,000

Repayment of borrowings	--	--	--	(24,919)
Repayment of lease principal	(46,518)	--	(152,319)	(130,638)
Repayment of leases interest	(16,717)	(77,394)	(12,072)	(18,940)
Net cash provided by/(used in) financing activities	(63,235)	32,491,217	32,292,420	2,775,503
Reconciliation of cash				
Cash and cash equivalents at beginning of year	42,674,560	16,796,288	16,808,955	2,357,702
Net increase in cash held	(2,500,813)	31,353,129	25,865,605	14,451,253
Cash and cash equivalents at end of the year	40,173,747	48,149,417	42,674,560	16,808,955

5.5 Current trading commentary and outlook

On 12 July 2022 MyDeal released its Q4 FY22 Activities Report (**Quarterly Report**) to the ASX. The Quarterly Report disclosed the following unaudited financial information in relation to FY22 on a full year basis:

- gross sales for the 12 months ended 30 June 2022 of \$272.2 million¹³;
- revenue for the same period of \$65.4 million; and
- cash balance as at 30 June 2022 of \$32.4 million.

Further information is contained in the Quarterly Report which is available on the ASX website (<https://www2.asx.com.au/>) and MyDeal's website (<https://investors.mydeal.com.au/site/investors/ASX-Announcements>).

5.6 Material changes in MyDeal's financial position since 31 December 2021

Other than:

- the accumulation of losses in the ordinary course of trading;
- in accordance with generally known market conditions;
- as disclosed elsewhere in this Scheme Booklet;
- as disclosed to the ASX by MyDeal.

so far as the MyDeal Board is aware, the financial position of MyDeal has not materially changed since 31 December 2021.

5.7 Recent MyDeal Share price performance

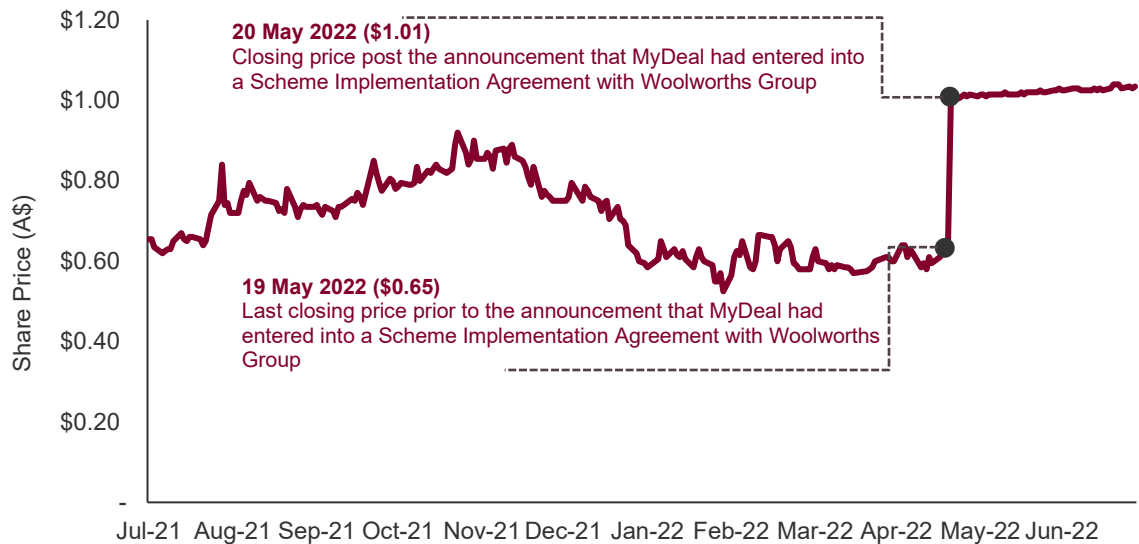
MyDeal Shares are listed on ASX under the trading code "ASX:MYD". On 19 May 2022, the last trading day before the announcement made by MyDeal to ASX on 20 May 2022 that it had entered into a Scheme Implementation Agreement with Woolworths Group, the MyDeal Share price closed at \$0.65. On 20 May 2022, the date of the announcement made by MyDeal that it had entered a Scheme Implementation Agreement with Woolworths Group, the MyDeal Share price closed at \$1.01. From the day after the announcement of the Scheme to the Last Practicable Date, the closing price of MyDeal Shares has ranged between \$1.01 and \$1.04.

During the three months ending on the Last Practicable Date:

¹³ "Gross Sales" or "Gross Transaction Value" ("GTV") is a non-IFRS metric that represents the total value (unaudited) of transactions processed by MyDeal (including marketplace and in-stock), on a cash-basis, before deducting refunds, chargebacks, discounts and coupons but after deducting GST.

- the highest recorded daily closing price for MyDeal Shares on ASX was \$1.04 on 19 July 2022; and
- the lowest recorded daily closing price for MyDeal Shares on ASX was \$0.58 on 11 May 2022.

Recent MyDeal Share price Performance



Source: Bloomberg

5.8 MyDeal's publicly available information

MyDeal is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a company listed on the ASX, MyDeal is subject to the Listing Rules which require (subject to some exceptions) immediate disclosure of any information of which MyDeal becomes aware that a reasonable person would expect to have a material effect on the price or value of MyDeal Shares. ASX maintains files containing publicly disclosed information about all companies listed on the ASX. Information disclosed to ASX by MyDeal is available on the ASX website at www.asx.com.au. In addition, MyDeal is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by MyDeal may be obtained from an ASIC office.

6. Information on Woolworths Group

6.1 Introduction

The information contained in this Section 6 has been prepared by Woolworths Group. The information concerning Woolworths Group and the intentions, views, opinions and funding considerations contained in this Section are the responsibility of Woolworths Group. MyDeal and its directors, officers and Advisers do not assume any responsibility for the accuracy or completeness of this information.

6.2 Overview of Woolworths Group

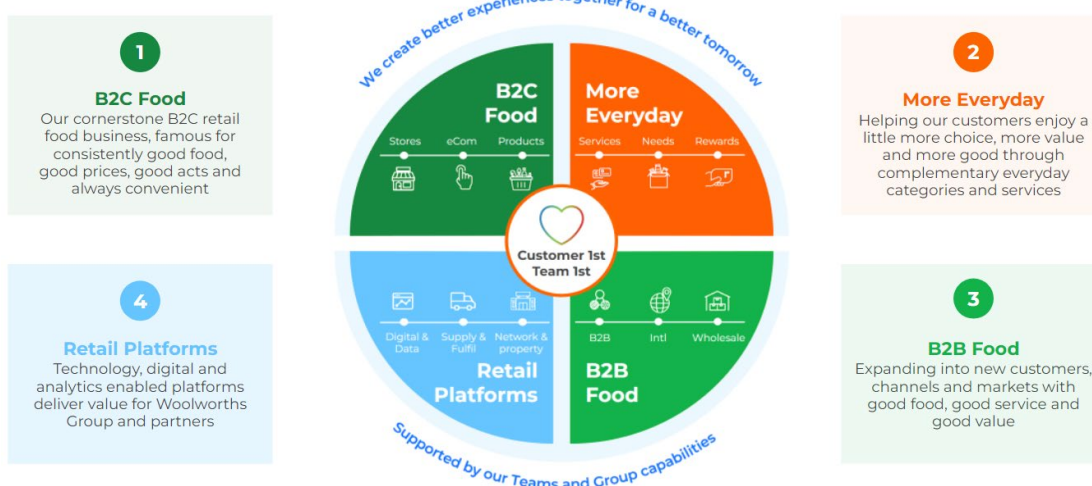
6.2.1 Principal business and operations of Woolworths Group

Woolworths Group is Australia and New Zealand's leading food and everyday needs business with strong retail platform capabilities and complementary businesses and partnerships.

The Woolworths Group's purpose of "creating better experiences together for a better tomorrow" defines the framework for how Woolworths Group aspires to operate - to be purpose led and customer and team focused.

Woolworths Group food and everyday needs ecosystem

Our Retail Ecosystem: Bringing our customers **Good Food** and **More Everyday**



Key assets and capabilities relevant in the context of this transaction are as follows:

Strong B2C retail food business and own brand capabilities	Industry-leading digital, data and last mile capabilities	Complementary businesses and partnerships
Supermarkets & Food Stores¹⁴ <ul style="list-style-type: none">Australia and New Zealand's leading	Digital and data <ul style="list-style-type: none">Strong digital platforms via Group websites and Apps	BIG W¹⁴ <ul style="list-style-type: none">176 large format stores offering general

¹⁴ Store numbers and customer data as at 3 April 2022.

Strong B2C retail food business and own brand capabilities	Industry-leading digital, data and last mile capabilities	Complementary businesses and partnerships
<p>supermarket network, with 999 Woolworths Supermarkets in Australia and 186 Countdown stores in New Zealand</p> <ul style="list-style-type: none"> 82 Metro Food Stores in Australia Established store renewal program and pipeline of new stores <p>The Woolworths Food Company</p> <ul style="list-style-type: none"> Develops new products, categories and strategic sourcing relationships with industry partners Includes Macro Wholefoods, Thomas Dux and other category brands 	<ul style="list-style-type: none"> Data and analytics capabilities driven by Rewards transaction data and Quantum partnership <p>Loyalty¹⁴</p> <ul style="list-style-type: none"> 13.5 million members across Everyday Rewards and 1.8 million members across Countdown Onecard <p>Last Mile</p> <ul style="list-style-type: none"> Industry leader in grocery eCommerce in Australia and New Zealand Wide range of services through Direct to Boot, Same Day and Next Day Delivery, Delivery Unlimited Subscription and Delivery Now 	<p>merchandise and everyday needs</p> <p>Quantum</p> <ul style="list-style-type: none"> 77.65% shareholding in Quantum, a leading data-driven insights and advanced analytics company <p>PFD Food Services</p> <ul style="list-style-type: none"> 65% shareholding in PFD, a leading B2B foodservice business <p>Endeavour Group</p> <ul style="list-style-type: none"> 14.6% shareholding in Endeavour Group, Australia's leading retail drinks and hospitality business <p>Complementary partnerships</p> <ul style="list-style-type: none"> Creates better experiences and offers for customers through loyalty partners (e.g, Qantas Frequent Flyer, Ampol, BWS and EuroGarages)

In H1F22, Woolworths Group delivered revenue from continuing operations of \$31,894 million, EBITDA of \$2,596 million and EBIT of \$1,382 million.

6.2.2 Board of Woolworths Group

The members of the Woolworths Group Board as at the date of this Scheme Booklet are:

Gordon Cairns	Independent Chairman
Brad Banducci	Chief Executive Officer and Managing Director
Maxine Brenner	Independent Non-Executive Director

Jennifer Carr-Smith	Independent Non-Executive Director
Philip Chronican	Independent Non-Executive Director
Holly Kramer	Independent Non-Executive Director
Siobhan McKenna	Independent Non-Executive Director
Scott Perkins	Independent Non-Executive Director
Kathee Tesija	Independent Non-Executive Director

6.3 Rationale for proposed acquisition of MyDeal

The rationale for the acquisition of MyDeal is to enhance Woolworths Group's marketplace capabilities, particularly in furniture, homewares, everyday needs, and support the growth of the Woolworths Group ecosystem. It will complement BIG W's existing general merchandise offer and is consistent with Woolworths Group's strategy to 'Connect our customers with Good Food and More Everyday'.

Woolworths Group believes its capabilities across loyalty, eCommerce, supply chain and retail media will help support the growth of the MyDeal marketplace platform.

6.4 Woolworths Group's intentions for MyDeal if the Scheme is implemented

If the Scheme is implemented, the current intentions of Woolworths Group are as set out below. The statements made in this Section 6.4 are statements of Woolworths Group's present intentions only and are based on facts and information concerning MyDeal which are known to Woolworths Group as at the date of this Scheme Booklet. Final decisions on these matters will be made by Woolworths Group in light of all material facts and circumstances at the relevant time. In addition, Woolworths Group and the KMP Shareholders propose to enter into the Shareholders Agreement which will apply to the business and operations of MyDeal and regulate Woolworths Group's ability to give effect to its intentions. Accordingly, the statements set out in this Section may change as new information becomes available or as circumstances change, and the statements in this Section should be read in this context.

6.4.1 Business operations

If the Scheme is implemented, it is intended that MyDeal will operate as a standalone business within Woolworths Group, with its own strategic objectives and governance arrangements.

Woolworths Group will provide MyDeal access to its retail capabilities and expertise, and over time, Woolworths Group and MyDeal will pursue opportunities to unlock value between the two businesses.

Certain Post-Implementation Agreements will be put in place from implementation of the Scheme to support the operational partnership between Woolworths Group and MyDeal. A summary of these agreements is included in Section 9.

6.4.2 Head office

If the Scheme is implemented, it is currently intended that MyDeal's head office will remain in Melbourne, Victoria.

6.4.3 MyDeal Board

It is proposed that the MyDeal Board will be reconstituted so that it comprises:

- 3 directors (including the Chairperson) nominated by Woolworths Group;
- Sean Senvirtne; and
- 1 independent director.

The identities of the Woolworths Group nominee directors and the independent director have not been determined as at the date of this Scheme Booklet; however, it is anticipated that the MyDeal Board will only be reconstituted at the time the Scheme is implemented.

6.4.4 Corporate Structure and Shareholders' Agreement

If the Scheme is implemented:

- Woolworths Group will become the holder of 80.2% of MyDeal Shares; and
- Key Management Personnel will retain an aggregate of 19.8% of MyDeal.

It is proposed that, subject to implementation of the Scheme, KMP Shareholders, MyDeal and Woolworths Group will enter into the Shareholders' Agreement which will document rights and obligations of Woolworths Group and the KMP Shareholders as shareholders of MyDeal. A summary of the Shareholders Agreement is provided in Section 9.

6.4.5 Management team and employees

The knowledge and experience of MyDeal's management team and employees are an integral part of MyDeal's business and success. It is proposed that Sean Senvirtne will continue as the Chief Executive Officer of MyDeal post-implementation, and Sean Senvirtne in conjunction with the other Key Management Personnel and MyDeal's broader management team will lead the business in partnership with Woolworths Group.

6.4.6 Delisting

If the Scheme becomes Effective, Woolworths Group will require that MyDeal applies to the ASX for removal from the official list of the ASX shortly after the Implementation Date.

6.5 Funding of the Scheme Consideration

If the Scheme is approved and implemented, each MyDeal Shareholder will be entitled to receive \$1.05 for each MyDeal Participating Share they own as at the Record Date. The Scheme Consideration will be paid wholly in cash.

The maximum amount expected to be required to fund the Scheme Consideration is approximately \$217,843,260 based on MyDeal's issued share capital as at the date of

this Scheme Booklet and on the basis that all MyDeal Incentive Plan Options on issue as at the date of this Scheme Booklet are cancelled (as set out in Section 5.3.1) by no later than the Effective Date, such that no additional funding is required to be provided by Woolworths Group on account of the MyDeal Incentive Plan Options on issue as at the date of this Scheme Booklet.

Woolworths Group intends to fund the aggregate amount of the Scheme Consideration via existing balance sheet capacity and bank debt facilities. As at 2 January 2022 (being the date of Woolworths Group's F22 half-year accounts), Woolworths Group had \$1.0bn of cash and \$3.0bn of undrawn committed bank loan facilities. Although these amounts may vary, it is anticipated that in aggregate they will materially exceed the aggregate amount of the Scheme Consideration at all times until the Implementation Date.

Woolworths Group believes it has reasonable grounds to believe that it will be able to satisfy its obligations to fund the Scheme Consideration as and when it is due and payable under the terms of the Scheme.

6.6 Woolworths Group's interest in MyDeal Shares

6.6.1 Relevant interests in MyDeal Shares

As announced to the ASX on 20 May 2022, Woolworths Group has entered into a Call Option with Sean Senvirtne over 51,506,634 MyDeal Shares (representing 19.9% of the total issued MyDeal Shares). Under the Call Option, Woolworths Group may, on the earlier of:

- being aware of the receipt by MyDeal of a competing proposal; or
- the announcement of a competing proposal,

by giving notice in writing, require Sean Senvirtne to sell to Woolworths Group or its nominee, all of the MyDeal Shares the subject of the Call Option. Further details of the Call Option are set out in Section 4.1.

Accordingly, Woolworths Group has a relevant interest in the MyDeal Shares the subject of the Call Option pursuant to section 608 of the Corporations Act. A copy of the Call Option was released to ASX on 23 May 2022 as an attachment to Woolworths Group's Notice of initial substantial holder.

Other than as set out in this Scheme Booklet, as at the date of this Scheme Booklet, none of Woolworths Group or any of its associates has any relevant interest in any MyDeal Shares.

6.6.2 Dealings in MyDeal Shares in the previous four months

Other than under the Scheme, the Call Option, or the Post-Implementation Agreements, none of Woolworths Group or any of its associates has provided or agreed to provide consideration for any MyDeal Shares under any other transaction during the period of four months before the date of this Scheme Booklet. See Section 9 for further information on the Post-Implementation Agreements and Section 4.1 for further information on the Call Option.

6.6.3 No inducing benefits given during previous four months

Other than under the Scheme, the Call Option or the Post-Implementation Agreements, during the four months before the date of this Scheme Booklet, none of Woolworths Group or any of its associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an associate to:

- vote in favour of the Scheme; or
- dispose of MyDeal Shares,

where the benefit was not offered to all MyDeal Shareholders. See Section 9 for further information on the Post-Implementation Agreements and Section 4.1 for further information on the Call Option.

6.6.4 Benefits to current MyDeal officers

None of Woolworths Group or any of its associates will be making any payment or giving any benefit to the current officers of MyDeal as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented.

6.7 Publicly available information

As an ASX listed company and a 'disclosing entity' under the Corporations Act, Woolworths Group is subject to regular reporting and disclosure obligations. These obligations require Woolworths Group to announce price sensitive information to ASX as soon as Woolworths Group becomes aware of such information, subject to certain exceptions.

Pursuant to the Corporations Act, Woolworths Group is required to prepare and lodge with ASIC and ASX both annual and half-year financial statements accompanied by a statement and report from the Woolworths Group Board and an audit or review report respectively.

Copies of the documents lodged with ASX may be obtained from the ASX website at <https://www2.asx.com.au/> and the Woolworths Group website at <https://www.woolworthsgroup.com.au/page/investors/our-performance/investor-news>. Copies of the documents lodged with ASIC in relation to Woolworths Group may be obtained from or inspected at an ASIC office.

7. Risks

7.1 Risk factors overview

If the Scheme is not implemented, MyDeal will continue to operate on a stand-alone basis. MyDeal will remain listed on the ASX and MyDeal Shareholders will retain their MyDeal Shares.

In the ordinary course of business, MyDeal's Board and senior management assess material risks associated with MyDeal's business and take appropriate steps to manage and mitigate those risks. The MyDeal Board considers, however, that it is appropriate for MyDeal Shareholders, in considering the Scheme, to be aware that there are a number of risk factors, general and specific, which could impact the future operating and financial performance of MyDeal and the value of MyDeal Shares if the Scheme is not implemented.

The risk factors in Section 7.2 and 7.3 are existing risks that relate to MyDeal's business and the industry in which it operates. They do not take into account the individual investment objectives, financial situation, position or particular needs of MyDeal Shareholders. In addition they do not necessarily comprise all risks faced by MyDeal. Additional risks and uncertainties not presently known to MyDeal or which MyDeal does not currently consider to be material may also have a material adverse effect on MyDeal's business, operations, performance and future prospects. Section 7.4 sets out certain risks in relation to the Scheme. The information set out in this Section is a summary only and does not purport to be, nor should it be construed as representing, an exhaustive list of the risks affecting MyDeal.

7.2 General risk factors

As with any entity with listed shares on ASX, the future prospects and operating and financial performance of MyDeal and the value of the MyDeal Shares may be affected by a variety of factors. These general risks may include:

- changes in general business cycles and economic and political factors in Australia and globally (including economic growth, interest rates, exchange rates, inflation, employment levels and consumer demand and preferences);
- changes to economic conditions, both domestic and global, including the effects of changes to fiscal, monetary and regulatory policies that affect consumer confidence and discretionary spending on products sold by MyDeal;
- changes in legislation and government, fiscal, monetary, regulatory policies including foreign investment, accounting or financial standards and taxation laws (or their interpretation);
- the general risks associated with an investment in financial products quoted on a stock exchange including movement in the local and international equity and bond markets and general investor sentiment in those markets, recommendations by brokers and analysts, changes in government, interest rates and exchange rates;
- the impacts of geopolitical uncertainty and local and global equity capital markets, announcement of new technologies and changes in the supply of and demand for relevant stocks and overall performance of the Australian and international stock market;
- the nature of competition in the markets in which MyDeal operates, including the operating and trading price performance of other comparable listed entities;

- natural disasters, catastrophes, pandemics or endemics, terrorism, outbreak of war or other general operational and business risks, further pandemic outbreaks;
- a change to the current taxation regime applying to MyDeal and its shareholders; and
- variations in MyDeal's operating results.

7.3 Specific risks for the MyDeal business and industry

7.3.1 Key Person Risk

MyDeal has a lean business model and currently depends on the continued services and performance of a small number of key personnel. MyDeal requires staff to have a variety of skills and expertise, some of which may be considered niche specialities in which there are limited skilled personnel available for recruitment. The loss of key personnel, particularly members of the executive team, could disrupt operations and have a material adverse impact on MyDeal's business, financial performance and operations and the ability to execute MyDeal's growth strategy.

7.3.2 Internet and Data Security Breaches

There is a risk that, despite MyDeal's best efforts to combat potential security breaches, cyber-attacks and data protection issues (including firewalls, a privacy policy and policies to restrict unauthorised access to data), a cyber-attack or a data breach may occur or a third party may otherwise gain access to the confidential information of MyDeal's customers or its internal systems. Any data security breaches or MyDeal's failure to protect private personal or confidential information could result in a significant disruption to MyDeal's systems, reputational damage, loss of system integrity and breaches of MyDeal's obligations under applicable laws and client agreements, each of which may materially and adversely impact MyDeal's business, results from operations, profitability, reputation and prospects. Any breach of this nature may have a material adverse effect on MyDeal's financial and operational performance in the future.

7.3.3 COVID-19 Related Risks

COVID-19 disruptions are directly and indirectly impacting MyDeal's business. In particular, MyDeal had seen an increase in sales on its platform as these disruptions and restrictions dissuaded or prevented consumers from leaving their homes or shopping in physical stores. Government imposed restrictions have eased, and generally no longer restrict the mobility of consumers. As a result, there is a migration towards shopping in physical stores and indications that online shopping will slow. However, COVID-19 transmission remains high and the impact on MyDeal to the extent of consumers exiting or migrating to online shopping is uncertain. Accordingly, there is a risk that MyDeal's historical performance may not necessarily be replicated in the future.

There is continued uncertainty as to the further impact of COVID-19 including in relation to the duration of future governmental action, work stoppages, lockdowns, quarantine obligations, travel restrictions and other unforeseen changes. The increase in transmission remains high and new variants may emerge. These developments in the COVID-19 pandemic may disrupt sellers' supply chains, for example, due to disruptions and interruptions to manufacturing and distribution of products, which may in turn adversely impact transaction volumes and therefore MyDeal's financial performance. The Amazed business may also be impacted by customers not buying experiences

in the event of future lockdowns or quarantine obligations resulting from COVID-19 outbreaks.

COVID-19 has had and is likely to continue to have negative impacts on the Australian economy. In particular, Australia's low unemployment rate resulting in a competitive labour market and higher recruitment costs and macroeconomic conditions which create inflationary pressures and result in less consumer discretionary spending. Customer spending on home products is primarily discretionary in nature. There is a risk that customers may have less discretionary income to spend on such products as a result of inflationary pressure, or that customers may reduce their discretionary spend to protect their savings if economic conditions continue to deteriorate. A decline in discretionary spending may materially adversely affect MyDeal's operational and financial performance and consequently the value of an investment in the MyDeal may be adversely affected.

7.3.4 Loss of key seller contracts and relationships

MyDeal's performance is reliant on its contracts and relationships with a select number of significant sellers. The top three (3) sellers (excluding In-Stock) account for approximately 32.4% of GTV on the MyDeal marketplace and the top 10 account for approximately 43.0%. The MyDeal Group's contractual arrangements with sellers do not contain any minimum sale obligations and so there is a risk that a seller may cease its relationship with MyDeal at any time. The loss of or deterioration of MyDeal's relationships with key sellers or an inability to onboard new sellers on favourable terms could have a materially adverse impact on MyDeal's business, reputation and prospects, financial performance and operations.

7.3.5 Lower Customer Growth

MyDeal's revenues and the success of its growth initiatives depend upon attracting and retaining customers to its platform and converting those customers into both new and repeat customers. Various factors can affect website traffic and conversion, including the MyDeal user experience, search engine traffic, the effectiveness of marketing and promotions and brand reputation. A decline in traffic coming to MyDeal or the rate of conversion could adversely impact MyDeal's ability to achieve its stated objectives and could have a material adverse impact on its business, financial performance and operations.

7.3.6 Competition Risk

MyDeal could be adversely affected by increased or new competition in the various market segments in which it operates, the furniture and homewares segment in particular. The Australian online retail market and the furniture and homewares category are highly competitive and subject to changing customer preferences.

Competition can arise from a number of sources including traditional 'bricks and mortar' retailers, omni-channel retailers, marketplaces and online-only e-commerce competitors. Existing online competitors may strengthen their position through funding or industry consolidation, or through financial, technical or operational advantages which may allow them to compete more aggressively, including on price. Competition may also come from third-party suppliers establishing or improving their own online presence as opposed to using MyDeal. Existing competitors and new competitors both in Australia and elsewhere, may engage in aggressive customer and/or seller acquisition campaigns, develop superior technology offerings and online presence or consolidate with other entities to deliver enhanced benefits. These and other

competitors may be bigger and better resourced than MyDeal. As a result, any increase in competition may increase the costs of customer acquisition and result in lower margins due to pricing pressure. The failure of MyDeal to successfully respond to changes in the competitive landscape may have a material adverse effect on its financial and operational performance in the future.

7.3.7 Continued Growth of E-commerce

There is no guarantee that the growth in the retail e-commerce market and the furniture and homewares segments will continue into the future. The emergence of COVID-19 has brought about changes in consumer behaviour, including an increased migration towards online shopping, however it is not yet known whether these changes will be long-lasting. The e-commerce market may be impacted by a variety of factors outside MyDeal's control which could cause a slowing or contraction in the market and as a consequence impact MyDeal directly.

7.3.8 Future funding

MyDeal's business is in an expansion phase including further development of its in-stock business and the Amazed marketplace. MyDeal is targeting growing the GTV of the business to \$500 million by FY25 and it may require further funding in order to achieve this growth. There is no guarantee that MyDeal will be able to obtain the funding it requires, or that such funding will be available to MyDeal on favourable terms. MyDeal may issue further MyDeal Shares to raise funds for such purpose, which may have a dilutive effect on MyDeal Shareholders.

7.3.9 Customer Sentiment Risk

There is a risk that the MyDeal may face negative customer sentiment in the future. Customer complaints or negative publicity about any of the products advertised on MyDeal's marketplace, product delivery times, customer data handling and security practices or customer support, whether or not they are justified or the fault of MyDeal, could rapidly and severely diminish customer use of the marketplace and customer and seller confidence in MyDeal.

In addition, MyDeal derives a significant portion of its revenue from the furniture and homewares segment which is subject to continually changing trends and style specific customer preferences. Customer spending on such products is primarily discretionary in nature, as is generally the case with the retail e-commerce market, and customers may allocate this discretionary spend across different product categories or other services from time to time. If MyDeal and its sellers fail to anticipate and adapt to changing consumer preferences in a timely manner, or fail to respond to retail product trends, this may negatively impact the financial performance of MyDeal.

7.3.10 Platform Risks

MyDeal's platform incorporating its website, databases and systems are critically important to MyDeal's ability to attract and retain customers and seller, as well as maximising sales conversion from customers. MyDeal is reliant on first and third-party providers to maintain its network infrastructure and software, including Amazon Web Services to host its platform. Despite the measures that MyDeal has in place to manage and mitigate any disruptions, such network infrastructure and hosting involves major risks including:

- (a) a breakdown or system failure as a result in a sustained shutdown of all or a material part of MyDeal's servers, including failures which may be

attributable to power shutdowns, or loss or corruption of data or malfunctions of hardware; and

(b) any disruption or failure in a national telecommunication network,

resulting in consumers being unable to use the MyDeal platform.

The database of customers, third party suppliers and data analytics are a valuable asset for the continued success of MyDeal, and any irrecoverable loss would incur a financial cost to MyDeal as well as damage the reputation of the business.

Amazon Web Services may terminate its hosting services on 30 days' notice, or shorter or no notice in certain circumstances. A termination of these hosting services on short or no notice may result in MyDeal's platform being inaccessible to sellers and customers for a period of time. Any significant or prolonged disruption of the hosting services or platform inaccessibility may cause irreparable harm to MyDeal's reputation and relationships with sellers and customers, and may have a material adverse effect on MyDeal's business and financial performance. There is also a risk that the platform may not have the market potential and scalability anticipated by MyDeal.

7.3.11 Reliance on third party Suppliers and Supplier Favoured Contracts

The MyDeal Group relies on the services provided by third party suppliers such as channel partners, other software providers, payment providers and logistics providers. MyDeal has limited influence over these third parties and these services are largely provided on the supplier's standard terms and as such are generally more favourable to the supplier. Many of these services can be terminated on short or no notice and the terms of service contain minimal or no service warranties, service suspension rights and disclaimers and limitations on the supplier's liability. Any system or service failure could adversely affect MyDeal's business, impact revenue generated, affect the customer experience, reduce the attractiveness of MyDeal to customers and sellers and therefore limit future sales on the platform. Third party software and payment providers including channel partners and customer support providers, may update or terminate their platforms and services which may disrupt or render useless existing integrations. In particular, if this were to occur in respect of an integration or Application Programming Interface (**API**) provided by a channel partner, or if the channel partner were to terminate their agreement with MyDeal, this may have a material adverse effect on the number of sellers which use MyDeal's marketplace.

The mobile apps for iOS and Android devices have been approved by Apple and Google prior to the MyDeal Group's launch of these mobile apps. Either Apple or Google's approval could be withdrawn in the future, or any approval required for new releases or updates to mobile apps may not be given. Any of these third party failures could have an adverse impact on the reputation and brand of MyDeal which could materially adversely affect the MyDeal's business, financial performance and operations. From time to time, Apple and Google release new functions and updates to its iOS software (e.g. privacy controls) that can impact sale performance or restrict marketing activities. As transactions increase on mobile apps, MyDeal will increase its reliance on Apple and Google not imposing restrictions or obligations on mobile apps that may impact MyDeal's future performance.

7.3.12 In-stock business reliance on third party Logistics Suppliers

MyDeal relies on a third party logistics supplier, eStore, to supply storage and logistics services for its private label and in-stock products. MyDeal's supply

agreement with eStore can be terminated by eStore with the provision of 3 months' notice, which may not provide MyDeal with sufficient time to find a replacement third party logistics supplier. MyDeal is currently negotiating an extension to the existing contract with eStore which may result in increased costs for the supply of services beyond MyDeal's control.

7.3.13 Search Engine Risks

Many customers access MyDeal through a search engine. MyDeal's website may be excluded from or ranked lower in search engine results due to changes to a search engine's algorithms or other ranking criteria that are outside of MyDeal's control.

MyDeal endeavours to enhance the relevance of MyDeal's website to common search queries and thereby improve the rankings of MyDeal's website in search engines, a process known as search engine optimisation (**SEO**). However, search engine algorithms and ranking criteria are unknown to MyDeal, and MyDeal may not understand or have access to complete information on the methods used to rank its website and therefore may be unsuccessful with its SEO activities.

If MyDeal's SEO activities are no longer effective for any reason, the traffic coming to the MyDeal website could significantly decrease which could have a material adverse impact on MyDeal's business, financial performance and operations.

7.3.14 Potential of being banned, restricted or suspended from digital marketing channels

The MyDeal Group relies on digital marketing channels such as Google ads, Facebook ads and affiliate marketing channels to market MyDeal's platform on social networking and other sites, search providers and other marketing channels. There is a risk that, based on the marketing channel providers terms and conditions, the MyDeal Group may be suspended, restricted or banned from advertising on these marketing channels. Any such ban, restriction or suspension could have an adverse impact on the reputation, brand and revenue of MyDeal which could materially adversely affect MyDeal's business, financial performance and operations.

7.3.15 Increased Cost of and Reliance on Search Engine Marketing

The cost of search engine marketing generally increases as the importance of online advertising increases, as competition to be ranked higher in paid listings increases the price of such listings. Furthermore, MyDeal might have to submit higher 'bids' on key words in order to purchase those key words to offset any reduction in its click-through rate (the number of clicks that its ad receives divided by the number of times that its ad is shown), as search engine platforms take this rate into account in calculating bid amounts. This may occur for a range of reasons including if MyDeal were to suffer negative publicity, if its market share were to decline, or if any other factor impacted on its brand or reputation. MyDeal's business, financial performance and operations may be materially adversely affected by any increase in the cost of, or in reliance on, search engine marketing.

7.3.16 Marketing Efforts May Not Be Effective

Promoting awareness and understanding of MyDeal is critical to its success as a marketplace. Currently, MyDeal's marketing initiatives include SEO, search engine marketing, social media marketing, brand campaigns and email marketing. If MyDeal does not efficiently utilise its data analytics, update its

segment listings and decide accurately when to deploy re-engagement campaigns to improve performance metrics, this could have a material adverse effect on its financial and operational performance.

MyDeal expects that its marketing efforts will continue to grow in scope and cost as competition increases, but ultimately a significant return on investment from these marketing efforts is not guaranteed. Any failure in MyDeal's marketing efforts could hinder MyDeal's ability to attract and retain sellers and customers, reduce revenue or revenue growth and could otherwise have a material adverse impact on MyDeal's business, financial performance and operations.

7.3.17 Scaling Risks

MyDeal aims to continue its revenue growth by successfully executing its growth strategy. As MyDeal is in an expansion phase, it will need to continue to upgrade and enhance its technology infrastructure to ensure that MyDeal can manage its growth. Furthermore, MyDeal anticipates that this will result in an increased level of responsibility for key management, and require the recruitment of staff to support this expected growth. If MyDeal is unable to manage the demands placed on key management, is unable to recruit experienced and capable new personnel or is unable to upgrade and enhance its infrastructure in a timely, robust and efficient way to handle projected growth, this may negatively impact its financial and operational performance in the future.

7.3.18 Employee Recruitment and Retention

MyDeal's future success depends, to a significant extent, on its ability to attract skilled and experienced personnel, particularly those with expertise in the e-commerce, software engineering and online marketing spaces and other technical positions. There is substantial competition for personnel with this expertise and MyDeal may incur increasing costs to attract, develop and motivate such personnel. If MyDeal is unable to attract and retain skilled personnel, it may be unable to effectively execute its business plan or maintain or expand its operations, which, in turn, could have a material adverse impact on MyDeal's business, financial performance and operations.

7.3.19 Technology Risks

The retail e-commerce market is influenced by changing technologies and adapting industry standards for the future. MyDeal may be impacted by any failure or inability to maintain and update its technology platforms. Maintaining and updating such technology could involve a significant cost, and no assurance can be given that MyDeal will have the capital required to develop new technologies in the future to maintain a competitive advantage or market share.

7.3.20 Consumer Law and other Regulatory Breaches by MyDeal or its Sellers

There is risk that products or campaigns advertised and sold on MyDeal's marketplace or services provided via the Amazed marketplace may contravene the *Competition and Consumer Act 2010* (Cth) and the Australian Consumer Law (**ACL**), or that MyDeal or its sellers may engage in contravening behaviour such as misleading and deceptive conduct via the marketplaces or through advertising campaigns or that MyDeal's operations may otherwise not comply with or breach other regulatory requirements. While MyDeal has in place internal compliance processes to review and assess terms and conditions that require sellers to ensure that they comply with the ACL and other regulatory laws in advertising and selling their products and services on the marketplace platform, there is a risk of MyDeal becoming involved in litigation and regulatory

investigations if sellers fail to do so which may cause financial and/or reputational harm to the company and consume management resources. As such, the business of MyDeal is continually exposed to the risk of new regulations and laws being introduced and changes to existing regulations which may impact or restrict its potential profitability.

7.3.21 Inadvertent Advertisement of Infringing Products

There is a risk that products advertised and sold on MyDeal's marketplace may infringe third party intellectual property rights, and that the MyDeal Group may have liability to third parties for its passive role in such breaches. While MyDeal's seller terms and conditions require sellers to indemnify MyDeal against any losses suffered as a result of such breaches, sellers may not have the financial capacity to indemnify MyDeal, and MyDeal may have issues enforcing such indemnities particularly where sellers are based in foreign jurisdictions. Any Claims brought against MyDeal for infringement of intellectual property rights may be costly to defend and may result in significant damages awards. Accordingly, such infringements may result in material liabilities to third parties which MyDeal is unable to recover and cause significant diversion of management attention, which could in turn materially impact MyDeal's financial performance and position.

7.3.22 Failure of Private Label Strategy

The MyDeal Group's move into private labels may not be successful. The delivery of quality, competitively priced products may be delayed or not be able to be delivered by the MyDeal Group at all. The private label strategy relies on certain relationships with domestic and international manufacturers held by members of the MyDeal executive team and the ability to secure furniture and homeware products from these and other manufacturers at low prices. There is no guarantee that the MyDeal Group will be able to leverage these relationships in this way or that products will be able to be sourced at low prices. There are supply chain risks associated with the reliance on Chinese and other offshore manufacturers, including trade wars which may increase the cost of or restrict the number of products that may be exported from such countries. A failure of the private label strategy may impact MyDeal's ability to achieve revenue growth and its other stated objectives and have a material and adverse effect on MyDeal's future financial performance and position.

7.3.23 Failure of Amazed business model

Amazed is a services marketplace where third party sellers sell services (usually experience or travel related such as a boat tour, hot springs, hot air ballooning etc.). The growth of Amazed is reliant on the attraction of service providers to deliver experiences to the platform and the delivery of quality experiences to customers. Service providers themselves bring risk as MyDeal is reliant on them to provide services, and if something goes wrong (i.e. booking failures, service delivery issues, accidents or negligence result in deaths or personal injuries) MyDeal may suffer reputational or other damage.

7.3.24 Inventory Risk

As the MyDeal Group expands its private label and in-stock products business it will need to acquire more inventory. Demand for such products cannot be accurately predicted as consumer preferences are constantly changing and new trends may quickly replace current trends. The MyDeal Group may fail to accurately predict individual product sales which may lead to surplus inventory that cannot be sold at anticipated margins or at a profit, and require extended storage and logistics services which incur additional costs and/or penalty rates. Any failure to accurately manage inventory levels and sell stock quickly enough

may materially and adversely affect the MyDeal Group's cash flows, revenue growth and financial performance.

7.3.25 Foreign Currency Risk

Orders for and some in-stock products are placed in USD. The MyDeal Group is therefore exposed to fluctuations in the USD/AUD exchange rate. Depreciation of the AUD may increase the cost of products. Exchange rate fluctuations may therefore reduce the gross margin achieved on these and in-stock products. This may in turn affect MyDeal's ability to deliver on its private label strategy and adversely affect its financial performance.

7.3.26 Insurance Factors

MyDeal maintains insurance coverage in relation to many different aspects of its business. However, no assurance can be given that such insurance will be available in the future on a commercially reasonable basis or that MyDeal will have adequate insurance cover against Claims made. If MyDeal incurs uninsured losses or liabilities, its assets, profits and prospects may be materially adversely affected.

7.3.27 Change in Laws and Regulations

MyDeal is subject to, and must comply with, a variety of laws and regulations in the ordinary course of its business. These laws and regulations include those that relate to fair trading and consumer protection, product safety, employment and taxation. Changes to laws and regulations may adversely affect MyDeal, including by increasing its costs either directly or indirectly (including by increasing the cost to the business of complying with legal requirements). Additionally, there is a risk that MyDeal may inadvertently fail to comply with a law or regulation given the number and complexity of laws and regulations that MyDeal is required to comply with.

7.3.28 Product Liability and Recall Risk

MyDeal sells customers in-stock products sourced at wholesale in Australia, or from suppliers and resellers overseas. MyDeal is liable under various product safety laws to ensure these products are safe and comply with mandatory standards, and other compliance requirements. For many third-party products that it purchases, MyDeal has in place terms of trade that require its suppliers to comply with all relevant product safety and compliance requirements, and indemnify MyDeal in the event MyDeal suffers loss in the event of a safety risk or recall occurring. However, with a number of suppliers and wholesalers, MyDeal's purchasing power means that it cannot negotiate such favourable terms, or even with favourable terms in place, MyDeal may still suffer loss or reputational damage.

While MyDeal has processes in place for checking products for compliance with mandatory standards, safety and labelling requirements, there is a risk that its in-stock products, including those that MyDeal imports directly, may have a safety risk or defect causing death or injury, or result in a product safety recall. Such an event could materially and adversely affect MyDeal's reputation, business and financial performance and operations.

7.3.29 Competition between MyDeal's in-stock/private label business and Sellers

As MyDeal's in-stock products business grows, competition between MyDeal and its marketplace sellers will increase. There is a risk that this increased competition may result in sellers expanding their product offerings and decreasing their prices to compete with MyDeal's own products. This could

result in margin pressure and reduced sales quantities for MyDeal's private label and third-party in-stock business.

7.3.30 Inadvertent breach of third party intellectual property rights by MyDeal

A minority of products MyDeal sources for its third-party products business includes products that are parallel imported whereby MyDeal either purchases third-party branded goods overseas and imports them into Australia itself, or buys products locally from suppliers who themselves have parallel imported the products into Australia. There is a risk that MyDeal may face Claims from third parties such intellectual property rights holders or distributors in relation to these parallel imported goods, or that MyDeal may inadvertently sell counterfeit or misbranded products. This could damage MyDeal's reputation and brand and have a material adverse effect on MyDeal's business, financial performance and operations.

There is also a risk that private label products sourced from factories may breach registered patents or designs where manufacturers have copied particular products.

7.3.31 Unknown risks

Additional risks and uncertainties not presently known to MyDeal or which MyDeal does not currently consider to be material may also have a material adverse effect on MyDeal's business, operations, performance and future prospects.

7.4 Risks relating to the Scheme

7.4.1 Scheme may not proceed or may be delayed

- (a) Implementation of the Scheme is subject to a number of Conditions including the ACCC Condition and Court approval, which are summarised in Section 10.7.1 and set out in full in clause 3.2 of the Scheme Implementation Agreement.
- (b) There is a risk that the Conditions may not be obtained or satisfied, either at all or in the form proposed. There can be no certainty, nor can MyDeal or Woolworths Group provide any assurance, that these Conditions will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur.
- (c) If the Conditions are not satisfied or waived (as applicable) by the End Date, the Scheme Implementation Agreement can be terminated by Woolworths Group or MyDeal, which will mean the Scheme will not be implemented.
- (d) A failure to satisfy any of the Conditions, or a delay in satisfying the Conditions and implementing the Scheme, may adversely affect the trading price of MyDeal Shares.

7.4.2 Risks if the Scheme is not implemented

- (a) If the Scheme is not implemented:
 - (i) MyDeal Shareholders will not receive the Scheme Consideration;
 - (ii) MyDeal Shares will not be transferred to Woolworths Group (they will instead be retained by MyDeal Shareholders);

- (iii) MyDeal will continue to operate as a standalone entity, and remain listed on the ASX;
 - (iv) MyDeal Shareholders will continue to be exposed to the risks and benefits associated with an investment in MyDeal on a standalone basis (please refer to the provisions of this Section 7 above for details of those risks); and
 - (v) the amount which MyDeal Shareholders will be able to realise for their investment in MyDeal Shares is uncertain. In the absence of a Superior Proposal, the MyDeal Directors believe that it is likely that the price of MyDeal Shares will fall from current levels.
- (b) In addition, certain circumstances which cause the Scheme not to be implemented may result in the payment of a MyDeal Break Fee by MyDeal to Woolworths Group (as detailed in Section 10.7.7 and set out in full in clause 10 of the Scheme Implementation Agreement). However, MyDeal Shareholders failing to approve the Scheme will not trigger payment of the MyDeal Break Fee.
 - (c) If the Scheme is not implemented, MyDeal's transaction costs of approximately \$1,387 million (GST exclusive) will be borne by MyDeal alone (as opposed to being effectively met by Woolworths Group, as the ultimate controller of MyDeal, if the Scheme is implemented).

7.4.3 Risks if the Scheme is implemented

- (a) If the Scheme is implemented, you will no longer be a MyDeal Shareholder and will not be able to participate in the future financial performance and Share price performance of the MyDeal Business, retain any exposure to the MyDeal Business or assets or have the opportunity to share in any value that could be generated by MyDeal in the future (unless you choose to obtain indirect exposure to the MyDeal Business through acquiring Woolworths Group shares). However, there is no guarantee as to MyDeal's future performance, or its future Share price, as is the case with all investments.
- (b) MyDeal Shareholders may also consider that it would be difficult to identify or invest in alternate investments that have a similar investment profile to that of MyDeal, or may incur transaction costs in undertaking any new investment.
- (c) Further, if the Scheme is implemented, there may be tax consequences for MyDeal Shareholders. General information on the Australian tax consequences is set out in Section 8 of this Scheme Booklet. However the tax consequence may vary depending on the nature and characteristics of each MyDeal Shareholder's specific circumstances. Accordingly, you should seek professional tax advice in relation to your particular circumstances.

8. Australian tax implications of the Scheme

8.1 Introduction

The following is a general description of the Australian income tax, stamp duty and GST consequences of the Scheme (assuming it is implemented) for MyDeal Shareholders who participate in the Scheme. It does not constitute tax advice and should not be relied upon as such.

The description is based upon the Australian taxation law and administrative practice of the tax authorities in effect at the date of this Scheme Booklet, but is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of a MyDeal Shareholder. Taxation laws are complex and are subject to frequent change, as is their interpretation by the courts and the tax authorities. MyDeal Shareholders should seek independent professional advice in relation to their own particular circumstances.

The comments set out below are relevant only to those MyDeal Shareholders who hold their MyDeal Shares on capital account (and assumes that all MyDeal Shareholders are Australian tax residents). The description does not address the Australian tax consequences for the cancellation of the MyDeal Incentive Plan Options and separately for MyDeal Shareholders who:

- hold their MyDeal Shares for the purposes of speculation or a business of dealing in securities (for example, shares held as revenue assets or as trading stock);
- acquired their MyDeal Shares pursuant to an employee share, option or rights plan;
- are Key Management Personnel to the extent of their Excluded Shares;
- are under a legal disability;
- are temporary residents for Australian income tax purposes;
- change their tax residence whilst holding the MyDeal Shares;
- are not a resident of Australia for income tax purposes but hold their MyDeal Shares as an asset in a business that is carried on through a permanent establishment in Australia;
- are subject to special tax rules applicable to certain classes of entity, including partnerships, insurance companies, tax exempt entities or entities subject to the Investment Manager Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth); or
- are subject to the taxation of financial arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their MyDeal Shares.

This summary does not take into account the tax laws of countries other than Australia. MyDeal Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Scheme under the laws of their country of residence, as well as under Australian law.

Neither MyDeal nor any of its officers or employees, nor its taxation or other Advisers, accepts any liability or responsibility in respect of the tax consequences associated with participation in the Scheme.

8.2 Australian resident shareholders

8.2.1 Capital gains tax (CGT)

Under the Scheme, MyDeal Shareholders will Dispose of their MyDeal Participating Shares to Woolworths Group. For MyDeal Shareholders, this Disposal will constitute a CGT event A1 (for Australian CGT purposes).

The time that CGT event A1 will occur is the Implementation Date.

8.2.2 Calculation of capital gain or capital loss

MyDeal Shareholders should make a capital gain on the Disposal of each MyDeal Participating Share to the extent that the capital proceeds from the Disposal of each MyDeal Participating Share are more than its cost base at the date of Disposal. Conversely, MyDeal Shareholders should make a capital loss to the extent that the capital proceeds in respect of each MyDeal Participating Share are less than its reduced cost base at the date of Disposal.

The sum of all capital gains made by a MyDeal Shareholder on the Disposal of their MyDeal Participating Shares to Woolworths Group, reduced by any capital loss incurred during the year or carried forward from prior years and not otherwise utilised, subject to satisfaction of the relevant loss recoupment tests, and then reduced by any available CGT discount is referred to as the net capital gain and should be included in the MyDeal Shareholder's taxable income in the year in which the Implementation Date occurs.

Alternatively, in the event that a MyDeal Shareholder makes a capital loss on the sale of their MyDeal Participating Shares, the capital loss may be used to offset a capital gain made in the same or a future income year subject to satisfaction of the relevant loss recoupment tests. Capital losses may not be deducted against other income for income tax purposes.

8.2.3 Cost base

The cost base (or reduced cost base) of each MyDeal Share should generally be the amount of money paid, or value of property given, to acquire the MyDeal Share and certain incidental costs of acquisition and ownership that were not deductible to the MyDeal Shareholder.

8.2.4 Capital proceeds

The capital proceeds received in respect of the Disposal of each MyDeal Participating Share should be the Scheme Consideration, being \$1.05 cash per MyDeal Participating Share.

8.2.5 CGT discount

Individuals, complying superannuation funds or trustees that have held MyDeal Shares for at least 12 months prior to the Implementation Date may be entitled to discount the amount of the capital gain (after application of capital losses) from the Disposal of MyDeal Participating Shares by 50% in the case of individuals and trustees or by 33.3% for complying superannuation entities. For trustees, the ultimate availability of the discount for beneficiaries of the trusts will depend on the particular circumstances of the beneficiaries.

Companies that hold MyDeal Shares are not eligible for the CGT discount.

As the Scheme Consideration will be provided in cash only, no CGT roll-over will be available.

8.3 Non-resident shareholders

A MyDeal Shareholder who is not a resident of Australia for Australian tax purposes should generally be able to disregard any capital gain or capital loss that would otherwise arise from the Disposal of their MyDeal Participating Shares unless their MyDeal Participating Shares constitute 'Taxable Australian Property'.

Taxable Australian Property includes an indirect interest in Australian real property where the interest satisfies both the 'non-portfolio interest test' and the 'principal asset test'.

A MyDeal Shareholder will pass the non-portfolio test if they and their associates together hold a 10% or more interest in MyDeal (or have held a 10% or more interest for a continuous period of 12 months in the 24 months prior to the Implementation Date). The principal asset test will be satisfied if the market value of the assets of MyDeal are principally attributable to Australian real property (including a leasehold interest in land).

Further, Australia's foreign resident capital gains withholding tax regime applies to transactions involving the acquisition of Taxable Australian Property (as described above) from relevant foreign residents. The withholding rate is 12.5%.

On the basis that the MyDeal Shares held by MyDeal Shareholders should not be considered 'taxable Australian property' under section 855-15 of the *Income Tax Assessment Act 1997* (Cth), the foreign resident capital gains withholding tax regime should not apply. Accordingly, the regime should not operate to require Woolworths Group to withhold an amount of the Scheme Consideration that is to be paid to the MyDeal Shareholders who are not tax residents of Australia.

A MyDeal Shareholder who is not a resident of Australia for Australian tax purposes should seek independent professional advice on the Australian tax consequences arising from the Disposal of their MyDeal Shares, having regard to their particular circumstances.

8.4 Goods and services tax (GST)

MyDeal Shareholders should not be liable to GST in respect of a Disposal of their MyDeal Participating Shares.

MyDeal Shareholders may be charged GST on any costs relating to their participation in the Scheme (such as Adviser fees). MyDeal Shareholders that are registered for GST may be entitled to input tax credits or reduced input tax credits for such costs, but should seek independent advice in relation to their individual circumstances.

8.5 Stamp Duty

No stamp duty should be payable by MyDeal Shareholders in relation to the Disposal of MyDeal Participating Shares to Woolworths Group under the Scheme.

9. Post Implementation Agreements and EGM Resolution

9.1 Overview

As described elsewhere in this Scheme Booklet, the Excluded Shares held or Controlled by Key Management Personnel (through their respective KMP Shareholder) will not participate in the Scheme and will be retained by the Key Management Personnel (through their respective KMP Shareholder) after the Scheme is implemented.

Woolworths Group and the Key Management Personnel (or, in the case of the Shareholders Agreement, the KMP Shareholders) will enter into certain Post-Implementation Agreements on or around the Implementation Date to regulate the operations and governance of MyDeal after the Implementation Date. The Scheme is conditional on the Post-Implementation Agreements being agreed and remaining in Agreed Form as at 8.00 am on the Second Court Date. The Scheme is also conditional on the EGM Resolution being passed at the EGM.

The Post-Implementation Agreements are:

- A Shareholders Agreement between Woolworths Group, the KMP Shareholders and MyDeal which will include the Put and Call Options. The Put and Call Options are described further below.
- An employment agreement between Woolworths Group and each of the Key Management Personnel.
- Documentation relating to the management long term incentive plan for management (excluding Key Management Personnel) to be put in place by MyDeal after the Implementation Date.
- Various partnership agreements between the Woolworths Group and MyDeal in relation to the business relationship between those parties after the Implementation Date.

Woolworths Group and the Key Management Personnel entered into a Process Deed containing obligations to negotiate the Post-Implementation Agreements in good faith and as promptly as possible. As a result of entering into the Process Deed, Woolworths Group and the Key Management Personnel may be considered associates, resulting in Woolworths Group having the same voting power in MyDeal as the Key Management Personnel, currently 50.37%.

As at the date of this Scheme Booklet the terms of the Post-Implementation Agreements have been substantially agreed but are proposed to be executed on or around the Implementation Date (other than some of the partnership agreements which may be executed earlier).

9.2 Summary of Post-Implementation Agreements

9.2.1 Shareholders Agreement

It is proposed that on or around the Implementation Date, Woolworths Group, MyDeal and the KMP Shareholders will enter into a shareholders agreement which regulates the rights and obligations of the parties as shareholders in MyDeal in the period after the Implementation Date (**Shareholders Agreement**). The key elements of the Shareholders Agreement are described below.

Director appointment rights

On the Implementation Date, Woolworths Group has the right to appoint, remove and replace 3 MyDeal Directors (including the Chairperson), the SS Shareholder has the right to appoint, remove and replace 1 MyDeal Director and an independent director will also be appointed. These director appointment rights terminate in some circumstances, for example where an event of default applies to the relevant shareholder or in the case of the SS Shareholder where Sean Senvirtne's employment as chief executive officer of MyDeal is terminated for cause.

Decision making of Board and Shareholders

Generally the MyDeal Directors appointed by Woolworths Group have 3 votes in aggregate on MyDeal Board matters and each of the SS Shareholder nominee director and the independent director have 1 vote. A resolution of the MyDeal Directors is only carried if it is passed by a majority of the votes cast by directors entitled to vote on the matter. However there are certain special consent matters that require the approval of Woolworths Group and the SS Shareholder. The special consent matters are generally customary for a shareholders agreement of this nature and include entering into, varying or terminating material contracts, acquisition or disposal of material assets, ceasing to carry on or materially reducing or increasing the scale of the business, the issue of further shares or other securities, material financing arrangements, amendments to rights attaching to securities or changes to relevant accounting policies.

Dealings in MyDeal Shares and Put and Call Options

The Shareholders Agreement includes customary restrictions on the disposal of MyDeal Shares (with customary permitted transfers such as transfers to relatives or related entities).

The Shareholders Agreement also includes the Put and Call Options that, when exercised in full, will result in Woolworths Group owning all issued MyDeal Shares. The key elements of the Put and Call Options include:

- Woolworths Group will have a call option to acquire all MyDeal Shares held or Controlled by KMP Shareholders and the KMP Shareholders will each have a put option to require Woolworths Group to acquire from them all MyDeal Shares they hold or control;
- the Put and Call Options are generally exercisable from the third anniversary of the Implementation Date (although Woolworths Group and the SS Shareholder may agree to extend this date to the fourth anniversary of the Implementation Date);
- the price payable on exercise of the Put and Call Options is calculated by reference to the annual GTV of MyDeal, with adjustments to capture changes in certain financial performance and profitability metrics of MyDeal. The price payable also includes adjustments for customary normalisation items and movements in net debt and working capital. The effect of these arrangements is that depending upon the financial performance of MyDeal after the Implementation Date, the KMP Shareholders may receive the same as, more than or less than the Scheme Consideration for each MyDeal Share transferred to Woolworths Group pursuant to the Put and Call Options;
- there are circumstances where the Put and Call Options may become exercisable prior to the third or fourth anniversary of the Implementation

Date. This includes where the relevant member of the Key Management Personnel is terminated for cause, resigns for incapacity, serious illness or death or voluntarily resigns prior to the time that is proximate to the third or fourth anniversary of the Implementation Date noted above; and

- where an event of default occurs under the Shareholders Agreement, Woolworths Group (in the case by default of the Key Management Personnel (or KMP Shareholder)) has a right to exercise a call option over the shares held by the relevant KMP Shareholder and the Key Management Personnel (in the case of default by Woolworths Group) can exercise their respective put options.

Other matters

Additional customary matters will be included in the Shareholders Agreement and related arrangements, including:

- **the process for the adoption of an annual business plan and budget** – the Shareholders Agreement includes customary provisions regarding the adoption of an annual business plan and budget. Woolworths Group and, in certain circumstances, the SS Shareholder must use best endeavours, in good faith, to consider, discuss and, if thought fit, approve the business plan and budget in line with the Woolworths Group planning cycle and before the start of each relevant financial year;
- **events of default** – these include customary events such as a breach of a material obligation under the Shareholders Agreement which is not capable of remedy or not remedied during the agreed period to the reasonable satisfaction of the other parties, insolvency (and related events), and a disposal of MyDeal Shares in breach of the Shareholders Agreement or the MyDeal constitution. If an event of default occurs in relation to a party, the Put and Call Options (as relevant) may be exercised by the party that is not in default during a 180 day period from the date the notice of event of default is given;
- **dispute resolution** – disputes in relation to the exercise price of the Put and Call Options will be determined by an independent expert to be jointly engaged by the relevant KMP Shareholder and Woolworths Group. Disputes or differences in relation to other matters under the Shareholders Agreement or the conduct of a party will be initially determined by negotiation between a nominated senior executive of Woolworths Group and the representative of KMP Shareholders, and if not resolved within an agreed period, by mediation;
- **future funding arrangements** – the Shareholders Agreement includes customary provisions concerning MyDeal's future funding arrangements, which may be funded through a combination of working capital, external bank debt and/or shareholder loans on terms agreed;
- **insurance** – MyDeal will use all reasonable endeavours to take out and maintain such insurance coverage as the MyDeal Board may resolve from time to time, including directors' and officers' liability insurance in the amount and of a level reasonably required by Woolworths Group;
- **financial and other reporting** – unaudited management accounts must be provided by MyDeal to each MyDeal Director and each MyDeal shareholder on a monthly and half yearly basis. Audited financial reports must be provided on an annual basis; and

- **confidentiality and non-compete** – customary confidentiality obligations such as holding confidential information in strict confidence and only using it for the purposes of the MyDeal business, and not copying or reproducing any confidential information unless reasonably required to enable a party to perform its obligations under the Shareholders Agreement. In addition certain members of Key Management Personnel have agreed non-compete arrangements to protect the goodwill of MyDeal.

9.2.2 Employment arrangements

A MyDeal Group Member as Subsidiary of Woolworths Group will enter into new employment agreements with the Key Management Personnel with effect from the Implementation Date.

The employment agreements with Key Management Personnel are on broadly the same terms. Key terms of the new employment agreements include:

- **short term incentive** – Key Management Personnel will continue to be eligible to participate in the MyDeal Group's short term incentive plan in accordance with its terms, as amended from time to time;
- **non-compete** – these include usual arrangements, such as during their employment and the restraint period, Key Management Personnel must not solicit, induce or entice employees and business contacts of MyDeal Group away from MyDeal Group. In addition, during the restraint period, Key Management Personnel must not in the relevant restraint area carry on, be engaged in or be employed by or involved with any competitive business, to provide services which are the same as or similar to those they provided to any MyDeal Group Member at any time during the six months before their employment terminates. Customary carve-outs to the non-compete obligations also apply; and
- **termination** – the employment agreements include termination rights with notice and for cause. Rights to terminate for cause include customary events including if Key Management Personnel engage in serious misconduct or in wilful breach of duty, serious and wilful negligence, unremedied breach of any material provision of their employment agreement, or are charged with, or found guilty of, a criminal offence which in the reasonable opinion of the directors appointed by Woolworths Group adversely impacts the relevant Key Management Personnel's ability to perform their role, their reputation or the reputation of the Woolworths Group.

Sean Senvirtne's base remuneration under his new employment agreement will be the same as the remuneration under his current employment arrangements with MyDeal.

9.2.3 Long term incentive plan

It is also proposed that following the Implementation Date, MyDeal will introduce a long term incentive plan for selected MyDeal Group employees. Participation in the plan will be by invitation and provide participating employees with the opportunity to benefit from the future performance of MyDeal in the period after the Implementation Date. It is not contemplated that any of the Key Management Personnel will be offered participation in the long term incentive plan on implementation of the Scheme.

9.2.4 Partnership agreements

Consistent with Woolworths Group's food and everyday needs ecosystem and strategy to "Connect our customers with Good Food and More Everyday", Woolworths Group and MyDeal Group propose to enter into a series of partnership agreements that are intended to benefit both organisations by supporting the growth of the MyDeal retail platform by introducing it to Woolworths Group's capabilities (in areas such as rewards) whilst enhancing Woolworths Group's marketplace capabilities and complementing Big W's general merchandise offer.

9.3 Put and Call Options and the Corporations Act

At the date of this Scheme Booklet Woolworths Group has a relevant interest in 19.9% of MyDeal Shares. This relevant interest arises as a result of the Call Option granted by Sean Senvirtne in favour of Woolworths Group described in Section 4.1. Woolworths Group also has voting power in relation to MyDeal of 50.37% of MyDeal Shares which arises as a result of the Process Deed described in Section 9.1.

Section 606(1) of the Corporations Act, prohibits a person from acquiring a relevant interest in issued voting shares in a listed company (and as a consequence voting power) through a transaction if, because of the transaction, that person's or someone else's voting power in the company increases:

- from 20% or below to more than 20%; or
- from a starting point that is above 20% and below 90%,

unless that person makes a takeover bid for the company or another exemption applies.

Under the provisions of Chapter 6 of the Corporations Act, entering into the Put and Call Options will, as a technical matter, be deemed to be an increase in Woolworths Group voting power and a breach of section 606(1) of the Corporations Act unless one of the exemptions set out in Chapter 6 apply. This is the case even though the Put and Call Options will only take effect on or around the Implementation Date, at a time when the only shareholders in MyDeal will be Woolworths Group and the Key Management Personnel (through their respective KMP Shareholder).

9.4 The EGM Resolution

Item 7 of section 611 of the Corporations Act allows a person to acquire a relevant interest in a company's voting shares if the proposed acquisition is approved by shareholders at a general meeting of the company, and:

- no votes are cast in favour of the relevant resolution by the proposed acquirer or its associates;
- no votes are cast in favour of the relevant resolution by the person from whom the acquisition is to be made or their respective associates; and
- MyDeal Shareholders are given all information that is known to the proposed acquirer and their associates or known to the company that is material to a decision on how to vote on the relevant resolution.

The EGM Resolution is being proposed to obtain the approval of Non-associated MyDeal Shareholders for Woolworths Group's acquisition of a relevant interest in the Excluded Shares under the Put and Call Options, for the purposes of item 7 of section 611.

The EGM Resolution will be considered at the EGM. The Notice of EGM is at Attachment 4.

If Woolworths Group is the holder of MyDeal Shares at the time of the EGM, these MyDeal Shares held by Woolworths Group will not be voted.

As the KMP Shareholders are entering into the Put and Call Options, no MyDeal Shares held by them or their respective associates (including Key Management Personnel) will be voted at the EGM.

9.5 Reasons to vote for and against the EGM Resolution

The Shareholders Agreement (and consequently the Put and Call Options) does not come into effect until the Implementation Date, at which point MyDeal Shareholders will no longer hold MyDeal Participating Shares and the only shareholders in MyDeal will be Woolworths Group and the KMP Shareholders. Notwithstanding this, the EGM Resolution is being put to Non-associated MyDeal Shareholders to ensure technical compliance with the Corporations Act.

The Put and Call Options will not, therefore, directly affect the shareholdings of MyDeal Shareholders or the Control of MyDeal while MyDeal Shareholders hold MyDeal Participating Shares.

However, the Scheme is conditional on the EGM Resolution being passed at the EGM. If the EGM Resolution is not passed the Scheme will not proceed unless the relevant condition is waived.

Therefore, the reasons to vote in favour of the EGM Resolution are the same as the reasons to vote in favour of the Scheme which are described at Section 2.2.

Similarly, the reasons to vote against the EGM Resolution are the same as the reasons to vote against the Scheme which are described at Section 2.3.

The MyDeal Directors unanimously recommend that you vote in favour of the EGM Resolution.

Each of the MyDeal Directors (other than Sean Senvirtne) intends to vote, or cause to be voted, all MyDeal Shares held or Controlled by them in favour of the EGM Resolution.

Under the terms of item 7 of section 611 of the Corporations Act, Sean Senvirtne and other Key Management Personnel (or their respective associates, including the KMP Shareholders) will not be able to vote any MyDeal Shares held or Controlled by them at the EGM.

9.6 Independent Expert

The MyDeal Directors appointed the Independent Expert to prepare, as part of its Independent Expert's Report, an opinion as to whether the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is fair and reasonable to Non-associated MyDeal Shareholders.

The Independent Expert has concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is, fair and reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.

9.7 Other Relevant Information

ASIC in paragraph 74.25 of its Regulatory Guide 74 (Acquisitions approved by members) requires that certain information be disclosed to MyDeal Shareholders in relation to the EGM Resolution as follows:

- The reasons for the proposed acquisition of a relevant interest in the Excluded Shares by Woolworths Group, when the proposed acquisition is to occur and the material terms of the proposed acquisition are set out in Sections 9.1 and 9.2.
- The Scheme and the Put and Call Options are conditional upon the EGM Resolution being approved by Non-associated MyDeal Shareholders.
- Woolworths Group's intentions in relation to MyDeal are described in Section 6.4.
- As noted above, the KMP Shareholders will be a counterparty to the Put and Call Options and will potentially receive benefits under the Put and Call Options.
- Following implementation of the Scheme Woolworths Group has the right to make appointments to the MyDeal Board as noted in Section 9.2.

10. Additional information

10.1 Interests of MyDeal Directors

Except as set out below or otherwise disclosed in this Scheme Booklet:

- there are no marketable securities of MyDeal held by or on behalf of MyDeal Directors as at the date of this Scheme Booklet;
- no MyDeal Director holds, or has any interest in, marketable securities in Woolworths Group;
- there has been no dealing by any MyDeal Director in any marketable securities of MyDeal or Woolworths Group in the 4 months prior to the Last Practicable Date other than the grant by Sean Senvirtne of the Call Option described in Section 4.1.

10.1.1 MyDeal Directors' interests in MyDeal securities

As at the Last Practicable Date before this Scheme Booklet, the following MyDeal Directors have a relevant interest in the following number of MyDeal securities:

Director/ entity	Number of ordinary shares	Percentage of outstanding MyDeal Shares calculated on a non-diluted basis	Number of MyDeal Incentive Plan Options
Paul Greenberg	1,687,855	0.65%	400,000
James Joughin	128,261	0.05%	210,000
Chris Tait	132,065	0.05%	210,000
Sean Senvirtne	126,966,347 ¹⁵	49.05%	4,375,000

Each MyDeal Director (other than Sean Senvirtne) who holds (or whose Controlled entities hold) MyDeal Shares will be entitled to vote at the Scheme Meeting and the EGM and receive the Scheme Consideration on the same terms as all other MyDeal Shareholders.

Each MyDeal Director (other than Sean Senvirtne) that holds MyDeal Shares (or whose Controlled entities hold MyDeal Shares) intends to vote any MyDeal Shares held by or Controlled by them as at the time of the Scheme Meeting in favour of the Scheme and the EGM Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders.

Mr Senvirtne intends to vote or cause to be voted 73,495,824 of the MyDeal Shares held or Controlled by him in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of MyDeal Shareholders. These MyDeal Shares represent 28.40% of MyDeal Shares currently on issue. The balance of the MyDeal Shares held or Controlled by Mr Senvirtne (48,997,216 MyDeal Shares or 18.93% of the MyDeal Shares currently on issue) form part of the

¹⁵ Includes 4.47m MyDeal Shares held by or Controlled by Kate Dockery, Sean Senvirtne's partner.

Excluded Shares which will not be voted at the Scheme Meeting and will not participate in the Scheme.

No MyDeal Shares held or Controlled by Sean Senvirtne or his associates will be voted at the EGM.

10.1.2 Interests in Woolworths Group securities

James Joughin owns 1400 ordinary shares in Woolworths Group held by Penbury Grange Pty Ltd as trustee for the Joughin Family Trust No. 2. No other MyDeal Director has a relevant interest in any securities in Woolworths Group.

10.2 Payments or other benefits of MyDeal Directors, secretaries or executive officers of MyDeal

10.2.1 General

Except as set out below or otherwise disclosed in this Scheme Booklet:

- There is no payment or other benefit that is proposed to be made or given to any MyDeal Director, secretary or executive officer of MyDeal (or any of its Related Bodies Corporate) as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in MyDeal (or any of its Related Bodies Corporate) as a consequence of or in connection with the Scheme and no MyDeal Director, or secretary or executive officer of MyDeal (or any of its Related Bodies Corporate) has had or is to have the amount of any payment or benefit which may have been made to them upon their loss of office or retirement from office, materially affected by the Scheme.
- The MyDeal Directors do not have any other interests in a contract entered into by Woolworths Group.
- There are no contracts or arrangements between a MyDeal Director and any person in connection with or conditional upon the outcome of the Scheme.
- The MyDeal Directors do not have a material interest in relation to the Scheme (except as otherwise disclosed in this Scheme Booklet).

10.2.2 MyDeal Incentive Plan Options

As noted in Section 5.3.1, it is proposed that the MyDeal Incentive Plan Options will be cancelled prior to the Effective Date. If the exercise price of a MyDeal Incentive Plan Option is less than the Scheme Consideration then the holder of the MyDeal Incentive Plan Option will on cancellation receive a payment equal to the difference. All other MyDeal Incentive Plan Options will be cancelled for nil consideration on the Effective Date.

As at the Last Practicable Date, the MyDeal Directors hold the following MyDeal Incentive Plan Options and will, if those options are cancelled, receive the following amounts:

MyDeal Director	MyDeal Incentive Plan Options	Cancellation Amount
Paul Greenberg	400,000	\$10,000
James Joughin	210,000	\$5,500
Chris Tait	210,000	\$5,500
Sean Senvirtne	4,375,000	\$1,153,750

10.2.3 Special Exertion Fees

Each of the MyDeal Directors (other than Sean Senvirtne) will be eligible to receive special exertion fees of \$65,000 in relation to their work as part of the IBC. The aggregate amount of the special exertion fees is \$195,000 (GST exclusive). The payment of the special exertion fees is not conditional on the Scheme being implemented.

10.2.4 Interests of Sean Senvirtne

As noted previously, SS Shareholder and Sean Senvirtne will remain the holder and Controller respectively of 48,997,216 MyDeal Shares after the implementation of the Scheme. Sean Senvirtne and SS Shareholder will be parties to some of the Post-Implementation Agreements. Further details of the Post-Implementation Agreements and the possible benefits that Sean Senvirtne may receive are set out in Section 9.

10.3 Independent Expert

The Independent Expert has prepared the Independent Expert's Report at Attachment 1 of this Scheme Booklet advising as to whether, in its opinion, the Scheme is in the best interests of MyDeal Shareholders and, separately, whether the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is fair and reasonable to Non-associated MyDeal Shareholders.

The Independent Expert has concluded that the Scheme is in the best interests of MyDeal Shareholders.

The Independent Expert has also concluded that the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options is, fair and reasonable to Non-associated MyDeal Shareholders as the advantages outweigh the disadvantages.

10.4 Consents and disclaimers

Each person named in this Section 10.4 has given its consent to the inclusion of a statement or being named in this Scheme Booklet:

- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than those statements which have been included in this Scheme Booklet with the consent of that person; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Scheme Booklet, other than a reference to their name and any statements (including any report) which have been included in this Scheme Booklet with the consent of that person.

10.4.1 Independent Expert

Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987 (as Independent Expert) has given, and has not withdrawn before the date of this Scheme Booklet, its written consent to:

- (a) be named as the Independent Expert in the form and context in which it is named;
- (b) the inclusion of the Independent Expert's Report as Attachment 1; and
- (c) the inclusion in this Scheme Booklet of statements made by the Independent Expert, or said to be based on the Independent Expert's

Report, and to all references to those statements, in the form and context in which they are respectively included.

10.4.2 Woolworths Group

Woolworths Group has given, and has not withdrawn before the date of this Scheme Booklet, its written consent to:

- (a) be named in this Scheme Booklet in the form and context in which it is named; and
- (b) the inclusion in this Scheme Booklet of the Woolworths Group Information in the form and context in which it appears.

10.4.3 Advisers and Share Registry

RBC Capital Markets has given, and has not withdrawn before the date of this Scheme Booklet, its written consent to be named in this Scheme Booklet as MyDeal's financial Adviser in the form and context in which it is named.

Maddocks has given, and has not withdrawn before the date of this Scheme Booklet, its written consent to be named in this Scheme Booklet as MyDeal's legal Adviser in the form and context in which it is named.

Boardroom Pty Limited ACN 003 209 836 has given, and has not withdrawn before the date of this Scheme Booklet, its written consent to be named in this Scheme Booklet as MyDeal's Share Registry in the form and context in which it is named.

10.5 Fees

MyDeal has certain obligations that are contingent upon successful implementation of the Scheme. The financial effect of these obligations to MyDeal is approximately \$8,599,659 (exclusive of GST) and relate to success fees to MyDeal's corporate Adviser, management transaction bonuses, cancellation payments in relation to MyDeal Incentive Plan Options and non-executive Director special exertion fees.

If the Scheme is implemented, the costs incurred by MyDeal in relation to the Scheme will effectively be met by Woolworths Group as the ultimate controller of MyDeal following implementation of the Scheme. If the Scheme is not implemented and if no Superior Proposal emerges and becomes effective, MyDeal expects to incur total costs of approximately \$1,386,150 (exclusive of GST) in connection with the Scheme. In certain circumstances, MyDeal may also be required to pay to Woolworths Group the MyDeal Break Fee as described in Section 10.7.7.

10.6 Foreign jurisdictions

The distribution of this Scheme Booklet outside of Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. MyDeal disclaims all liabilities to such persons. MyDeal Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed. No action has been taken to register or qualify this Scheme Booklet or any aspect of the Scheme in any jurisdiction outside of Australia.

10.7 Key terms of the Scheme Implementation Agreement

MyDeal and Woolworths Group entered into the Scheme Implementation Agreement on 20 May 2022.

The Scheme Implementation Agreement sets out the obligations of MyDeal and Woolworths Group in connection with the implementation of the Scheme. A full copy of the Scheme Implementation Agreement is attached to the MyDeal ASX announcement of 20 May 2022 which is available on the ASX website (<https://www2.asx.com.au/>) and <https://investors.mydeal.com.au/site/investors/ASX-Announcements>.

The following is a summary only and is qualified in its entirety by the full text of the Scheme Implementation Agreement. All capitalised terms used in this Section have the meaning given to them in Section 11, unless otherwise indicated.

10.7.1 Conditions

The obligations of the parties to implement the Scheme are subject to the following Conditions being satisfied or waived, each of which are summarised below but set out in full in clause 3.2 of the Scheme Implementation Agreement.

- (a) Woolworths Group has received written notice from the ACCC stating (either unconditionally or on conditions that are acceptable to Woolworths Group in its absolute discretion) that the ACCC does not propose to intervene or seek to prevent the acquisition of the MyDeal Shares by Woolworths Group, and that notice remains in force and effect at 8.00 am on the Second Court Date (**ACCC Condition**);
- (b) MyDeal Shareholders approve the Scheme by the Requisite Majorities before 8.00 am on the Second Court Date;
- (c) MyDeal Shareholders approve the EGM Resolution;
- (d) the Court approves the Scheme;
- (e) there is not in effect at 8.00 am on the Second Court Date:
 - (i) any temporary, preliminary or final decision, order, injunction or decree issued by a court or other Government Agency; or
 - (ii) any action or investigation by any Government Agency in consequence or in connection with the Scheme, which adversely impacts the implementation of the Scheme;
- (f) no MyDeal Material Adverse Effect occurs before 8.00 am on the Second Court Date;
- (g) no MyDeal Prescribed Event occurs before 8.00 am on the Second Court Date;
- (h) each Post-Implementation Agreement is agreed between the parties to those documents and remains in Agreed Form as at 8.00 am on the Second Court Date;
- (i) each of the representations and warranties given by each of MyDeal and Woolworths Group under the Scheme Implementation Agreement is true and correct as at the time it is given; and
- (j) the Independent Expert issues an Independent Expert's Report which concludes that the Scheme is in the best interests of MyDeal Shareholders and does not withdraw or qualify its conclusion or report prior to 8.00 am on the Second Court Date.

As far as MyDeal is aware, immediately before the date of this Scheme Booklet no circumstances have occurred which have caused or will cause any of the Conditions not to be satisfied or to become incapable of satisfaction. These matters will continue to be assessed until the latest time each Condition is to be satisfied, which for many of the Conditions is 8.00 am on the Second Court Date.

10.7.2 Conduct of business

Subject to certain exceptions, from the date of the Scheme Implementation Agreement until the Implementation Date, MyDeal is required to comply with certain conduct of business requirements, which are summarised below but set out in full in clause 5.1 of the Scheme Implementation Agreement.

Among other things MyDeal (and each member of the MyDeal Group) must:

- (a) conduct its business and operations in the ordinary course and substantially consistent with the manner conducted 12 months prior to the date of the Scheme Implementation Agreement;
- (b) use reasonable endeavours to:
 - (i) preserve its relationship with its existing financiers, suppliers, Government Agencies and others having business dealings with it;
 - (ii) retain the services of its key officers and employees;
 - (iii) comply in all material respects with all Material Contracts (as defined in the Scheme Implementation Agreement), and with laws and Authorisations applicable to it;
 - (iv) maintain and preserve the value of its business and assets consistent with past practices, including maintaining at least its current level of insurance;
 - (v) ensure that no MyDeal Prescribed Event or MyDeal Regulated Event occurs, and there is no occurrence within any member of the MyDeal Group's reasonable control that would have a MyDeal Material Adverse Effect; and
- (c) provide to Woolworths Group:
 - (i) monthly management accounts in the same form and having the same level of detail as disclosed in the MyDeal Due Diligence Information;
 - (ii) a written summary of key or material developments that relate to the operations of the MyDeal Group or the performance of the MyDeal Group's business on a monthly basis; and
 - (iii) MyDeal Board reports prepared for MyDeal Board meetings as and when required
- (d) promptly notify Woolworths Group of any material Claims against any MyDeal Group Member or their directors or officers and consult with Woolworths Group as reasonably required; and
- (e) promptly notify Woolworths Group or anything of which it becomes aware that makes any of the MyDeal representation or warranties false, inaccurate, misleading or deceptive in any material respect.

10.7.3 Exclusivity

(a) Existing discussions

MyDeal agreed to terminate any existing discussions or negotiations in relation to any Competing Proposals at the date of the Scheme Implementation Agreement and represented and warranted to Woolworths Group that:

- (i) it is not a party to any agreement with any third party relating to a Competing Proposal or Potential Competing Proposal;
- (ii) it is not directly or indirectly participating in any discussions with any third party relating to a Competing Proposal or Potential Competing Proposal;
- (iii) it has terminated any due diligence access granted to any third party for the purpose of making, formulating, developing or finalising a Competing Proposal or Potential Competing Proposal; and
- (iv) any third party to whom non-public information has been provided for the purpose of making, formulating, developing or finalising a Competing Proposal or Potential Competing Proposal has been requested to return or destroy that non-public information.

(b) No shop

During the Exclusivity Period, MyDeal, its representatives and any of its Related Bodies Corporate must not solicit, invite, encourage or initiate any offer, enquiries, expressions of interest, discussions or proposals from any third party, in relation to, or that may be expected to encourage or lead to, a Competing Proposal or a Potential Competing Proposal, or announce or communicate to any person any intention to do any of these things.

(c) No talk

Subject to the 'fiduciary out' (described below), during the Exclusivity Period, MyDeal, its representatives and any of its Related Bodies Corporate must not negotiate or enter into, participate in or continue any discussions or negotiations with a third party in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal or Potential Competing Proposal, or otherwise facilitate a Competing Proposal or Potential Competing Proposal, or announce or communicate to any person any intention to do any of these things.

(d) No due-diligence

Subject to the 'fiduciary out', during the Exclusivity Period, MyDeal, its representatives and any of its Related Bodies Corporate must not, make available to any third party, or cause or permit any third party to receive, any non-public information relating to MyDeal or any of its Related Bodies Corporate that may reasonably be expected to assist such third party in formulating, developing or finalising a Competing Proposal or Potential Competing Proposal.

(e) Fiduciary out

The 'fiduciary out' is an exception where to comply with a restriction could breach the MyDeal Directors' fiduciary duties or statutory obligations.

The 'no talk' and 'no due diligence' restrictions do not apply where there has not been any breach of the 'no shop' restriction in respect of a Competing Proposal or Potential Competing Proposal and the MyDeal Board, acting in good faith and after receiving written advice from MyDeal's financial and legal Advisers, determines that such Competing Proposal or Potential Competing Proposal is, or may reasonably be expected to constitute, a Superior Proposal if it were proposed and that failing to respond to such Competing Proposal or Potential Competing Proposal would be reasonably likely to constitute a breach of the fiduciary duties or statutory obligations of the MyDeal Board.

(f) Exclusivity Period

The 'no shop', 'no talk' and 'no due-diligence' exclusivity provisions end on the expiry of the Exclusivity Period being the earlier of:

- (i) the date that the Scheme Implementation Agreement is terminated;
- (ii) the Implementation Date; and
- (iii) the End Date, being 20 February 2023.

If a condition precedent to the Scheme is not satisfied, for example if the Scheme is not approved by the Requisite Majorities at the Scheme Meeting, or the EGM Resolution is not passed at the EGM, MyDeal will have the right to terminate the Scheme Implementation Agreement if, after 5 Business Days (or such shorter period of time ending at 5.00 pm on the day before the Second Court Date) MyDeal and Woolworths Group after having consulted in good faith, cannot agree an alternative means of implementing the Scheme. If the MyDeal Board considered it to be in the best interests of MyDeal Shareholders to do so, MyDeal would exercise that termination right, which would bring the Exclusivity Period to an end.

10.7.4 Notification of approaches

During the Exclusivity Period, MyDeal must notify Woolworths Group as soon as reasonably practicable (and in any event within 48 hours of the occurrence of the events described in this Section 10.7.4) if MyDeal or any of its Related Bodies Corporate or Representatives receives a Competing Proposal or is approached by a person in relation to a Competing Proposal or Potential Competing Proposal, or intends to take or takes any action relying on the 'fiduciary out'.

10.7.5 Woolworths Group's Matching Right

- (a) If during the Exclusivity Period, the MyDeal Board determines that a Competing Proposal is a Superior Proposal, MyDeal must notify Woolworths Group of that fact (including the identity of the relevant person making the Competing Proposal) as soon practicable (and in any event within 48 hours of making that determination).
- (b) If MyDeal gives notice to Woolworths Group of any Superior Proposal as described above in Section 10.7.5(a), Woolworths Group has the right, but not the obligation, to provide a revised proposal to MyDeal within five

clear Business Days of such notice (**Matching Period**) with a view to providing an equivalent or a superior outcome for the MyDeal shareholders than those offered under the relevant Competing Proposal (**Counter Proposal**).

- (c) If during the Matching Period, Woolworths Group makes a Counter Proposal, MyDeal must:
 - (i) use its best endeavours to procure that the MyDeal Board promptly considers the Counter Proposal in good faith before entering into any binding documentation to give effect to or implement the Competing Proposal or the Potential Competing Proposal; and
 - (ii) notify Woolworths Group in writing within 48 hours after it determines whether the Counter Proposal does or does not provide an equivalent or a superior outcome for the MyDeal shareholders;
- (d) Each successive material modification of any third party expression of interest, offer or proposal in relation to a Competing Proposal will constitute a new Competing Proposal.

10.7.6 Representations and warranties

The Scheme Implementation Agreement contains customary and other representations and warranties by each of MyDeal (in clause 12.1 of the Scheme Implementation Agreement) and Woolworths Group (in clause 12.2 of the Scheme Implementation Agreement).

10.7.7 MyDeal Break Fee

The Scheme Implementation Agreement provides in clause 10 that MyDeal must pay Woolworths Group a MyDeal Break Fee in the following circumstances. The MyDeal Break Fee is \$2,850,000 (excluding GST).

A MyDeal Break Fee is payable by MyDeal to Woolworths Group if:

- (a) prior to the End Date, any MyDeal Director:
 - (i) does not recommend the Scheme or the EGM Resolution or withdraws or adversely modifies (including by attaching any qualifications to) an earlier recommendation, or approves, recommends or makes an announcement in support of a Competing Proposal, or announces an intention to do any of these acts; or
 - (ii) does not state that he or she intends to vote any MyDeal Shares that he or she directly or indirectly owns or Controls in favour of the Scheme at the Scheme Meeting and the EGM Resolution at the EGM (excluding Sean Senvirtne to the extent he is excluded from voting on the EGM Resolution) or withdraws or adversely modifies (including by attaching any qualifications to) an earlier statement that they intend to vote in favour of the Scheme at the Scheme Meeting and the EGM Resolution at the EGM,

except where MyDeal terminates the Scheme Implementation Agreement as a result of a material breach of Woolworths Group which is not remedied within the required time, or the Independent Expert concludes that the Scheme is not in the best interests of MyDeal Shareholders or withdraws its Independent Expert's Report prior to 5.00 pm on the day

before the Second Court Date, in either case other than as a result of the existence, announcement or publication of a Competing Proposal;

- (b) if during the Exclusivity Period, MyDeal accepts or enters into, any agreement, arrangement or understanding to give effect to or implement a Competing Proposal;
- (c) prior to the End Date, a Competing Proposal is announced, made or becomes open for acceptance and within nine months after the End Date under that Competing Proposal the relevant bidder (or any of its associates):
 - (i) acquires voting power of (or an economic interest in) 50% or more of all MyDeal Shares and that Competing Proposal is (or becomes) free from any defeating conditions; or
 - (ii) completes the Competing Proposal;
- (d) if the Scheme Implementation Agreement is terminated by Woolworths Group:
 - (i) as a result of a material breach of MyDeal which is not remedied within the required time; or
 - (ii) as a result of any MyDeal Director not recommending the Scheme or the EGM Resolution or withdraws or adversely modifies an earlier recommendation, or approves or recommends a Competing Proposal, or does not state that they intend to vote any MyDeal Shares that they Control in favour of the Scheme and the EGM Resolution, or announces an intention to do any of these acts, other than in circumstances where the Independent Expert concludes that the Scheme is not in the best interests of MyDeal Shareholders.

10.7.8 Termination by MyDeal

MyDeal may terminate the Scheme Implementation Agreement by giving notice in writing to Woolworths Group at any time before 8.00 am on the Second Court Date if:

- (a) the IBC unanimously and publicly withdraws its support for the Scheme, including if the IBC unanimously:
 - (i) changes, withdraws, adversely modifies, adversely qualifies, or takes an action inconsistent with its statement in support of the Scheme or recommendation to vote in favour of the Scheme;
 - (ii) makes any public statement to the effect that the Scheme is not, or is no longer, supported or recommended or supported by it; or
 - (iii) makes any public statement to the effect that it recommends a Competing Proposal,

in each case other than as a breach of the Scheme Implementation Agreement;

- (b) the MyDeal Board publicly recommends a Superior Proposal, having followed the processes set out in clause 9 of the Scheme Implementation Agreement; or

- (c) Woolworths Group materially breaches, at any time before 8.00 am on the Second Court Date, any material clause of the Scheme Implementation Agreement which is not remedied within the required time.

In addition there are other customary termination rights for MyDeal, including if the Scheme has not become Effective on or before the End Date or if agreed to in writing by MyDeal and Woolworths.

10.7.9 Termination by Woolworths Group

Woolworths Group may terminate this document by giving notice in writing to MyDeal at any time before 8.00 am on the Second Court Date if:

- (a) any MyDeal Director does not recommend the Scheme or the EGM Resolution or withdraws or adversely modifies (including by attaching any qualifications to) an earlier recommendation, or approves, recommends or makes an announcement in support of a Competing Proposal, or announces an intention to do any of these acts;
- (b) any MyDeal Director does not state that he or she intends to vote any MyDeal Shares that he or she directly or indirectly owns or Controls in favour of the Scheme at the Scheme Meeting and the EGM Resolution at the EGM (excluding Sean Senvirtne to the extent he is excluded from voting on the EGM Resolution) or withdraws or adversely modifies (including by attaching any qualifications to) an earlier statement that they intend to vote in favour of the Scheme at the Scheme Meeting and the EGM Resolution at the EGM;
- (c) MyDeal or a member of the MyDeal Group enters into a definitive agreement in relation to the implementation of a Competing Proposal; or
- (d) MyDeal materially breaches, at any time before 8.00 am on the Second Court Date, any material clause of the Scheme Implementation Agreement which is not remedied within the required time.

In addition there are other customary termination rights for Woolworths, including if the Scheme has not become Effective on or before the End Date or if agreed to in writing by MyDeal and Woolworths.

10.8 Regulatory approvals

All regulatory approvals that are Conditions to the Scheme are set out in clause 3.2 of the Scheme Implementation Agreement.

10.9 ASIC relief obtained

Pursuant to rule 5.1.0.1(b) and clause 8302(h) of Schedule 8 of the *Corporations Regulations 2001* (Cth), this Scheme Booklet is required to set out whether, within the knowledge of the MyDeal Directors, the financial position of MyDeal has materially changed since the date of the last balance sheet laid before the company in general meeting or sent to shareholders in accordance with section 314 or 317 of the Corporations Act (being 30 June 2021), as well as the full particulars of the changes.

On 1 August 2022, ASIC granted MyDeal relief from this requirement so that this Scheme Booklet only needs to set out whether, within the knowledge of the MyDeal Directors, the financial position of MyDeal has materially changed since 31 December 2021 (being the last date of the period to which the financial statements for the six months ended 31 December 2021 relate).

MyDeal will provide a copy of the financial reports for the half year ended 31 December 2021 free of charge to anyone who requests a copy.

10.10 ASX waiver

The ASX has granted a waiver from Listing Rule 6.23.2 to the proposed cancellation of the MyDeal Incentive Plan Options.

10.11 Deed Poll

Woolworths Group has entered into the Deed Poll in favour of the MyDeal Shareholders under which Woolworths Group has undertaken to pay the Scheme Consideration if the Scheme becomes Effective.

The Deed Poll may be relied upon by any MyDeal Shareholder despite the fact that they are not a party to it and each MyDeal Shareholder appoints MyDeal as its agent to enforce their rights under the Deed Poll against Woolworths Group.

The Deed Poll is at Attachment 2 to this Scheme Booklet.

10.12 Other information material to the making of a decision in relation to the Scheme

Except as set out in this Scheme Booklet, so far as the MyDeal Directors are aware, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any MyDeal Director or any director of a related entity of MyDeal which has not been previously disclosed to MyDeal Shareholders.

10.13 Supplementary information

MyDeal will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date:

- a material statement in this Scheme Booklet is false or misleading;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; and/or
- a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, MyDeal may circulate and publish any supplementary document including by:

- approaching the Court for a direction as to what is appropriate in the circumstances;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document on MyDeal's website and the ASX; and
- making a public announcement by way of press release.

ASIC will be provided with an opportunity to review and comment on any supplementary documents prior to their issue by MyDeal.

11. Glossary

\$, A\$, AUD or AUD\$	means the lawful currency for the time being of Australia.
ACCC	means the Australian Competition and Consumer Commission.
ACCC Condition	has the meaning given in Section 10.7.1(a).
Adviser	means, in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser, or consultant who provides advisory services in a professional capacity and who has been engaged by that entity in connection, directly or indirectly, with the Scheme.
AEST	means Australian Eastern Standard Time.
Agreed Form	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
ASIC	means the Australian Securities and Investments Commission.
associate	has the meaning given in the Corporations Act.
ASX	means ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Authorisation	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
Business Day	means a day that is not a Saturday, Sunday, bank holiday or public holiday in New South Wales, Australia.
Call Option	means the call option dated 20 May 2022 granted by Sean Senvirtne in favour of Woolworths Group over 19.9% of MyDeal Shares.
CHESS	means the clearing house electronic sub register system for the electronic transfer of securities operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.
Claim	means any debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at law, in equity, under statute or otherwise.
Competing Proposal	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
Conditions	means the conditions precedent to the Scheme contained in clause 3.2 of the Scheme Implementation Agreement.
Confidentiality Deed	means the confidentiality deed between MyDeal and Woolworths Group in respect of the Scheme dated 2 February 2022.

Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Counter Proposal	has the meaning set out in clause 9.2(b)(vi) of the Scheme Implementation Agreement, as summarised in Section 10.7.5.
Court	means the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by the parties.
Deed Poll	means a document in the form or substantially in the form of Attachment 2.
Dispose	means, in relation to an interest in any property or other asset, a sale, transfer, assignment, novation, disposal, waiver, relinquishment or other dealing or action of any kind by means of which a legal, beneficial, voting or economic interest of any kind in that property or other asset, whether absolute or by way of security and whether proprietary in nature or merely contractual, is, will or may be conferred on or transferred to another person or waived, relinquished or forfeited by a member of the MyDeal Group and Disposal has a corresponding meaning.
Effective	means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.
Effective Date	means the date on which the Scheme becomes Effective, anticipated to be 14 September 2022.
EGM	means the Extraordinary General Meeting to be held at 10.45 am (AEST) on 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or been adjourned.
EGM Resolution	means the resolution to be put to MyDeal Shareholders to approve under section 611 item 7 of the Corporations Act any acquisition by Woolworths Group of a relevant interest in the Excluded Shares that may arise pursuant to the Put and Call Options, as set out in the Notice of EGM.
End Date	means the date that is 9 months after the date of the Scheme Implementation Agreement.
Excluded Shares	means: <ul style="list-style-type: none"> (a) 48,997,216 MyDeal Shares held by SS Shareholder; (b) 1,316,942 MyDeal Shares held by one or more entities Controlled by Kate Dockery; and (c) 1,043,377 MyDeal Shares held by one or more entities Controlled by Dean Ramler.

	If any member of the Woolworths Group becomes the registered holder of MyDeal Shares, these MyDeal Shares will also be Excluded Shares.
Exclusivity Period	means the period beginning on and from 20 May 2022 and ending on the earlier of: <ul style="list-style-type: none"> (a) the date of termination of the Scheme Implementation Agreement; (b) the End Date; and (c) the Implementation Date.
FAQ	means a question (and its corresponding answer) under the heading 'Frequently Asked Questions' commencing on page 12 of this Scheme Booklet.
First Court Date	means the first day of hearing of an application made to the Court by MyDeal for orders, pursuant to section 411(1) of the Corporations Act, convening the Scheme Meeting or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.
FY21	means the financial year ending 30 June 2021.
FY22	means the financial year ending 30 June 2022.
Government Agency	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
GST	means a goods and services tax or similar value added tax levied or imposed under the GST Law.
GST Law	has the meaning given to it in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
GTV	means Gross Transaction Value.
Headcount Test	means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of MyDeal Shareholders present and voting, either in person, by attorney, by corporate representative or by proxy (and being the first limb of the definition of 'Requisite Majorities').
IBC	means the Independent Board Committee.
Implementation Date	means the date which is 5 Business Days after the Record Date or such other date as MyDeal and Woolworths Group may agree in writing, expected to be 23 September 2022.

Independent Expert	means Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987.
Independent Expert's Report	means the report from the Independent Expert in respect of the Scheme and the EGM Resolution, a copy of which is set out in Attachment 1.
Key Management Personnel	means each of Sean Senvirtne, Kate Dockery and Dean Ramler.
KMP Shareholder	means the SS Shareholder and each other entity Controlled by Key Management Personnel which holds Excluded Shares.
Last Practicable Date	means 27 July 2022, being the last practicable trading day prior to finalising the information in this Scheme Booklet.
Listing Rules	means the official listing rules of ASX, as amended, waived or modified from time to time.
Matching Period	has the meaning given to that term in clause 9.2 of the Scheme Implementation Agreement.
Matching Right	means Woolworths Group's right to match a Superior Proposal under clause 9.2 of the Scheme Implementation Agreement, as summarised in Section 10.7.5.
MyDeal	means MyDeal.com.au Limited ACN 640 108 130.
MyDeal Board	means the board of the MyDeal Directors.
MyDeal Break Fee	means a break fee payable by MyDeal to Woolworths Group of \$2,850,000 (excluding GST).
MyDeal Director	means a director of MyDeal.
MyDeal Due Diligence Information	has the meaning given to 'Target Due Diligence Information' in clause 1.1 of the Scheme Implementation Agreement.
MyDeal Equity Incentive Plan	means the plan established by the MyDeal Equity Incentive Plan Rules.
MyDeal Equity Incentive Plan Rules	means the MyDeal equity incentive plan rules adopted by the MyDeal Board on 21 September 2020 and governing the MyDeal Equity Incentive Plan.
MyDeal Incentive Plan Option	means an option to subscribe for a MyDeal Share issued under the MyDeal Equity Incentive Plan.
MyDeal Group	means MyDeal and its Subsidiaries.
MyDeal Group Member	means any member of the MyDeal Group.

MyDeal Information	means all information in this Scheme Booklet other than the Woolworths Group Information and the information contained in the Independent Expert's Report.
MyDeal Material Adverse Effect	has the meaning given to 'Target Material Adverse Effect' in clause 1.1 of the Scheme Implementation Agreement.
MyDeal Participating Share	means a fully paid ordinary share issued in the capital of MyDeal other than the Excluded Shares.
MyDeal Prescribed Event	has the meaning given to 'Target Prescribed Event' in clause 1.1 of the Scheme Implementation Agreement.
MyDeal Regulated Event	has the meaning given to 'Target Regulated Event' in clause 1.1 of the Scheme Implementation Agreement.
MyDeal Share	means a fully paid ordinary share issued in the capital of MyDeal.
MyDeal Shareholder	means each person who is registered in the Register as the holder of MyDeal Shares other than the holders of Excluded Shares.
Net Cash	means the unaudited cash balance of MyDeal Group as at 30 June 2022 less third party debt (if any).
Non-associated MyDeal Shareholder	means a MyDeal Shareholder other than the holders of Excluded Shares and their associates and any associate of Woolworths Group.
Notice of EGM	means the notice of meeting for the EGM, a copy of which is at Attachment 4.
Notice of Scheme Meeting	means the notice of meeting for the Scheme Meeting, a copy of which is at Attachment 4.
Notices of Meeting	means the Notice of Scheme Meeting, Notice of EGM and the explanatory notes that form part of those notices.
Post-Implementation Agreements	means the agreements described in Section 9 which are mostly proposed to be entered into on or around the Implementation Date in relation to the operation and governance of MyDeal after the Implementation Date.
Potential Competing Proposal	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
Process Deed	means the process deed entered into by Woolworths Group and Key Management Personnel on 20 June 2022.
Proxy Forms	means the proxy form for the Scheme Meeting and EGM in the form at Attachment 5, or, as the context requires, any replacement or substitute proxy form provided by or on behalf of MyDeal.

Put and Call Options	means the put and call options in relation to the Excluded Shares forming part of the Shareholders Agreement as described in Section 9.
Record Date	means 7.00 pm on the day which is two Business Days after the Effective Date, or any other date (after the Effective Date) agreed by MyDeal and Woolworths Group to be the record date to determine entitlements to receive Scheme Consideration under the Scheme.
Register	means the register of members of MyDeal kept by the Share Registry.
Registered Address	means in relation to a MyDeal Shareholder, the address shown in the Share Registry as at the Record Date.
Related Body Corporate	has the meaning given to that term in the Corporations Act.
relevant interest	has the meaning given to that term by sections 608 and 609 of the Corporations Act.
Requisite Majorities	<p>means the majorities required under section 411(4)(a)(ii) of the Corporations Act, being:</p> <ul style="list-style-type: none"> (a) unless the Court orders otherwise, a majority in number (more than 50%) of MyDeal Shareholders present and voting (in person or by proxy, corporate representative or attorney) at the Scheme Meeting (being the 'Headcount Test' as defined); and (a) at least 75% of the total number of votes cast on the Scheme Resolution.
Scheme	means the scheme of arrangement pursuant to Part 5.1 of the Corporations Act proposed between MyDeal and the MyDeal Shareholders, in the form at Attachment 3, together with any alterations or conditions made or required pursuant to sub-section 411(6) of the Corporations Act and agreed or consented to in writing by MyDeal and Woolworths Group.
Scheme Booklet	means this document.
Scheme Consideration	means the consideration to be provided to MyDeal Shareholders under the terms of the Scheme for the transfer of their MyDeal Participating Shares to Woolworths Group.
Scheme Implementation Agreement	<p>means the scheme implementation agreement entered into between MyDeal and Woolworths Group on 20 May 2022 (as amended by an amending agreement dated on or around 2 August 2022).</p> <p>A summary of the Scheme Implementation Agreement is set out in Section 10.7. A full copy of the Scheme Implementation Agreement is attached to the MyDeal ASX announcement of 20 May 2022, which is available on the ASX website (https://www2.asx.com.au/) and MyDeal's website</p>

	(https://investors.mydeal.com.au/site/investors/ASX-Announcements).
Scheme Meeting	means the meeting of MyDeal Shareholders ordered by the Court to be convened pursuant to Section 411(1) of the Corporations Act in relation to the Scheme, including any adjournment or postponement of that meeting. Refer also to the scheduled Scheme Meeting date included in the Timetable.
Scheme Resolution	means the resolution to approve the Scheme to be voted on at the Scheme Meeting, as set out in the Notice of Scheme Meeting.
Second Court Date	<p>means the first day of hearing of an application made to the Court by MyDeal for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing, with such hearing the Second Court Hearing.</p> <p>Refer also to the expected Second Court Date included in the Timetable.</p>
Section	means a section of this Scheme Booklet.
Security Interest	<p>means:</p> <ul style="list-style-type: none"> (a) any mortgage, pledge, lien, charge or other preferential right, trust arrangement, agreement or arrangement of any kind given or created by way of security, including a security interest (as defined in the <i>Personal Property Securities Act 2009</i> (Cth)); (b) a 'security interest' as defined in section 12 of the <i>Personal Property Securities Act 2009</i> (Cth); or (c) any agreement to <i>create</i> or grant any arrangement described in paragraph (a) or (b).
Shareholders Agreement	has the meaning given in Section 9.2.1.
Share Registry	means Boardroom Pty Limited ACN 003 209 836 of Grosvenor Place, Level 12, 225 George Street, Sydney NSW 2000.
SS Shareholder	means Tripitaka Pty Ltd ACN 660 758 083, an entity Controlled by Sean Senvirtne.
Subsidiary	has the meaning given in the Corporations Act.
Superior Proposal	has the meaning given to that term in clause 1.1 of the Scheme Implementation Agreement.
Timetable	means the indicative timetable for implementation of the Scheme as set out under the heading 'Key dates' on page 1 of this Scheme Booklet.
VWAP	means volume weighted average price.

Woolworths Group	means Woolworths Group Limited ACN 000 014 675 and, where the context requires, its Subsidiaries.
Woolworths Group Board	means the board of directors of Woolworths Group.
Woolworths Group Information	means Sections 6 and 9.2 and FAQ questions 9 and 44-46 of this Scheme Booklet.
Woolworths Group Member	means any member of the Woolworths Group.

MyDeal.com.au Limited

Independent Expert's Report and Financial Services Guide

2 August 2022

Independent Board Committee
MyDeal.com.au Limited
1 Market Street
Sydney 2000 NSW

2 August 2022

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Introduction

MyDeal.com.au Limited (“MyDeal”, or “the Company” or “MYD”) is an online retail marketplace focused on home and lifestyle goods with c. 2,049 sellers, over 6 million product SKUs and c. 1.05 million active customers on its platform. MYD completed an initial public offering (“IPO”) on the Australian Securities Exchange (“ASX”) in October 2020 raising A\$40 million¹ at a price of A\$1.00 per share (“IPO Price”). As at 19 May 2022², MYD had a market capitalisation of c. A\$166.9 million³.

Woolworths Group (“WOW” or “the Bidder” or “Woolworths”) is Australia’s largest supermarket chain operating 1,081⁴ stores across Australia and a further 186⁵ stores in New Zealand. WOW also owns BIG W, a chain of discount department stores. Woolworths is listed on the ASX with a market capitalisation of c. A\$44.5 billion as at 12 July 2022.

On 20 May 2022, MYD announced that it had entered into a Scheme Implementation Agreement (“SIA”) with WOW under which it is proposed that Woolworths will acquire 80.2% of the issued shares of the Company (“MYD Shares” or “MyDeal Shares”) for a cash consideration of A\$1.05 per share (“Scheme Consideration”). The remaining 19.8% of MYD Shares (“Retained Shares”) are held by the founder and major shareholder of the Company (Sean Senvirtne) with c. 18.9%, and other key Management personnel holding the balance (the holders of the Retained Shares are collectively referred to as “KMP”). Immediately before the announcement of the Scheme, Sean Senvirtne, together with his associates, owned or controlled 49.05%⁶ of the undiluted issued capital.

The Scheme is subject to the conditions precedent set out in Section 1 of this Independent Expert’s Report (“IER”) including approval by MYD shareholders (“MYD Shareholders” or “Shareholders”), ACCC⁷ and Court approvals, and WOW and the KMP agreeing the terms of agreements which will regulate the shareholding and management of MyDeal following the Scheme (“Post-Implementation Agreements”). The Post-Implementation Agreements include put and call arrangements over the Retained Shares (“Retained Shares Options”) which can only be exercised, subject to certain exceptions, three to four years after implementation of the Scheme.

The SIA contains customary exclusivity provisions including no shop and no talk restrictions and a matching counterproposal right for WOW in the event the MYD Board receives a superior proposal. The

¹ Including the issue of new shares for A\$35 million and the sale of existing shares for A\$5 million.

² The day prior to the announcement of the Scheme.

³ Based on 258,827,306 ordinary shares outstanding and a share price of A\$0.645.

⁴ 999 Supermarkets and 82 Metro Food Stores.

⁵ 186 Countdown stores.

⁶ Includes 4.47 million MYD Shares held or controlled by Kate Dockery, Sean Senvirtne’s partner.

⁷ Australian Competition and Consumer Commission.

SIA also details circumstances under which MYD may be required to pay WOW a break-fee of A\$2.85 million if the Scheme does not proceed.

WOW has entered into a conditional call option agreement with an entity controlled by Sean Senvirtne under which WOW may purchase MYD Shares representing 19.9% of the issued share capital of the Company ("Call Option") upon WOW becoming aware of the receipt by MYD or the announcement of a competing proposal. WOW holds a relevant interest in 19.9% of MyDeal Shares by virtue of the Call Option and voting power over 50.37%⁸ as a result of entering into a process deed with the KMP in relation to the Post-Implementation Agreements.

MyDeal's other substantial shareholders, Aavasani Pty Ltd ("Gandel Investment") and Silver Globe Investments Pty Ltd, which hold 15.31% and 13.20% of the issued capital respectively, have each advised that they intend to vote in favour of the Scheme in the absence of a superior proposal.

In light of the interests of Sean Senvirtne in the Scheme, the Directors have established an Independent Board Committee ("IBC") consisting of the Chairman and the other Non-Executive Directors to consider and negotiate the terms of the Scheme.

Subject to no superior proposal emerging and an independent expert concluding and continuing to conclude that the Scheme is in the best interests of MYD Shareholders, each of the MYD Directors unanimously recommend that MYD Shareholders vote in favour of the Scheme and subject to the same qualifications, all MYD Directors, intend to vote, or procure the voting of all MYD Shares⁹ held or controlled by them in favour of the Scheme.

Purpose of the report

The Independent Directors¹⁰ have requested Grant Thornton Corporate Finance prepare an Independent Expert's Report ("IER") stating whether:

- The Scheme is in the best interests of security holders of the Company for the purpose of section 411 of the Corporations Act 2001 (Cth) ("Corporations Act").
- The acquisition of a relevant interest in MYD Shares as a result of WOW entering into the Retained Shares Options agreements ("Retained Shares Acquisition") with the KMP, is fair and reasonable to MYD Shareholders not associated with WOW and the KMP ("Non-Associated Shareholders") for the purposes of Item 7 of Section 611 of the Corporations Act. The approval of Non-Associated Shareholders of the Retained Shares Acquisition is one of the conditions precedent for the Scheme to proceed.

When preparing this IER, Grant Thornton Corporate Finance has had regard to the Australian Securities Investment Commission's ("ASIC") Regulatory Guide 111 *Contents of expert reports* ("RG 111") and Regulatory Guide 112 *Independence of experts* ("RG 112"). The IER also includes other information and disclosures as required by ASIC.

⁸ This is the total % of the issued capital held by KMP.

⁹ Excluding the Retained Shares.

¹⁰ The Chairman and the other Non-Executive Directors forming the IBC.

Summary of opinion

Grant Thornton Corporate Finance has concluded that:

- The Scheme is **FAIR AND REASONABLE** and hence in the **BEST INTERESTS** of MYD Shareholders in the absence of a superior alternative proposal emerging.
- The advantages of the Retained Shares Acquisition outweigh the disadvantages and hence we have concluded that the Retained Shares Acquisition is fair and reasonable to the Non-Associated Shareholders for the purposes of Item 7 of Section 611 of the Corporations Act.

Fairness Assessment of the Scheme

Grant Thornton Corporate Finance has compared the fair market value of MYD before the Scheme on a control basis with the Scheme Consideration. The following table summarises our fairness assessment.

Fairness assessment	Section	Low	High
A\$ per MYD share	Reference		
Fair market value of MYD Shares on a control basis	Section 6	0.92	1.07
Scheme Consideration	Section 1	1.05	1.05
Premium/(discount)		0.13	(0.02)
Premium/(discount) (%)		13.8%	(1.9%)
FAIRNESS ASSESSMENT		FAIR	

Source: GTCF analysis

The Scheme Consideration is at the high end of our assessed valuation range of MYD on a control basis. Accordingly, we conclude that the Scheme is FAIR to MYD Shareholders.

MYD Shareholders should be aware that our assessment of the value per MYD Share should not be considered to reflect the price at which MYD Shares may trade if the Scheme is not implemented. The price at which MYD Shares will ultimately trade depends on a range of factors, including: the available public market for MYD Shares, macroeconomic conditions, the performance of the retail industry and of MYD's business. We are of the opinion that in the absence of the Scheme, MYD Shares will trade materially below the Scheme Consideration.

We have assessed the fair market value of MYD Shares on a control basis by adopting the discounted cash flow methodology ("DCF Method") as our primary approach, which we have cross checked with a market based approach having regard to the enterprise value as a multiple of revenue ("Revenue Multiple")¹¹ and of GTV¹² ("GTV Multiple")¹³. We have also considered the trading price of MYD since the IPO up to the announcement of the Scheme ("Quoted Security Price Method").

DCF Method

We have built a financial model projecting the post-tax free cash flows of the Company up to 30 June 2027 ("GT Model") using management's internal projections up to 30 June 2027 ("Internal Projections"), historical and YTD financial performance, consensus estimates from investment analysts, and industry benchmarks.

¹¹ Calculated as enterprise value divided by revenue.

¹² Gross Sales or Gross Transaction Value ("GTV") is the total value of transactions processed by MyDeal (including marketplace and in-stock) on a cash basis, before deducting refunds, chargebacks, discounts and coupons but after deducting GST.

¹³ Calculated as enterprise value divided by GTV.

The Internal Projections reflect Management's best estimate of the Company's pathway to profitability and scale. Some of the assumptions underlying the Internal Projections are inherently subject to considerable uncertainty and there is significant scope for differences of opinion. Accordingly, in our assessment of MYD based on the DCF, we have sensitised certain KPIs in order to obtain a number of scenarios to derive our selected value range.

MYD has been growing exponentially since it listed in October 2020 and both the Internal Projections, and the consensus estimates prepared by investment analysts¹⁴ ("MYD Consensus Estimates") predict the Company will continue to grow at elevated rates during the discrete forecast period. Accordingly, our scenario analysis has mainly reverted around the following key variables:

- *GTV growth* – MYD reported FY22 GTV of A\$272.2¹⁵ million, ahead of guidance of c. A\$270 million, representing a growth rate of c. 24.8% relative to FY21. Longer term, MYD is targeting GTV of A\$500.0 million by FY25 which the Company has indicated as the medium-term goal to achieve scale and profitability. Given that the in-stock segment is in its early stages and the fact that it is growing off a low base relative to the marketplace¹⁶ segment, the Internal Projections allow for substantial growth in GTV in the initial years of the discrete forecast period. The forecast GTV growth rate included in the Internal Projections are higher in the short term than the MYD Consensus Estimates but at the same time, lower than the historical growth rates achieved by some of the listed peers before the outbreak of COVID-19 (representative of a normalised growth rate). Accordingly, in our valuation assessment, we have presented upside and downside cases in relation to future growth rates compared with the Internal Projections.
- *Take rate*¹⁷ – The historical commission charged by MYD was c.15.1% in FY21 (inclusive of other revenue¹⁸). We have benchmarked this rate against the competitors noting that different product categories typically generate different commission rates. MYD's focus on furniture and homeware products allows for higher commission rates whilst peers with more diversified product categories including consumer electronics, everyday goods and smaller items generate a lower margin. In our opinion, given the challenging market conditions and the competitive environment, there is the possibility of a compression in the take rates for MYD which may be driven by competitors applying greater discounts to achieve revenue growth or new competitors entering the more profitable verticals. Investment analysts covering the Company also expect the take rate to reduce going forward.
- *Marketing expenses* – Given the growth stage of its lifecycle, MYD is expected to continue to exhibit high rates of reinvestment in marketing and sales in the discrete forecast period, which however should normalise once the Company achieves scale and a steady state in the terminal year. To arrive at our terminal year assumptions, we have considered MYD's historical marketing spend and the portion attributed to preserving the customer base versus attracting new customers. We have also considered benchmarks against comparable companies. Whilst MYD measures marketing expenses against NTV¹⁹, most of the comparable listed peers are online e-commerce players rather than marketplaces and they do not disclose NTV. Accordingly, we have benchmarked marketing expenses as a percentage of revenues and GTV for the listed peers.

¹⁴ The Company is covered by four investment analysts.

¹⁵ Q4 FY22 Activities Report and Appendix 4C (numbers quoted are unaudited).

¹⁶ An online platform (website or application) facilitating the transactions between customers and sellers of goods and services.

¹⁷ Take rate is the sum of all marketplace commissions charged by MyDeal to sellers for transactions facilitated on the MyDeal website. It is calculated as the sum of the marketplace sales revenue as a percentage of Net Transaction Value ("NTV") being GTV after deducting refunds and chargebacks etc.

¹⁸ Other revenue includes revenue from subscription fees, transaction fees, refund fees and advertising.

¹⁹ Net Transaction Value calculated as GTV after deducting refunds and chargebacks etc.

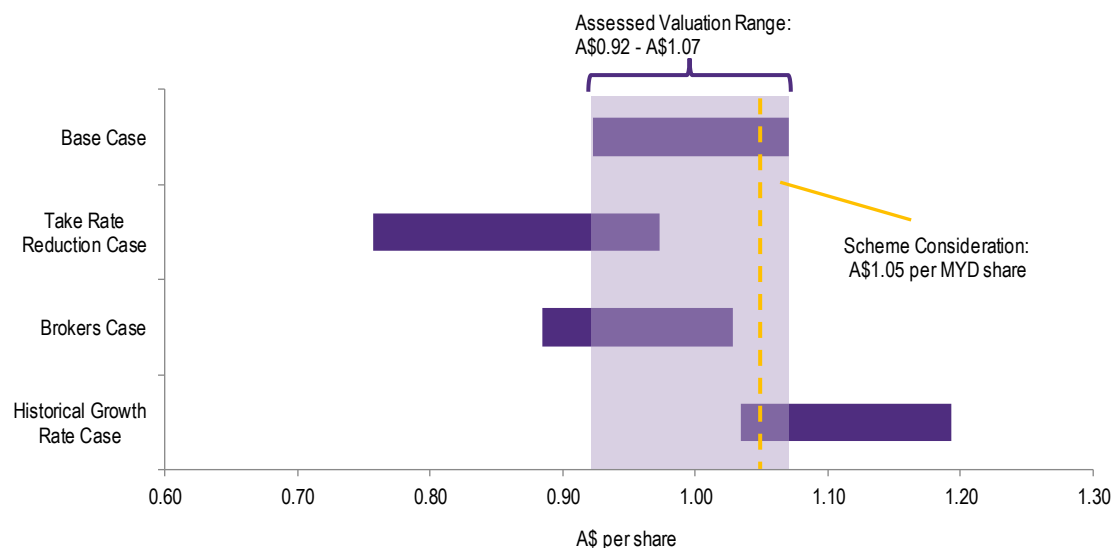
We have set out below a summary of the scenario analysis adopted in the DCF Method.

MYD - DCF Scenario Assumptions	
Scenario	Description
Base Case	As described in Section 6.1.2 This is largely based on the Internal Projections for the Discrete Period with normalised / steady state assumptions adopted in the terminal value. We have estimated MyDeal's discount rate to be between 11.9% and 12.5%.
Take Rate Reduction Case	In our opinion, given the challenging market conditions and the competitive environment, there is the possibility of a compression in MyDeal's take rate as it is currently higher than some of its competitors. As discussed earlier, investment analysts expect the take rate to reduce during the Discrete Period. Under this case, we have adopted the Base Case assumptions, but we have assumed a reduction in the take rate of between 1% and 2% from the current level over the discrete forecast period.
Brokers Case	We have lowered the growth rate assumptions in the marketplace GTV in the Internal Projections to be aligned with MYD Consensus Estimates. All the other assumptions are as per the Base Case.
Historical Growth Rate Case	We have changed the growth rate assumptions in the marketplace GTV in the Internal Projections with the growth rates achieved by some of the listed peers such as Temple & Webster, Kogan and Redbubble in the period between FY17 to FY21. All the other assumptions are as per the Base Case.

Source: GTCF analysis

We have set out below a summary of our valuation assessment of the enterprise value of MYD based on the scenarios described above.

MYD – Enterprise Value range



Source: GTCF analysis

We have set out below our assessment of the fair market value of MYD on a 100% control basis.

DCF Method - valuation summary A\$ '000 (except where stated otherwise)	Section Reference	Low	High
Enterprise value on a control basis	6.1	211,078	249,508
Less: Net debt / (Cash Balance) as at 30 June 2022	6.1.4	27,649	27,649
Equity Value (control basis)		238,728	277,157
Number of outstanding shares (fully diluted)		258,827	258,827
Value per share (control basis) (A\$ per Share)		0.92	1.07

Source: GT Model, GTCF analysis

Revenue and GTV Multiples

Revenue and GTV²⁰ multiples are widely used to benchmark the value of online retail companies, like MYD, which exhibit high levels of growth and high rates of reinvestment in marketing, technology and sales but have limited history of profitability. We present the Revenue and GTV multiples of MyDeal implied in our valuation assessment based on the DCF Method together with the Revenue and GTV multiples implied in the Scheme Consideration.

Implied Multiples A\$ '000 unless stated otherwise	DCF Method ¹		Scheme Consideration
Enterprise Value (control basis)	211,078	249,508	244,119
FY22 Revenue - MyDeal Actual ²	65,400		65,400
FY23 Revenue - Broker Consensus ³	85,725		85,725
FY22 GTV - MyDeal Actual ²	272,200		272,200
FY23 GTV - Broker Consensus	340,800		340,800
FY22 EV/Revenue - MyDeal Actual	3.2x	3.8x	3.7x
FY23 EV/Revenue - Broker Consensus	2.5x	2.9x	2.8x
FY22 EV/GTV - MyDeal Actual	0.8x	0.9x	0.9x
FY23 EV/GTV - Broker Consensus	0.6x	0.7x	0.7x

Source: GTCF analysis

Notes: (1) Enterprise value computed as the enterprise value from the DCF method (Section 6.1); (2) Revenue and GTV numbers quoted have been taken from the Q4 FY22 Activities Report and Appendix 4C. Accordingly, all numbers quoted are unaudited; (3) FY23 Broker Consensus Revenue based on most recent broker consensus.

The multiples implied in the Scheme Consideration and our valuation assessment are at a significant premium to the current multiples of the listed companies²¹. Over the past few months, the valuations of online retail businesses and, more generally, of high growth companies have been adversely affected by changes in market conditions and a deterioration in the macro-economic environment. The Australian Consumer Price Index rose by 5.1% in March 2022 compared with the same period last year and the Reserve Bank of Australia ("RBA") has increased the cash rate by 125bps between May and July 2022. Consumer confidence is also low, reflected in the Westpac-Melbourne Institute Index of Consumer Sentiment which fell by 20% between May 2022 and May 2021. Volatility in the global economy is expected

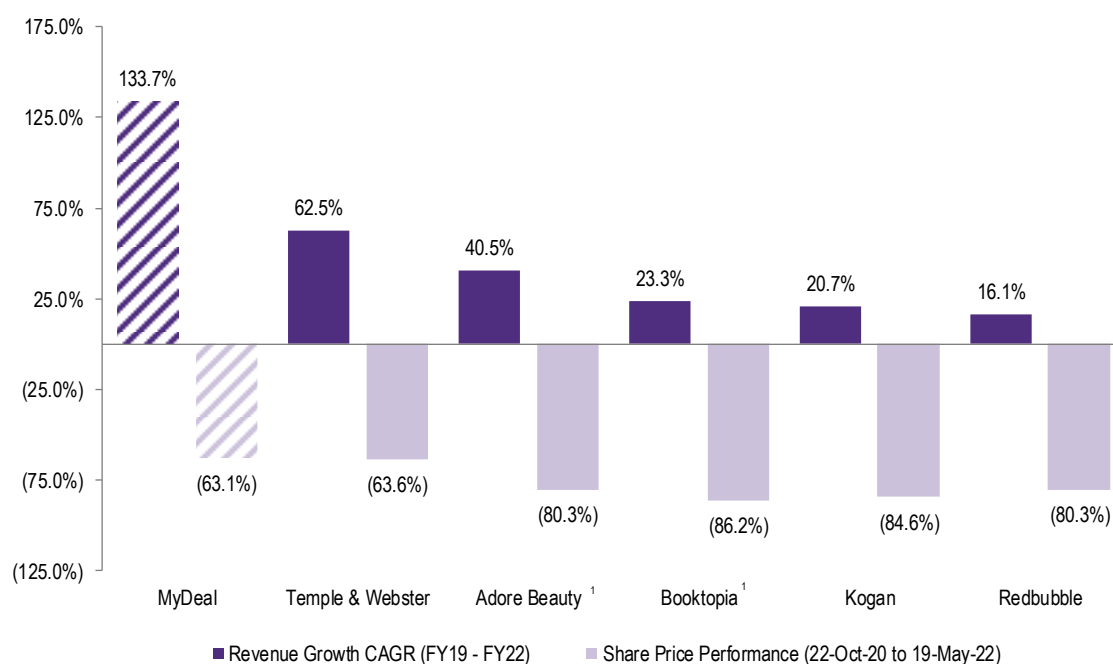
²⁰ GTV Multiples are more relevant for MYD given it is predominantly a marketplace, however, only Kogan and Redbubble disclose GTV information, so we have also presented revenue multiples however this should be considered with caution. For example, Kogan's offering comprises third party, private label and marketplace products. Whilst the marketplace products represented 25% of the GTV, they accounted for c. 4.5% of revenues and 11.5% of gross profit. This is the case as only the take rate on the marketplace GTV is reflected in the revenue (c. 15% for MYD in FY21) whereas broadly 100% of the GTV from third-parties and private label translate into revenue. However, marketplace revenues have minimal cost of goods sold (higher gross margin %) whereas in-stock products reflect the cost of the products and associated costs.

²¹ We have considered Kogan.com Ltd ("Kogan"), Temple & Webster Group Ltd ("Temple & Webster"), Adore Beauty Group Limited ("Adore Beauty"), Booktopia Group Limited ("Booktopia") and Redbubble Limited ("Redbubble") as the listed companies.

to continue with further expectations of rising interest rates, supply chain issues, the Ukraine conflict and a reduction in the disposable income.

Against this backdrop, notwithstanding that e-commerce and marketplace players have continued to perform strongly, valuations of listed players have reduced materially as set out in the graph below.

Revenue growth (CAGR) and share price performance²²



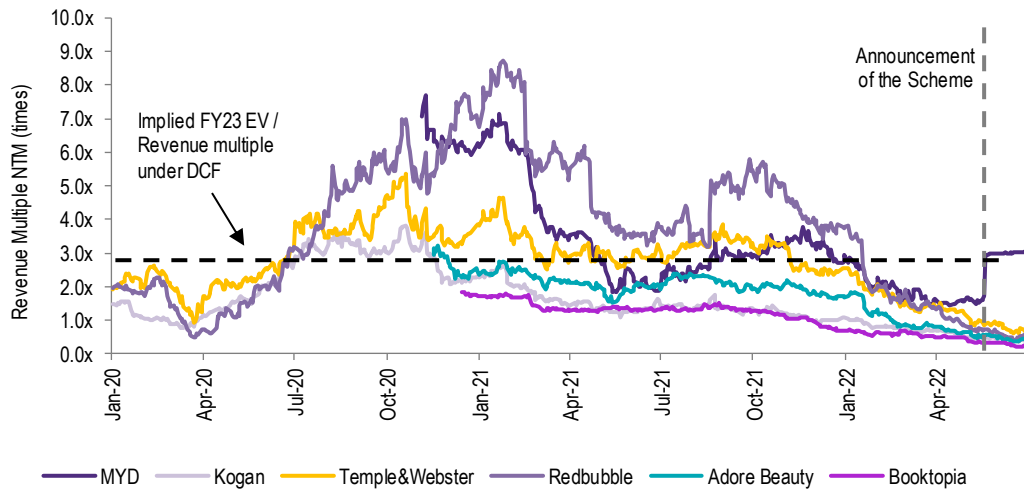
Source: GTCF analysis, S&P Global, Company Filings and Annual Reports

Note: (1) Company listed after 22 October 2020. Accordingly, share price performance has been calculated since inception. Adore Beauty listed on the ASX on 23 October 2020. Booktopia listed on the ASX on 3 December 2020.

As a result, we have benchmarked below the multiples implied in our DCF assessment with the historical rolling multiples of listed peers over a longer period of time to smooth short term market volatility and to mitigate the impact of the current negative sentiment.

²² For MYD, the share price performance is up to the announcement of the Scheme. For the other listed peers until 4 July 2022.

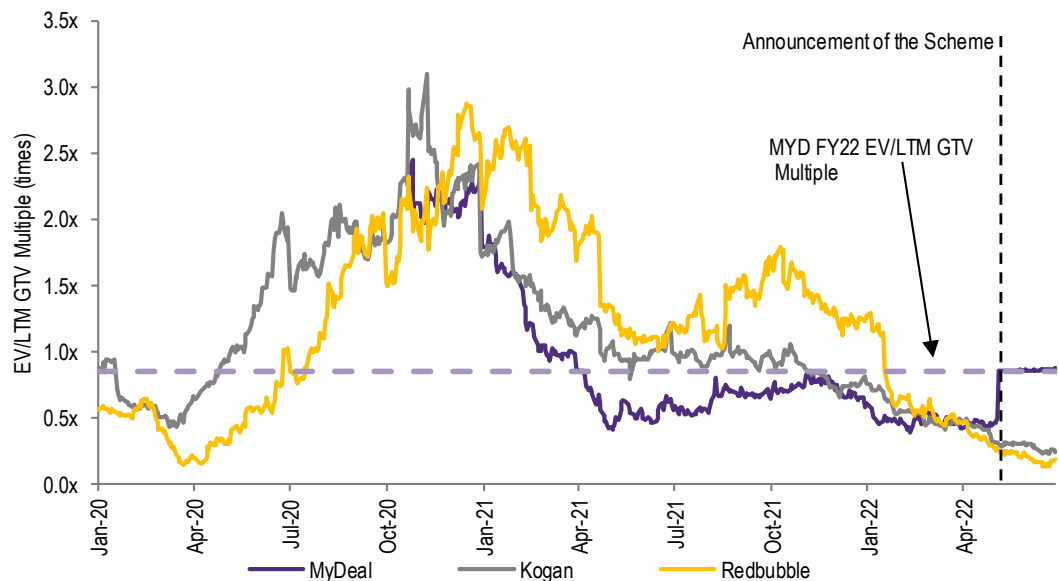
EV / NTM¹ Revenue multiples of the Listed Peers^{2,3}



Source: S&P Global, GTCF analysis

Notes: (1) Next-twelve months; (2) We have excluded Cettire Limited ("Cettire") due to the limited broker coverage; (3) We have adjusted Redbubble's revenue to reflect the revenue after third party fulfiller costs. This ensures better comparability with MyDeal's multiples as MyDeal does not incur fulfiller costs due to its different business model.

EV / LTM GTV multiple



Source: GTCF analysis, S&P Global

Note: (1) Kogan and Redbubble are the only listed peers that disclose GTV; (2) MYD FY22 EV/LTM GTV based on the mid-point of our assessed enterprise value range and MyDeal GTV for FY22 of A\$272.2 million (unaudited).

Overall, whilst the multiples implied in our DCF assessment are higher than the current trading multiples of listed peers, we are of the opinion that they are not unreasonable due to the following:

- The current environment of increasing bond yields is driving a shift from growth to value stocks which is negatively affecting the share prices of the listed peers, whereas MYD has been more isolated from external factors due to the announcement of the Scheme. All of the listed peers are trading at multiples that are many times below their recent and historical averages. The valuations of the listed peers appear depressed and affected by negative market sentiment and accordingly, they may not necessarily reflect their underlying value, which is what we are required to assess for a change of control transaction such as the Scheme. We note, for example, that Redbubble's share price reduced

from c. A\$3.30 at the beginning of 2022 to c. A\$1.00 per share at the date of this IER. Whilst the reduction was due to general market trends and some specific circumstances of the business, Redbubble's Board indicated that *"it does not believe that the current share price reflects the fundamentals and prospects of the business. Redbubble continues to actively investigate value enhancing options on behalf of all stakeholders"*. This supports our view that the current trading prices of the listed peers may also reflect negative market sentiment rather than the underlying value of those businesses.

- We have placed a greater emphasis on the multiples of the listed peers over a longer period of time. In particular, we note that Temple & Webster's NTM Revenue Multiple has been c. 2.7x (on a minority basis) since January 2020. This broadly supports the implied FY23 revenue multiple²³ based on our DCF valuation of c. 2.7x at the mid-point on a control basis. Furthermore, our implied EV/GTV multiple based on the mid-point DCF is approximately 0.85x²⁴ compared with the average GTV multiples of 1.1x for Kogan and 1.2x for Redbubble since January 2020.

Share price analysis and review

As discussed above, we are of the opinion that an analysis of the trading prices of MYD immediately before the announcement of the Scheme is not useful to test the reasonableness of our valuation assessment as the trading prices were affected by negative market sentiment and may not necessarily reflect the underlying value of the Company. Further, as discussed in section 6.3.1, the liquidity of MYD Shares is limited.

However, whilst the Scheme Consideration is at a significant premium to the trading price before the announcement, it represents only a c. 5% premium to the IPO Price. Accordingly, we have provided some commercial comments on the performance of MYD Shares since the IPO.

MYD Shares started trading on the ASX on 22 October 2020 via a A\$40 million²⁵ IPO. The IPO was fully underwritten and received strong interest from both institutional and retail investors with demand significantly exceeding the target raising of A\$40 million, resulting in substantial scale back allocation. As a result of the IPO being several times oversubscribed, the trading prices closed at A\$1.75 on 23 October 2020 but have trended downwards since then, notwithstanding that the Company has continued to deliver on its plan and objectives.

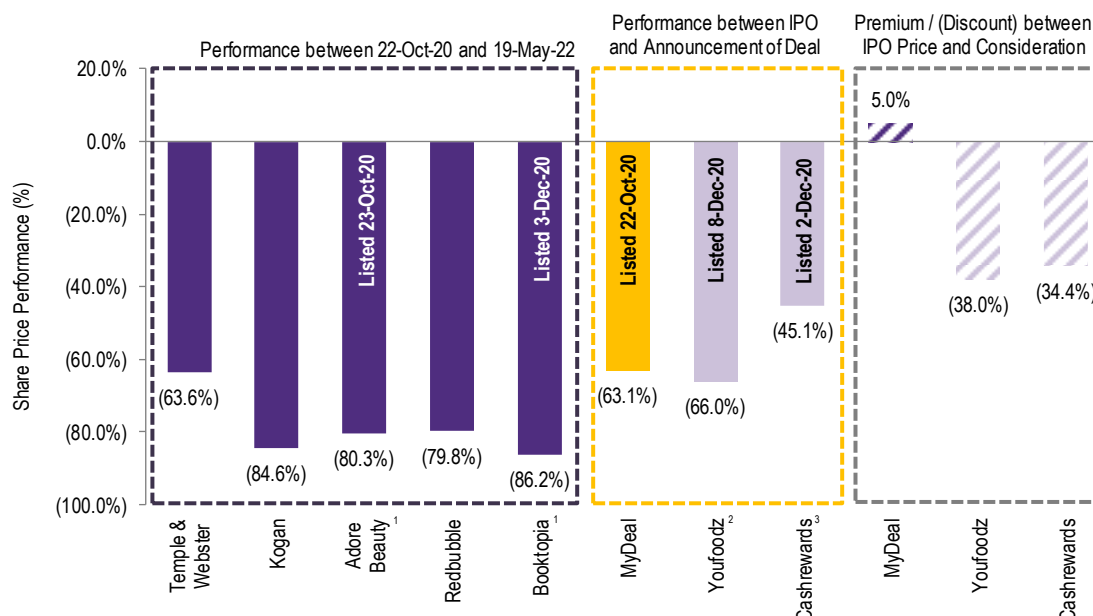
As discussed throughout this IER, this is due to a rapid change in market conditions after the IPO and the performance of MYD's trading prices has been consistent, although slightly better, than the other listed peers as set out in the graph below. We have also presented below a comparison with the trading prices and transaction metrics of Cashrewards Limited which listed in December 2020 and was acquired by ANZ in October 2021 and Youfoodz Holdings Limited which listed in December 2020 and it was acquired by HelloFresh in July 2021. Both these companies were high-growth technology/online businesses which experienced similar reductions in their trading prices, and they listed around the same time as MYD.

²³ Based on the mid-point of our enterprise value range of A\$230.3 million and broker consensus FY23 revenue forecast of c. A\$85.7 million.

²⁴ Based on the mid-point of our enterprise value range of A\$230.3 million and MyDeal GTV of A\$272.2 million for FY22 (unaudited).

²⁵ A\$435 million raised via the issue of new shares at A\$5 million via the sale of existing shares.

MYD and peers' trading price performance between 22 October 2020 and 19 May 2022



Sources: S&P Global, GTCF analysis.

Note: (1) Company listed after 22 October 2020. Accordingly, share price performance has been calculated since inception. Adore Beauty listed on the ASX on 23 October 2020. Booktopia listed on the ASX on 3 December 2020; (2) Youfoodz listed on the ASX on 8 December 2020; (3) Cashrewards listed on the ASX on 2 December 2020.

MyDeal's share price reduction since the IPO occurred despite the Company's strong fundamental performance which is summarised in the table below.

MYD Quarterly GTV, Revenue and Active Users Growth

Quarter Ended	GTV (Total LTM) (A\$m)	GTV LTM Growth (%)	Revenue Quarterly (A\$m)	Revenue Growth (%) ¹	Active Users (Total)	Active Users Growth (%) ²
31-Dec-20	190.2	29.7%	11.7	Na	813,764	21.5%
31-Mar-21	213.0	12.0%	8.3	Na	883,397	8.6%
30-Jun-21	218.1	2.4%	8.7	Na	894,225	1.2%
30-Sep-21	230.9	5.9%	13.9	46.3%	929,461	3.9%
31-Dec-21	243.9	5.6%	19.0	62.4%	963,882	3.7%
31-Mar-22	259.6	6.4%	16.0	92.8%	1,019,698	5.8%
30-Jun-22	272.2	4.9%	16.5	89.0%	1,051,701	3.1%

Sources: S&P Global, GTCF analysis

Notes: (1) Growth has been calculated on the prior corresponding period; (2) Growth has been calculated on the prior quarter.

The reduction in share price, despite the Company's strong financial performance, is likely predominantly driven by the market shift from growth to value stocks and a worsening macro-economic outlook due to increasing interest rates and inflation weighing on the consumer discretionary sector.

Based on the analysis and discussions above, we are of the opinion that between the time that the IPO Price was set and the announcement of the Scheme, several market related factors, rather than business specific factors, have changed, which make the comparison between the Scheme Consideration and the IPO Price not necessarily relevant.

The large control premium paid by Woolworths reflects a number of key commercial factors and expected benefits which may accrue to a pool of potential purchasers:

- Whilst the barriers to entry into the industry are low and there have been a significant number of new entrants in recent years, there is no guarantee a pool of potential purchasers may be able to replicate the success of the MYD platform, and even if they do, it may take a long period of time.
- The Scheme Consideration reflects the underlying value of MyDeal rather than being influenced by the prevailing negative sentiments for retail and the current challenging macroeconomic conditions.

Reasonableness Assessment of the Scheme

Under RG 111, the Scheme is reasonable if it is fair. Notwithstanding the above, we have summarised below advantages, disadvantages and other factors in relation to Scheme.

Advantages

Premium for control

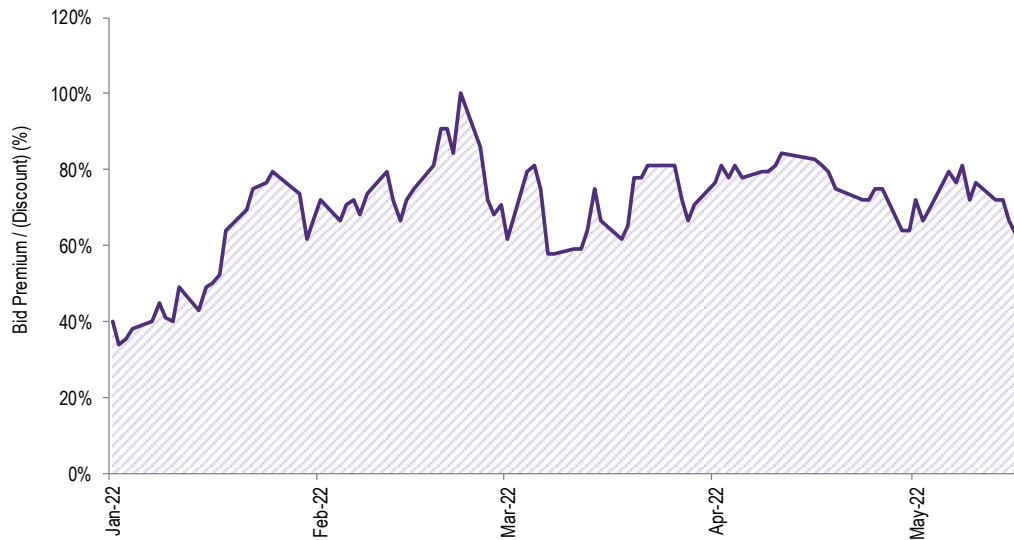
A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as, the ability to realise synergies, access technology, access tax benefits and control of the board of Directors of the Company. The Scheme Consideration of A\$1.05 per MYD share represents a premium of:

- 62.8% to closing share price immediately before announcement of the Scheme.
- 70.4% to the 2-week VWAP²⁶ up to and including 19 May 2022.
- 72.2% to the 1-month VWAP up to and including 19 May 2022.
- 74.7% to the 3-month VWAP up to and including 19 May 2022.

This premium for control will not be available to MYD Shareholders in the absence of the Scheme or a superior proposal and it is unlikely that MYD Shares will trade in line with the Scheme Consideration, at least in the short-term. We have also outlined below the implied daily premium for control since 1 January 2022 based on MyDeal's trading price and the Scheme Consideration.

²⁶ Volume weighted average price ("VWAP")

Daily premium for control



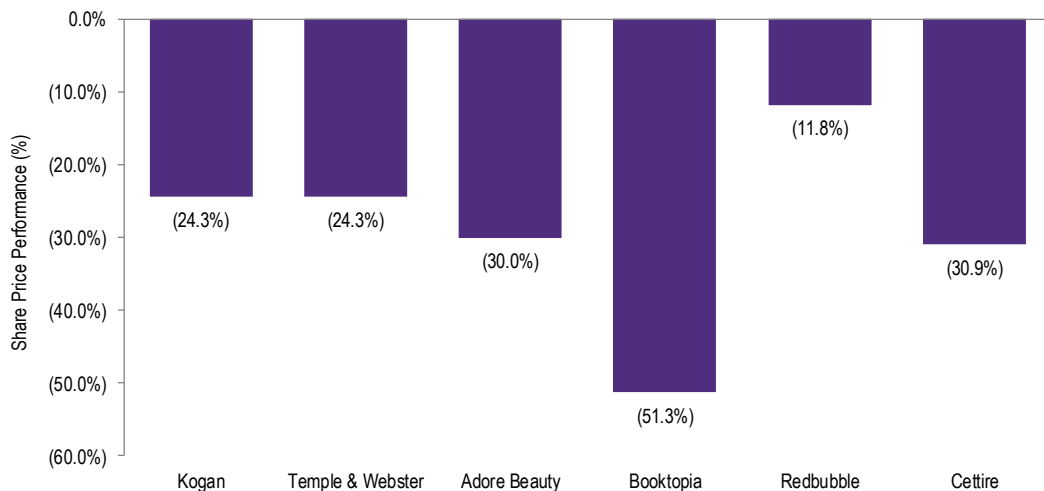
Source: S&P Global, GTCF analysis

The premium for control has materially increased since the beginning of 2022 when a deterioration of market conditions due to increased inflation and interest rates adversely affected online retail businesses and triggered a rotation from growth to value stocks. The Scheme Consideration is reflective of the underlying fair market value of MYD and it is less affected by short term market movements, adverse investor sentiment and the current market volatility.

Share price in the absence of the Scheme

The trading valuations of the key comparable companies listed on the ASX have reduced materially since the announcement of the Scheme on 20 May 2022. It is not unreasonable to expect that the trading prices of MYD would have followed a similar trend in the absence of the Scheme. This is set out in the graph below.

Peers' trading price performance after the announcement of the Scheme



Source: S&P Global, GTCF analysis.

Note: (1) Trading prices up to 4 July 2022.

The Scheme provides MYD Shareholders with the opportunity to receive a certain cash amount at a premium to the trading price of MYD before the announcement of the Scheme and at a premium to the price that MYD Shares may trade in the short-term, in the absence of the Scheme or an alternative transaction.

Difficult retail market

Online retail sales benefited from strong growth over the past two years as a result of the outbreak of COVID-19 and related lockdown restrictions that changed consumers' shopping habits. However, the general retail sector is now facing many challenges from waning demand as a result of lower disposable income, higher discounting and cost pressures from labour and increased logistics costs.

Market participants may seek to discount their products aggressively if sales begin to slow, particularly those retailers with higher than usual levels of inventory as they may have recently built a greater level of stock to alleviate supply chain disruptions. However, elevated demand growth rates have failed to manifest recently which may force some retailers to increase their level of discounts to reduce inventory to a manageable level. This is potentially a significant shift from the recent past, when the limited stock available reduced the level of promotions and discounts.

Online shoppers and e-commerce businesses are also facing rising shipping costs after the sharp increase in petrol prices over the last twelve months. We note that Australia Post imposed a 3.1% fuel surcharge for April 2022, which was up from 2.3% in March, and it is expected to increase up to 9% in August. The surcharge is calculated based on the national average price of petrol in the month before. This may have a detrimental impact on online spending.

The combination of softer demand, elevated inventories, higher levels of discounts and increasing costs have already adversely affected the earnings of large US retailers such as Target, Urban Outfitters, Abercrombie & Fitch and Walmart. Target's shares in the US contracted by c. 25% in New York after it announced that its Q1 2022 profit fell by half and warned investors of margin reductions due to rising fuel and freight costs. A similar outlook was provided by Walmart with its shares reducing by c. 20% over two days in May 2022.

Similar situations have been experienced across the listed peers in Australia as outlined below:

- Kogan.com Limited ("Kogan") – Kogan, an ASX-listed company with an online-focused portfolio of retail and service businesses, is facing challenges arising from growing inventories, slowing sales and rising costs. In April 2022, Kogan announced that it had been positioning the business for continued elevated growth in GTV with levels of inventory sized accordingly. However, in Q3 FY22, consumer demand did not meet expectations which caused GTV to reduce by 3.8% yoy²⁷. As a result, Kogan announced a recalibration of its operating costs.
- BWX Limited ("BWX") – BWX is a retail and wholesale business focussed on health and beauty products. It announced on 28 June 2022 that it experienced a sudden downturn in retail conditions, due to rising inflation and interest rates. As a result, it downgraded its FY22 estimates, and undertook a capital raising to repair its balance sheet and implement other organisational changes.
- Redbubble Limited ("Redbubble") – Redbubble is an ASX-listed online marketplace providing independent artists with a global platform to sell print on-demand products. Whilst Redbubble achieved

²⁷ Year on year ("yoy")

strong growth in GTV between FY19 and the first half of FY22 (“1H22”), in April 2022, it announced a significant softening in market conditions with marketplace revenue²⁸ for the nine-month period to March 2022 down 17%²⁹ and YTD EBITDA falling from a profit of A\$51 million to a loss of A\$2 million over the pc³⁰.

Whilst the Company operates in a separate sub-sector of the retail industry, it has continued to exhibit strong growth and benefits from a large cash balance. However, the Company is not immune from the current market conditions, and it may experience similar challenges going forward.

If the Scheme is not implemented, it is likely that the trading prices of MYD will fall materially from the current level to reflect the above market conditions as the Scheme has isolated the Company from the recent market volatility.

Level of competition

MYD operates in an industry which is highly competitive and against other market participants that are well capitalised and able to tap into a supportive shareholder base to fund growth opportunities, including industry consolidation and industry changes. As set out below, most of MYD’s competitors are part of large and vertically integrated groups or well capitalised businesses, which have greater access to capital.

- *Large global businesses* (Amazon and eBay) – Amazon originally operated as an online direct seller only, whereas it now operates both as an online marketplace and as a direct seller. eBay only operates as a pure-play marketplace³¹.
- *Local competitors backed by large group* – Catch.com.au (“Catch”) operates both as a marketplace and direct seller and is a wholly-owned subsidiary of Wesfarmers.
- *Domestic players* – Domestic players include Temple & Webster, other furniture stores, Grays Online (although Grays Online is predominantly focused on automobiles and wine) and Kogan (which also owns Matt Blatt, although it is mainly focused on electronics). Grays Online is owned by Quadrant Private Equity which is one of the largest and most reputable private equity firms in the Australian market, whereas Kogan and Temple & Webster are listed on the ASX and were significantly larger businesses than MYD before the announcement of the Scheme.

Foreign exchange rates

MyDeal has recently launched its private label business which operates as a more traditional e-commerce business, with the Company sourcing the products and warehousing them via 3PL before selling them on the MyDeal marketplaces. The products are usually sourced from China and South-East Asia. The AUD³² has been volatile over the last twelve months, but it has been mainly depreciating against the major currencies and in particular the USD³³ and the CNY³⁴ as set out in the graph below.

²⁸ We note that figures for the 9 months ending 31 March 2021 include A\$52 million in mask sales related to COVID-19, or 11.4% of revenues. Mask sales contributed only A\$10 million for the YTD (or c. 2.6% of marketplace revenues).

²⁹ On a constant currency basis.

³⁰ Previous corresponding period (“pcp”).

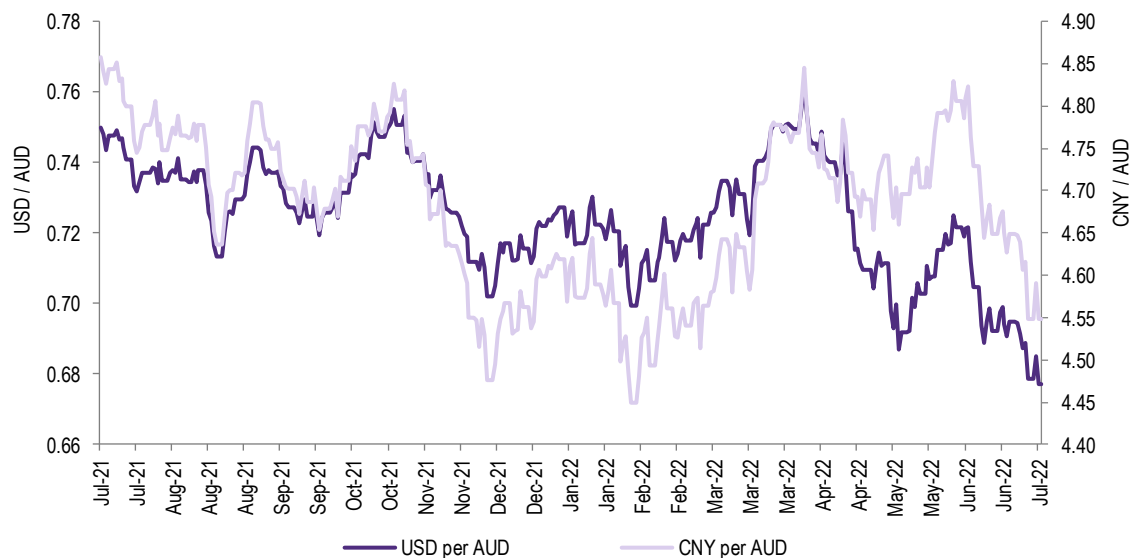
³¹ Sales of businesses occur via an online storefront.

³² Australian Dollar (“AUD”).

³³ United States Dollar (“USD”).

³⁴ Chinese Yuan (“CNY”).

USD per AUD and CNY per AUD



Sources: S&P Global, GTCF analysis.

The direct effect of the AUD depreciation for the Company is the increase of the price of imports for its private label business which may impact the gross margin achieved.

Shares coming out of voluntary escrow

At the time of the IPO, 187.2 million shares were put in voluntary escrow of which 125.95 million shares were put in voluntary escrow for a period of 24 months (until October 2022). Subject to any early release that may be required to facilitate the Scheme, the MYD Shares currently in voluntary escrow represent 48.7% of the undiluted share capital. Whilst the majority of the MYD Shares currently in voluntary escrow (85.6% of them) are owned by Sean Senvirtne and his associates and accordingly, he may be unlikely to dispose a large proportion of them, nonetheless, the holder will be able to deal with them freely in accordance with the Corporations Act. When the MYD Shares come out of voluntary escrow in October 2022, if Sean Senvirtne³⁵ decides to sell some of them, it may disenfranchise investors and put downward pressure on the trading prices. We note, for example, that on 23 March 2022, Cettire Limited³⁶ ("Cettire") announced that the Founder and CEO sold down 35 million shares in the company from the shares which were just released from voluntary escrow after the IPO. The sell down represented 9.18% of the issued capital and after the sale the Founder and CEO retained 56.72%. Following the announcement, the trading prices of Cettire reduced from A\$1.55 on 22 March 2022 to c. A\$0.50 in the following weeks. Whilst some of this reduction was driven by a change in market conditions, it nonetheless outlines the potential adverse impact of founders' selldown which remains a risk for the Non-Associated Shareholders in the absence of the Scheme, particularly during the current difficult market conditions.

No brokerage costs

MYD Shareholders will be able to realise their investment in MYD without incurring any brokerage or stamp duty costs.

³⁵ Sean Senvirtne has not indicated that he intends to sell MYD Shares.

³⁶ Cettire Limited is a luxury online retailer listed on the ASX which we have included among the broadly comparable listed peers of MYD.

Disadvantages

Future growth opportunities

If the Scheme is implemented, MYD Shareholders will not be able to participate in future growth opportunities of the Company which we have summarised below in a non-exhaustive manner.

- *Increased total addressable market* – Retail sales have remained strong as they rose for a fifth consecutive month to a record high in May 2022 despite the Reserve Bank of Australia lifting the official interest rate for the first time in more than a decade. Australian Retail sales increased 0.9% in May from April, exceeding A\$34 billion for the first time. This represented a yoy growth of 10.4% compared with May 2021. National retail sales are now c. 23% higher than before the pandemic according to the ABS³⁷. Further, whilst online sales increased substantially through the pandemic, Australian e-commerce remains underpenetrated compared to the US and the UK which represents a further growth opportunity for the Company. According to Euromonitor International, online sales for furniture and homewares represent c. 34% and c. 22% of total sales in the US and the UK respectively compared to 8.1% in Australia. The online household goods market is forecast to increase by c. 52% between 2021 and 2026 in Australia³⁸.
- *Value proposition and scale* – MYD's value proposition is centred around competitive prices and the online marketplace generally provides a strong incentive for sellers to compete. This is further strengthened by MYD's in-stock products. Value products have usually been able to withstand a consumer spending downturn relatively better than products with a superior market positioning. This, in conjunction with the greater scale expected to be achieved by the business over the next few years, may allow MyDeal to fare better than the market and its key competitors in a downturn. Further, if MyDeal successfully delivers on its business plan and growth ambitions, it will begin to experience the benefits of scale and network as the customers will attract sellers and more sellers will attract more customers.
- *Technology stack* – MyDeal is able to deliver its value proposition due to a low-cost operating model that leverages the Company's proprietary technology which is highly scalable and can handle millions of SKUs from thousands of sellers. The technology stack includes a number of internally developed proprietary systems which are integrated with common e-commerce platforms and channel partners. This is particularly valuable to a pool of potential purchasers as the technology stack would take a number of years to develop and there would be no guarantee of being fit for purpose.
- *New marketplaces* – The technology stack can also be leveraged to launch new marketplaces as evidenced by MYD's March 2022 launch of Amazed.com ("Amazed") for activities and experiences. Amazed is expected to use existing marketing and customer acquisition capability, which may allow it to scale up faster. MYD considers this to be a key growth opportunity as the experiences market, a sector designed to understand customer behaviour and preferences to enable sellers to utilise such information for their businesses, is valued at over A\$145 billion per annum globally and is forecast to grow at 19.5% per annum over the next 5 years³⁹.

³⁷ Australian Bureau of Statistics ("ABS").

³⁸ Euromonitor International.

³⁹ Ibid.

- *Brand value* – MyDeal currently has more than 2,049 sellers (of which 1,373⁴⁰ are considered Active Sellers⁴¹) on its platform and in excess of 1 million active customers which result in a growing brand presence. The Company has built its relationships with its key sellers and customers over a number of years and benefits from strong brand recognition in the marketplace.

Limited cash burn

MyDeal has a capital light business model which allows it to grow top line revenues without significant investment in its technology platform. The marketplace platform is highly scalable and automated, allowing the Company to onboard large numbers of new sellers and grow transaction volumes without significant further investment. The Company's marketplace also benefits from a negative working capital cycle as it receives payments from customers which it pays to the sellers (post deduction of the take rate) after approximately between 14 to 21 days. The marketplace also holds no inventory and the Company does not incur any warehousing costs on marketplace products. As a result, this allows the business to fund its marketplace growth through its payment terms with suppliers and sellers.

In October 2020, the Company raised A\$40 million through its IPO and its cash has remained elevated since notwithstanding the significant growth achieved in GTV and active customers. As at 30 June 2022, the Company's cash balance was A\$32.4 million. The ability to grow its business but limiting, at the same time, the cash burn is a key differentiating factor of MYD compared with other high growth businesses and is particularly valuable in the current macro-environment given that the propensity of investors to fund high-growth stocks has materially diminished.

However, we note that a strong focus going forward for the business is to grow its in-stock business which will require a greater investment in inventory and prepayments with its suppliers for the stock.

Other factors

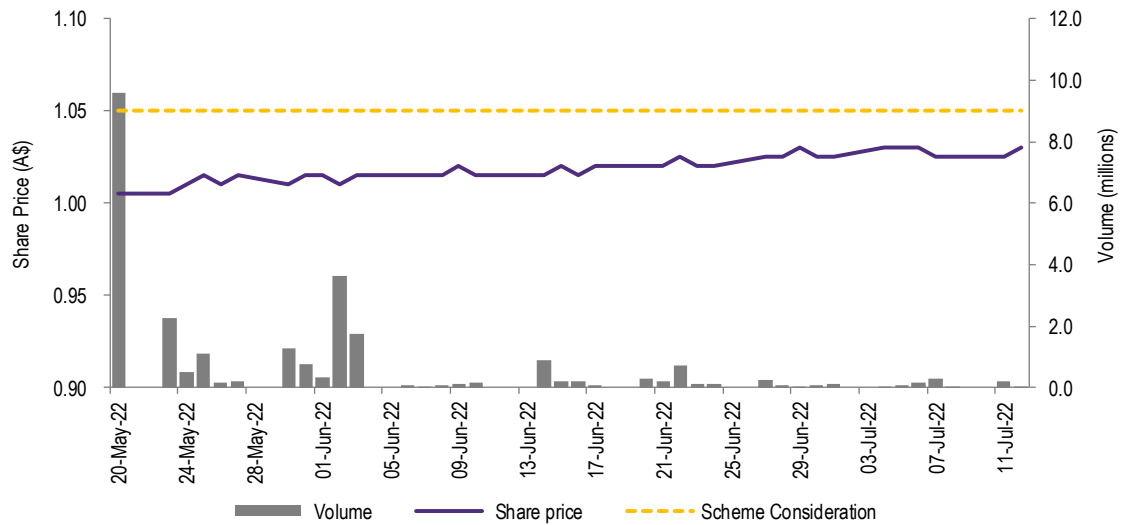
Share price after the announcement

As set out below, following the announcement of the Scheme, the share price of MYD has traded substantially in line with or slightly below the Scheme Consideration which seems to indicate good support from investors, a perceived low risk of the Scheme not being implemented and limited expectations for a superior proposal.

⁴⁰ As at 30 June 2022.

⁴¹ Active Sellers are sellers that have sold products through the platform within the last three months.

Trading price after the announcement of the Scheme



Sources: S&P Global, GTCF analysis.

Value of MYD for WOW

In September 2021, WOW launched its “Everyday Market” virtual marketplace nationally to assist in increasing its online sales. Everyday Market is an online marketplace designed to complement the existing food and grocery range at Woolworths.com.au, enabling third party sellers to sell through the platform, with a key focus on aisle extension in the household appliances, baby, toys, pet care, health and beauty categories.

Since the outbreak of the pandemic, Woolworths and other market participants have sought to utilise the favourable market conditions by launching virtual marketplaces as pure-play and omnichannel retailers take advantage of the increasing online shopping to offer customers a wider and deeper range of products without physically holding the stock. For example, Wesfarmers transformed Catch from a daily deals site into an online marketplace after the acquisition in 2017. In the same year, Myer launched an online lifestyle marketplace which is now integrated with Myer’s primary site. Kogan, Bunnings and footwear retailer, Accent Group, also launched marketplaces in 2019.

Woolworths’ acquisition of MYD is expected to strengthen its online offering by complementing its existing businesses and providing greater choices for customers and is expected to allow WOW to better compete in the online marketplace with other large groups such as Amazon and Wesfarmers with Catch. The transaction is in line with Woolworths’s strategy of creating new revenue streams and building a retail ecosystem.

Upon implementation of the Scheme, WOW may integrate its Everyday Rewards Program into MYD which may further grow the marketplace and provide a quicker pathway to scale and profitability.

Further, WOW will be able to streamline current overhead expenses including but not limited to audit, directors’ fees, insurance, accounting, share registry and stock exchange listing fees and improve the financial performance by having greater operational leverage in terms of marketing, logistics and R&D.

Limited takeover contestability and prospect of a superior proposal

In our opinion, the Call Option, which entitles WOW to acquire a 19.9% interest in the Company if a competing proposal emerges, is a potential deterrent to alternative offers. However, whilst MYD has agreed not to solicit any competing proposals or, subject to a fiduciary exception, to participate in discussions or negotiations in relation to any competing proposals, there are no material impediments to an alternative proposal being submitted by potentially interested parties. The transaction process may act as a catalyst for other interested parties, and it will provide significant additional information in the Scheme Booklet and Independent Expert's Report to enable such potential acquirers to assess the merits of potential alternative transactions. If a superior proposal emerges before the Scheme is implemented, MYD Shareholders will be able to vote against the Scheme or the Scheme meeting may be adjourned. We note that in the event a competing superior proposal is announced, or the Directors withdraw their recommendation of the Scheme, MYD may be required to pay WOW a break fee of A\$2.85 million subject to certain exceptions.

In our opinion, given the Call Option in place, the performance of listed peers since the Scheme was announced and the premium for control paid, it is unlikely that a superior proposal will emerge.

Further, we believe that a pool of potential purchasers may be limited.

Tax implications

If the Scheme is implemented, it will potentially result in Australian tax consequences for MYD Shareholders, however the taxation consequences for MYD Shareholders will vary according to their individual circumstances and will be impacted by various factors. MYD Shareholders should read the overview of tax implications of the Scheme set out in the Scheme Booklet and also seek independent financial and tax advice.

Conclusion on the reasonableness

Based on the qualitative factors identified above, it is our opinion that the Scheme is **REASONABLE**.

Overall conclusion of the Scheme

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Scheme is **FAIR AND REASONABLE AND HENCE IN THE BEST INTERESTS** of MYD Shareholders in the absence of a superior alternative proposal emerging.

Overall conclusion on the Retained Shares Acquisition

The Retained Shares Acquisition refers to the acquisition by WOW of a relevant interest in the Retained Shares as a result of entering into the Retained Shares Options agreements. Under the Corporations Act, WOW acquires a relevant interest in the Retained Shares at the time of entering into the Retained Shares Options Agreements rather than when the Retained Shares Options are exercised⁴².

Accordingly, the Independent Directors have requested Grant Thornton Corporate Finance form an opinion as to whether the acquisition by WOW of a relevant interest in the Retained Shares as a result of the

⁴² Subject to certain exceptions, the Retained Shares Options can only be exercised three to four years after the implementation of the Scheme.

Retained Shares Acquisition is fair and reasonable to the Non-Associated Shareholders for the purposes of Item 7 of Section 611 of the Corporations Act.

In accordance with RG111, an Independent Expert forming an opinion on the acquisition of existing shares (rather than the issue of new shares) under Item 7 of Section 611 of the Corporations Act is required to analyse whether the advantages of the proposal outweigh the disadvantages or vice versa. In forming our view, Grant Thornton Corporate Finance has examined the following factors:

- *Substance over form* – Whilst the legal form of the Scheme and the Post-Implementation Agreements requires Grant Thornton Corporate Finance to form an opinion on the Retained Shares Acquisition, the substance of those agreements is that WOW will only be capable of exercising the Retained Shares Options and acquiring the Retained Shares three to four years after the implementation of the Scheme⁴³. The Post-Implementation Agreements will only come into effect if the Scheme is implemented. At that point in time, WOW will already own 80.2% of the issued capital of the Company and there will not be any Non-Associated Shareholders remaining.
- *Whether the KMP receives a control premium from the sale of Retained Shares*. Under the Retained Shares Options, each of the KMP and WOW have the mutual right to require the Retained Shares to be acquired three to four years⁴⁴ after implementation of the Scheme. The exercise price of the Retained Shares Options is calculated in accordance with a formula based on the financial performance of MyDeal at that point in time. Depending on that financial performance (and the point at which the Retained Shares Options are exercised), the exercise price may be less than, more than, or the same as the Scheme Consideration. Whilst there may be circumstances under which the KMP may receive a consideration for the Retained Shares higher than the Scheme Consideration, we are of the opinion that this is not unreasonable due to the following:
 - The exercise price of the Retained Shares Options will be determined with reference to the GTV transaction multiple implied in the Scheme Consideration, with adjustments to capture changes in certain financial performance and profitability metrics. For example, if growth in GTV is achieved at the expense of lower profitability, the growth in the exercise price of the Retained Shares attributable to the increased GTV will be offset by the diminished profitability of the business. This may result in the exercise price payable being higher, lower or the same as the Scheme Consideration.
 - The Retained Shares Options can generally only be exercised three to four years after implementation of the Scheme⁴⁵. If MYD delivers its business plan and does not diminish financial performance and profitability as discussed above, the value of the exercise price payable will be higher than the Scheme Consideration, all other things being the same. Given the GTV multiple for the calculation of the exercise price payable references the transaction multiple implied in the Scheme Consideration, this component of the value uplift is resulting from a mechanical calculation (prior to assessing final performance and profitability metrics) given that GTV under the business plan is expected to be higher in three years' time compared with FY22 GTV. However, in our valuation assessment of MYD based on the DCF approach, we have adopted similar GTV growth assumptions in valuing the business to those ones included in the Post-Implementation Agreements and accordingly, the fairness of the Scheme Consideration is calculated substantially

⁴³ Except under specific circumstances relating to early earlier cessation of employment of KMP as contemplated in the Post-Implementation Agreements.

⁴⁴ Ibid.

⁴⁵ Ibid.

on the same basis.

- There is no certainty that the KMP will be able to realise a higher value on the sale of the Retained Shares than the Scheme Consideration based on the current challenging market conditions. However, we note that the KMP are effectively swapping the certainty of the Scheme Consideration for a potential future higher return if they deliver into the agreed business plan. At the same time, if the performance of the business does not meet expectations due to specific circumstance of MYD or for deteriorating market conditions, the KMP may sell the Retained Shares at a lower value than the Scheme Consideration. It is reasonable for the KMP to receive a higher value than the Scheme Consideration, all other things being the same, as they need to be compensated for the risk and related market return of holding MYD Shares for a further period of generally at least three years.
- By entering into the Post-Implementation Agreements, the KMP may crystallise an element of special value in their investment in the Retained Shares which is only available to them as the Management Team of MYD, rather than a pool of potential purchasers. Special value is not considered in the fairness assessment. This may include an increase in GTV as a result of WOW broadening the number of products and the sellers in the MYD marketplace which may benefit the KMP upon exercise of the Retained Shares Options.
- *Whether the Retained Shares Acquisition will affect the opportunities of MYD receiving a takeover bid.* No, because the Retained Shares Acquisition will occur after the Scheme is implemented and accordingly, the Non-Associated Shareholders would have already received the premium for control implied in the Scheme.
- *The future intentions of WOW if the Retained Shares Acquisition is approved.* The intentions of WOW upon acquisition of the Retained Shares are not relevant for the Non-Associated Shareholders as the Retained Shares Acquisition can only occur after the Scheme is implemented.
- *Whether any further transactions are planned between MYD and WOW or any of their associates.* WOW and the KMP propose to enter into the Post-Implementation Agreements to regulate the operations and governance of MyDeal after the Scheme and this includes a shareholders agreement, an employment agreement between WOW and each of the KMP, documentation relating to the management incentive plan to be put in place by MyDeal after the Scheme and various partnership agreements between WOW and MyDeal in relation to the business relationship between those parties. We have undertaken a high-level review of the terms of the management incentive plan and we are of the opinion that they are not inconsistent with a typical management incentive plan for a business like MYD.
- *The implications for MYD and the Non-Associated Shareholders if the Retained Shares Acquisition is not approved.* If the Retained Shares Acquisition is not approved, the Scheme cannot be implemented unless this relevant Condition is waived by WOW. Under these circumstances, the trading prices of MYD are expected to reduce. We note that immediately before the announcement of the Scheme, MYD was trading at A\$0.65 per share and since then, the trading prices of the key listed peers have decreased by between 11.8% and 51.3%.

Based on the above, Grant Thornton Corporate Finance has concluded that the Retained Shares Acquisition is **FAIR and REASONABLE** to the Non-Associated Shareholders as the **advantages outweigh the disadvantages**.

MyDeal Directors (other than Sean Servitne) intend to vote all MYD Shares held or controlled by them in favour of the Retained Shares Acquisition.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

In preparing this report we have considered the interests of MYD Shareholders as a whole. Accordingly, this report only contains general financial advice and does not consider the personal objectives, financial situations or requirements of individual shareholders.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



ANDREA DE CIAN
Director



JANNAYA JAMES
Director

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by MYD to provide general financial product advice in the form of an independent expert's report in relation to the Scheme. This report is included in the Scheme Booklet outlining the Scheme.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from MYD a fixed fee of A\$130,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of MYD and WOW in order to provide this report. The guidelines for independence in the preparation of independent expert's reports are set out in RG 112 *Independence of expert* issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with MYD and WOW (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Scheme.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Scheme, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 "Independence of expert" issued by the ASIC."

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Compliance Authority (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Compliance Authority who can be contacted at:

Australian Financial Compliance Authority
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the General Meeting should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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1 Outline of the Scheme

1.1 Other key terms of the Scheme

If the Scheme is implemented, WOW will own 80.2% of the issued capital with the KMP holding the balance in the following proportion.

- Sean Senvirtne will sell into the Scheme 60% of its current MyDeal shareholding such that he will retain 18.9% of the issued capital.
- Kate Dockery will sell into the Scheme 70% of its current MyDeal shareholding such that she will retain 0.5% of the issued capital.
- Dean Ramler will sell into the Scheme 70% of its current MyDeal shareholding such that he will retain 0.4% of the issued capital.

WOW holds a relevant interest in 19.9% of MyDeal's share capital by virtue of the Call Option and voting power over 50.37% of MyDeal Share as a result of entering into a process deed with the KMP in relation to the proposed Post-Implementation Agreements.

We have set out below some of the key terms of the SIA⁴⁶:

- *Conditions precedent* – the SIA includes the following conditions precedent:
 - Approval of the Scheme by MYD Shareholders, the ACCC and by the Court in accordance with Section 411(4) (b) of the Corporations Act.
 - No MYD prescribed occurrences and no material adverse effects, and other conditions precedent typical for a transaction of this type.
- *Options* – The Company has 12,925,696 options ("MYD Options") with an exercise price varying between A\$0.20 and A\$1.50 per share. The MYD Options with an exercise price greater than the Scheme Consideration (450,000 MYD Options) will be cancelled for no consideration and the remaining MYD Options will be cancelled for a consideration equivalent to the difference between the Scheme Consideration and the exercise price.
- *Break Fee* – A break-fee of A\$2.85 million may become payable by MYD to WOW if during the exclusivity period the Scheme does not proceed due to:
 - A competing proposal is announced by a third party and within nine months after the End Date that third party or any of its associates acquires a voting power of (or an economic interest in) 50% or more of MYD and that competing proposal is (or becomes) free from any defeating conditions, or that third party or any of its associates completes the competing proposal.
 - Any of the MYD Directors withdraws or adversely revises or qualifies their voting intention or recommendation to vote in favour of the Scheme, except in limited circumstances, as set out in the SIA.

⁴⁶ Scheme Implementation Agreement.

- WOW terminates the SIA due to a material breach by MYD of the terms of the SIA.
- *Others* – The SIA contains customary exclusivity provisions including no shop and no talk restrictions, restrictions on providing or making available information or access to due diligence (with the no talk and no due diligence restrictions subject to a fiduciary-out), and a matching counterproposal right for WOW in the event the Directors receive a superior proposal.

1.2 Post-Implementation Agreements

WOW and the KMP entered into the Process Deed on 20 June 2022 which contains obligations to negotiate the Post-Implementation Agreements, which are anticipated to be entered into on or around the Implementation Date of the Scheme. The Post-Implementation Agreements regulates the operations and governance of MyDeal after the Scheme and include the following legal documents:

- A shareholders agreement between Woolworths, the KMP and MyDeal which include the terms of the Retained Shares Options and the terms to calculate the exercise price.
- An employment agreement between WOW and each of the KMP.
- Documentation relating to the management incentive plan to be put in place by MyDeal after the implementation of the Scheme.
- Various partnership agreements between WOW and MyDeal in relation to the business relationship between those parties.

1.2.1 Retained Shares Options

Under the Retained Shares Options, each of the KMP will have the right to require Woolworths to acquire the Retained Shares held by them and WOW will have the right to require each of the KMP to sell to it, all of the Retained Shares held by them three to four years after the implementation of the Scheme, subject to certain exceptions.

The exercise price of the Retained Shares Options is calculated in accordance with a formula based on the financial performance of MyDeal. Depending on that financial performance (and the point at which the Put and Call Options are exercised), the exercise price may be less than, more than, or the same as the Scheme Consideration.

1.2.2 Call Option

At the same time as entering into the SIA⁴⁷, Sean Senvirtne granted the Call Option under which WOW can call for the sale to it of MYD Shares by Sean Senvirtne, equal to 19.9% of MYD. The Call Option is exercisable upon WOW becoming aware of, or the announcement of, a Competing Proposal.

The exercise price per MYD Share under the Call Option is equal to the Scheme Consideration. However, Sean Senvirtne is entitled to receive an additional amount above the exercise price if Woolworths on-sells the relevant MyDeal Shares within 12 months of the exercise of the Call Option and the amount per MYD share received by WOW is greater than the exercise price.

⁴⁷ Scheme Implementation Agreement.

2 Purpose and scope of the report

2.1 Purpose

Section 411 of the Corporations Act

Section 411 of the Corporations Act 2001 regulates schemes of arrangement between companies and their members. Part 3 of Schedule 8 of the *Corporations Regulations 2001 (Cth)* ("Corporations Regulations") prescribes information to be sent to shareholders and creditors in relation to members' and creditors' scheme of arrangement pursuant to Section 411 of the Corporations Act.

Part 3 of Schedule 8 (s640) of the Corporations Regulations requires an independent expert's report in relation to a scheme to be prepared when a party to that scheme has a shareholding greater than 30% in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the independent expert's report must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirement for an independent expert's report, documentation for a scheme of arrangement typically includes an independent expert's report.

While there is no legal requirement for an independent expert's report to be prepared in respect of the Scheme, the Independent Directors of MYD have requested Grant Thornton Corporate Finance to prepare an independent expert's report to express an opinion as to whether the Scheme is in the best interests of MYD Shareholders.

Section 611/7 of the Corporations Act in relation to the Retained Shares Acquisition

Section 606 of the Corporations Act prohibits the acquisition of a relevant interest in the issued voting shares of a company if the acquisition results in the person's voting power in the company increasing from either below 20% to more than 20%, or from a starting point between 20% and 90%, without making an offer to all shareholders of the company.

Item 7 of Section 611 of the Corporations Act allows the shareholders not associated with the acquiring company (i.e. the Non-Associated Shareholders) to waive this prohibition by passing a resolution at a general meeting. RG 74 and RG 111 set out the view of ASIC on the operation of Item 7 of Section 611 of the Corporations Act.

RG 74 requires that shareholders approving a resolution pursuant to Item 7 of Section 611 of the Corporations Act be provided with a comprehensive analysis of the proposal, including whether or not the proposal is fair and reasonable to the Non-Associated Shareholders. The Directors may satisfy their obligations to provide such an analysis by either:

- Commissioning an independent expert's report; or
- Undertaking a detailed examination of the proposal themselves and preparing a report for the Non-Associated Shareholders.

Shortly after entering into the SIA, WOW lodged an initial substantial holder notice for the acquisition of a 19.9% relevant interest as a result of entering into the Call Option. One of the conditions precedent of the Scheme is for the KMP and WOW to agree the Post-Implementation Agreements which will regulate the

shareholding and management of MyDeal following the Scheme and this includes the Retained Shares Options agreements. As a result of entering into the Retained Shares Options agreements, WOW would be increasing its voting power in the Company in breach of Section 606 of the Corporations Act, unless the approval of Non-Associated Shareholders is obtained. Under the Corporations Act, the relevant interest is acquired at the time the Retained Shares Options agreements are agreed rather than when options are exercised. When the Retained Shares Options are capable of being exercised, WOW will already own 80.2% of the issued capital of the Company, and the relevant Corporations Act provisions (including section 606) will not apply to the Company.

As a result of the legal structure of the Scheme, the Independent Directors have also engaged Grant Thornton Corporate Finance to form an opinion on whether the Retained Shares Acquisition is fair and reasonable to the Non-Associated Shareholders for the purposes of Item 7 of Section 611 of the Corporations Act.

2.2 Basis of assessment for the Scheme

In determining whether the Scheme is in the best interests of the Company's members, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including RG 111, Regulatory Guide 60 Scheme of arrangement ("RG60") and RG 112. The IER will also include other information and disclosures as required by ASIC. We note that neither the Corporations Act nor the Corporations Regulations define the term "in the best interests of members".

RG 111 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" in the context of a takeover offer. RG111 requires an independent expert report prepared for a change of control transaction implemented by way of scheme of arrangement to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is "in the best interests of the members of the company". If an expert were to conclude that a proposal was "fair and reasonable" if it was in the form of a takeover bid, it will also conclude that the proposed scheme is "in the best interests of the members of the company".

Pursuant to RG111, an offer is "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company.

RG111 considers an offer to be "reasonable" if it is fair. An offer may also be reasonable if, despite not being "fair" but after considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

In our opinion, the most appropriate way to evaluate the fairness of the Scheme is to compare the fair market value of MYD on a control basis with the Scheme Consideration.

In considering whether the Scheme is in the best interests of MYD shareholders, we have considered a number of factors, including:

- Whether the Scheme is fair.
- The implications to MYD Shareholders if the Scheme is not implemented.

- Other likely advantages and disadvantages associated with the Scheme.
- Other costs and risks associated with Scheme that could potentially affect MYD shareholders.

2.3 Basis of assessment for the Retained Shares Acquisition

As a result of the Retained Shares Options, which is a condition for the Scheme, WOW will increase its voting power in the Company in breach of Section 606 of the Corporations Act, unless the approval of Non-Associated Shareholders is obtained, which requires an Independent Expert's Report under Item 7 of Section 611 of the Corporations Act.

RG111 specifically differentiates between an issue of new shares or the sale of existing shares under Item 7 of Section 611 of the Corporations Act. Specifically, RG111 requires an Independent Expert opining on the sale of existing shares under Item 7 of Section 611 to assess whether the advantages of the proposal outweigh the disadvantages or vice versa. RG 111 states that security holders not associated with such a transaction may be forgoing the opportunity of receiving a takeover bid and sharing in any premium for control.

2.4 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance (a 100% subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the Scheme with reference to RG 112 issued by ASIC.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Scheme other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success implementation of the Scheme.

In our opinion, Grant Thornton Corporate Finance is independent of MYD and its Directors and all other relevant parties of the Scheme.

Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services ("APES 225") as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

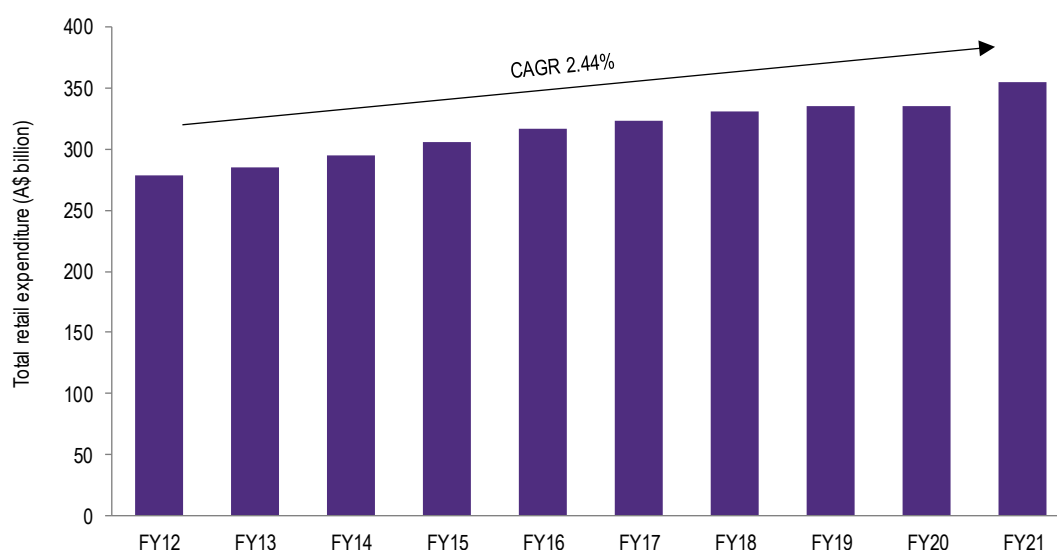
"An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3 Industry overview

3.1 Australian Retail Market

MyDeal is an online retail marketplace, operating in Australia, that connects merchants with consumers to sell household products. Much of the Company's revenue is generated in the home, garden, and furniture sector. Australian retail reported a turnover of c. A\$354.4 billion in FY21⁴⁸, up 5.66% from FY20. Total retail expenditure in Australia has increased consistently over the last 10 years evidenced by the compound average growth rate ("CAGR") of 2.44% as set out in the graph below.

Total Turnover of Retail Trade in Australia FY11 to FY21



Source Australian Bureau of Statistics, Retail Trade, Australia, April 2022

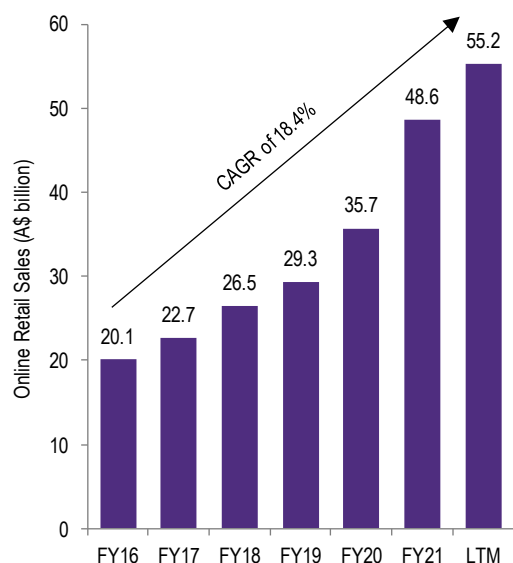
Early growth from FY14 can be attributed to the rising consumer confidence, high level of disposable income and growing penetration of online shopping. Growth and consumer spending marginally reduced during FY20 due to the outbreak of COVID-19 which created uncertainty, temporarily reduced consumer confidence and restrictions on imports and exports. However, according to the Reserve Bank of Australia, stimulus measures and restrictions on consumer movements have helped increase disposable income which positively affected FY21 retail expenditure. During this period, there has been a marked shift towards online retail sales associated with convenience during period of lockdowns, including the ability to shop 24/7, access to cross-border shopping, cheaper products and greater mobile friendly applications.

According to the NAB Online Retail Sales Index ("NAB Index")⁴⁹, online sales have increased by c. 36.3% between FY20 and FY21. In the 12-month period to March 2022, NAB estimates that Australians spent A\$55.24 billion on online retail, which represents a c. 14.8% share of total retail sales and about 16.6% higher market share than in March 2021.

⁴⁸ Australian Bureau of Statistics, Retail Trade, Australia, April 2022

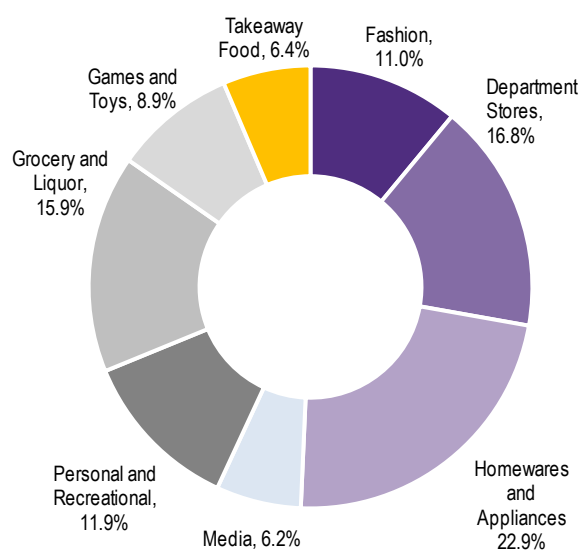
⁴⁹ NAB Online Retail Sales Index, March 2022, NAB Group Economics.

Online retail sales in Australia



Source: NAB Online Sales Index, March 2022

Australian online retail sales in FY21



Throughout early 2022, online shopping has continued to remain popular, despite the expected dip following the Christmas and festive season (c. 9.6% down from December 2021)⁵⁰. Year on year growth in online sales was up a total of c. 16.6%, and c. 5.5 million households have shopped online each month so far in 2022⁵¹. This is a positive sign that engagement with online shopping is remaining strong notwithstanding lockdown restrictions have been lifted.

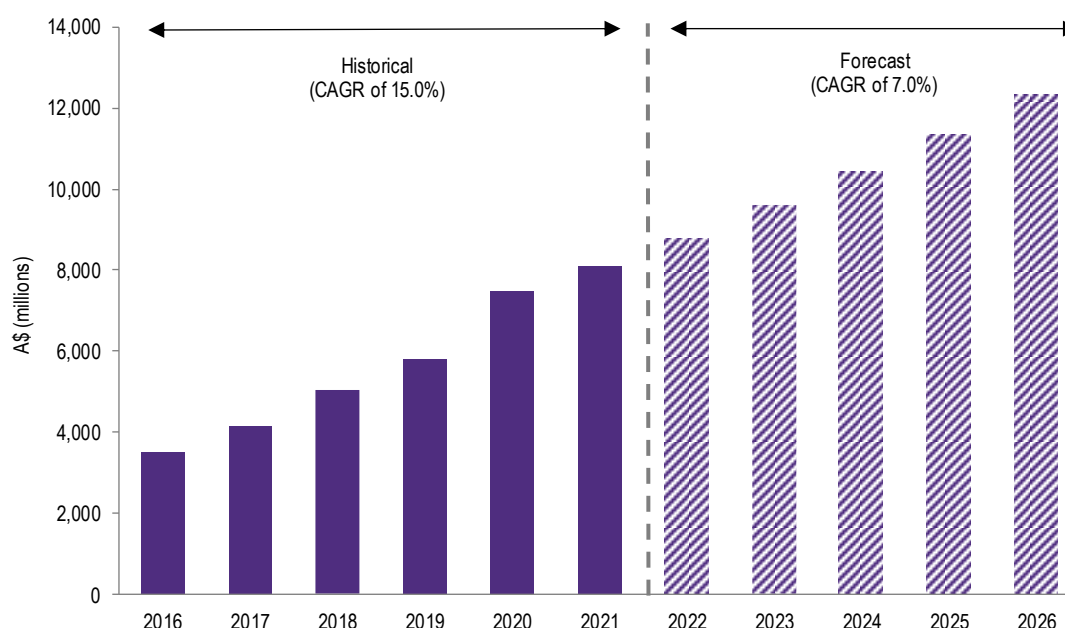
Within the retail sector, MYD is mainly focussed on furniture and home and garden verticals. According to Australia Post, over 6.6 million households purchased from Home and Garden retailers in 2021, with peaks in sales occurring during lockdowns and major sale events, which have the opportunity to attract a large number of first-time online shoppers⁵².

⁵⁰ Australian Post: Inside Australian Online Shopping - E-Commerce Update, February 2022.

⁵¹ Ibid.

⁵² Australia Post, Inside Australian Online Shopping eCommerce Industry report 202.

Australia Online Household Goods Expenditure



Source: Euromonitor International – Home and Garden in Australia, April 2021

Note (1): Online Household Goods included the categories consumer Appliances E-Commerce, Consumer Electronics E-Commerce, Home Care E-commerce, Home Improvement and Gardening E-Commerce, Homewares and Home Furnishings E-Commerce and Pet Care E-Commerce.

Notwithstanding the historical and forecast growth, the online household goods sector in Australia only represents 8.1% of total homeware and furnishings sales in Australia⁵³. This compares to the United States (US) and United Kingdom (UK) homeware and furnishing online penetration of 34.3% and 21.7% respectively, as of February 2022.









3.2 Key competitors

MyDeal operates as an online retail marketplace model which connects consumers to sellers via its online platform. This model allows sellers to control the price of their product as well as flexibility of the packaging and logistics requirements. Sellers use the online marketplace platform to advertise their product as a 'shopfront,' with the marketplace taking responsibility of the payment and technology to promote the items. Marketplace owners, such as MyDeal, receive various commissions for transactions on their platform.

Some of the key drivers of growth associated with online marketplaces are the consumers, small and large retailers, and the brand profile. Online retail marketplaces create a competitive environment for sellers, which gives the consumer easy access to products and can determine their choice of consumption. Small retailers can compete against larger retailers through online marketplaces because of the increased exposure to established consumers and the convenient process of setting up an online shopfront. However, large retailers can use online marketplaces as an additional source of exposure and to differentiate products and prices. Lastly, brand owners can leverage the use of online marketplaces to expand their retail channels and go directly to consumers, compared to traditional physical or online retail stores, which will allow them to have greater brand control.

⁵³ MYD H1FY22 Investor Presentation

The following table details the key participants in the online market sector in Australia as well as in the global market. Kogan, Temple & Webster and Catch are key competitors of MYD whereas the other companies focus on different verticals or operates across the full spectrum of products (like eBay).

Company	Industry Focus	Members/Users ¹	Revenue (LTM)	Business Model
	Home & Garden	>1 million (active customers)	65.4 million	Online marketplace, online direct sellers (private label)
	Consumer goods	4.1 million (active customers)	786 million	Online marketplace, online direct sellers (private label)
	Homeware and furniture	900k (quarterly active customers)	400 million	Online direct sellers
ADOREBEAUTY	Cosmetics	880k (active customers)	196 million	Online marketplace, online direct sellers (private label)
	Consumer goods	3 million (active customers)	528 million	Online marketplace, online direct sellers
	Physical and digital books	1.8 million (customers)	241 million	Online direct sellers
	Print on demand products	9.9 million (unique customers)	581 million	Online marketplace, online direct sellers (private label)
	Cycling	33k (transactions)	7 million	Online marketplace
CETTIRE	Personal luxury goods	115k (active customers)	166 million	Online marketplace
	Consumer goods	147 million (active customers)	10 billion	Online marketplace

Source: Company websites and annual reports

Note (1): MyDeal active members was calculated from Q4 FY22 updates whereas the other companies use figures from annual or half yearly results.

MyDeal seeks to differentiate itself through variations in the products they offer, reduced pricing of products, superior technology interface and private branding.

3.3 Macro-economic Environment

Presented below is a summary of the Australian macro-economic factors that may impact the performance of the retail industry going forward.

- **Interest Rate** – Interest rates are one of the key macro-economic variables that indirectly impact retail sales via a reduction of disposable income, all other things being the same. The following graph shows the fluctuations in the yield on the 10-year Australian government bond since January 2021.

Australia 10-year Government Bond Yield

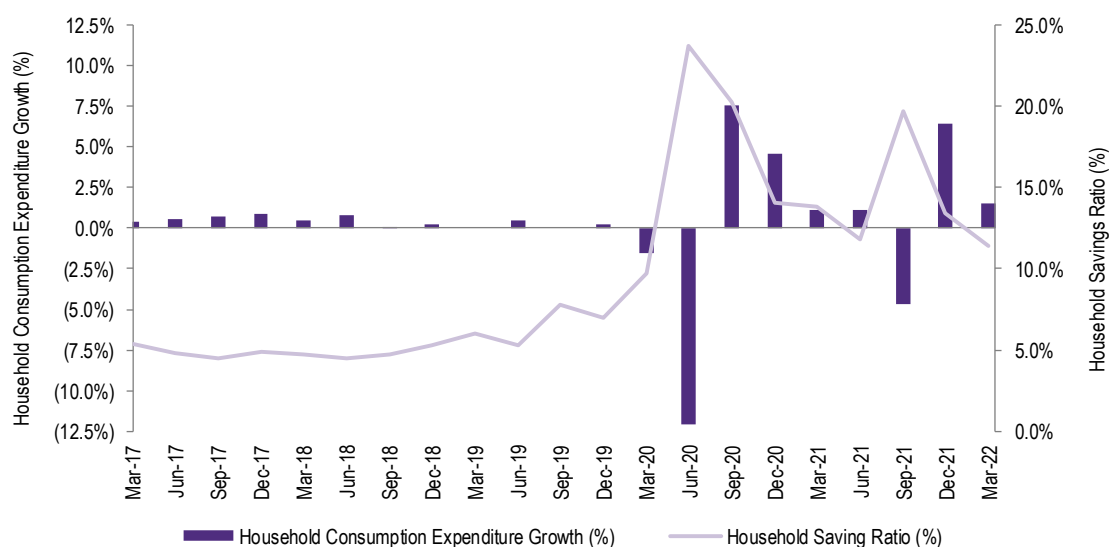


Source: S&P Global

To support the recovery of businesses following the impact of COVID-19, the RBA reduced the cash rate to a historic low of 0.10% in November 2020. However, the large fiscal and monetary expenditure over the last 2 years has driven expectations for an increase in inflation and the yield curve for government bonds has recently steepened. Notably, the RBA has delivered three consecutive cash rate hikes between May 2022 and July 2022, raising interest rates by a total of 125 bps to the current 1.35%.

- Inflation* – Increasing levels of inflation erodes an individual's purchasing power and devalues the currency in which they purchase their goods. As online marketplace platforms typically operate with sellers who offer somewhat elastic and discretionary goods, heightened periods of inflation are likely to have negative impacts on sales within the industry. Annual inflation increased to 5.1% in the March 2022 quarter and it is expected to continue to increase in the short term. Factors influencing inflation include a lag in supply chain disruptions off the back of sustained lockdowns throughout the fourth quarter of 2021, pent-up consumer demand for goods following the re-opening of economies, the accommodating monetary policy of the RBA and more recently, the Russian-Ukrainian conflict with soaring energy prices.
- Household disposable income and the saving ratio* – These are key drivers of retail sales and accordingly, are major variables affecting the online retail industry. The following graphs set out the historical household final consumption ratio and household saving ratio.

Household saving ratio & household consumption quarterly growth (%)

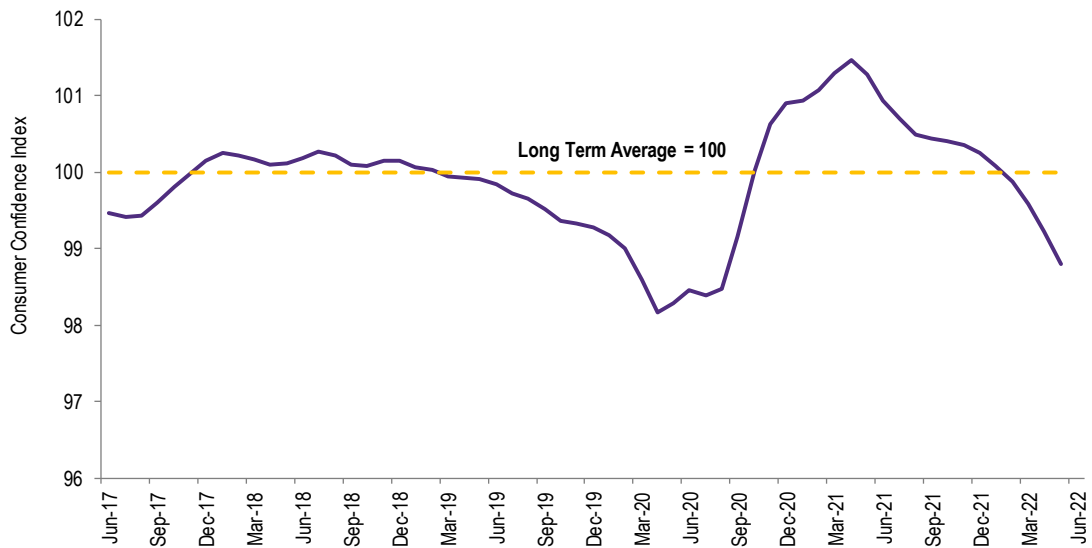


Source: ABS, Australian National Accounts: National Income, Expenditure and Product March 2022

In the first half of 2020, the pandemic caused a contraction of consumption which boosted household savings. Whilst most of Australia exited from lockdowns in the second half of 2020, broader restrictions on movements remained and prolonged lockdowns became the norm throughout 2021. During this period, the Australian government provided stimulus through payments such as Jobkeeper and Jobseeker in a bid to preserve employment levels and support the economy. This had a flow on effect into household income and consumption, with the latter experiencing significant growth relative to prior years. Household consumption has increased following the end of lockdown but it is still higher than historical levels.

- Consumer confidence** – This is a measure of optimism amongst households regarding their financial situation, the current economic conditions, employment, and savings. Negative consumer confidence is correlated with a scale back in individual expenditure on discretionary items, including retail expenditure. The following graph illustrates the Consumer Confidence Index (“CCI”) within Australia since June 2017 to June 2022.

Consumer Confidence Index – Australia



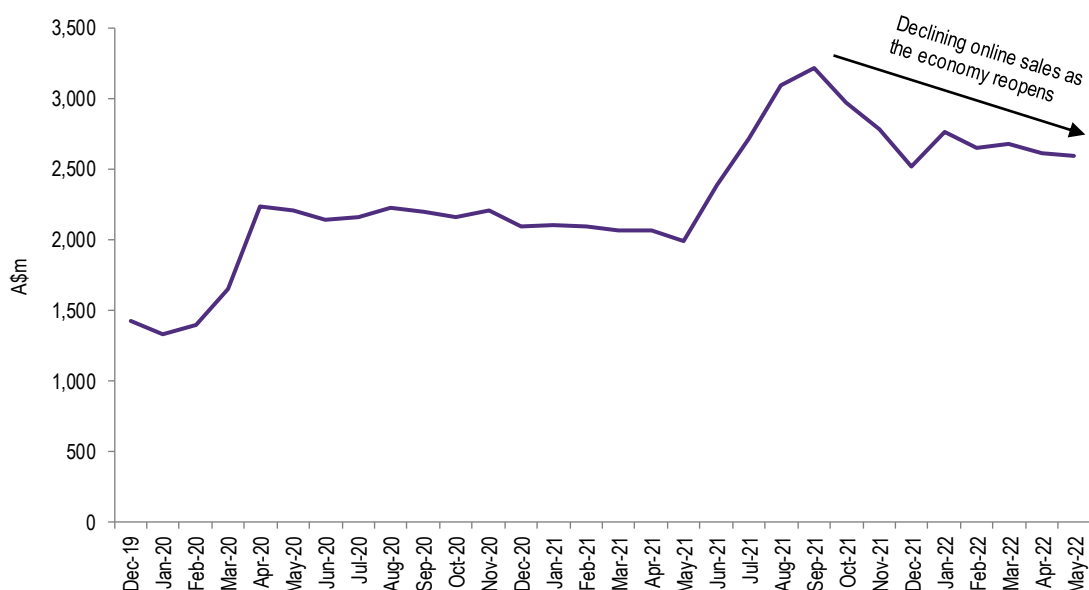
Source: OECD Data: 60 years, GTCF analysis.

Note (1): A value greater than 100 is indicative of a boost of the consumer's confidence towards the future economic circumstances and vice versa.

As illustrated above, the CCI has reached lows close to March 2020 at the time of the outbreak of the COVID-19 pandemic as a result of growing inflation and rising interest rates.

- **Online sales** – As set out below and discussed throughout this document, online sales have reduced since lockdowns have been removed across Australia. Whilst they remain high compared with the historical levels, there are expectations that they may continue to reduce.

Online Sales¹ in Australia



Source: ABS, Retail Trade, Australia April 2022

Note (1): Online Sales excludes food retailing.

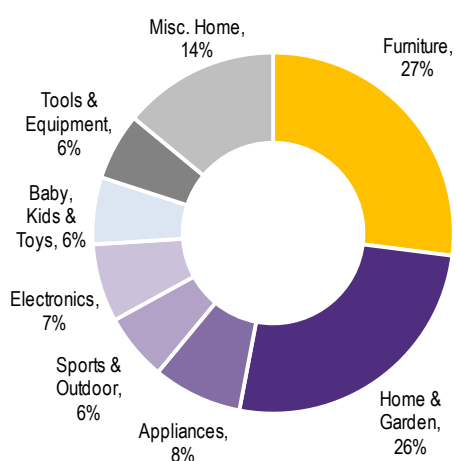
4 Profile of MyDeal

4.1 Introduction

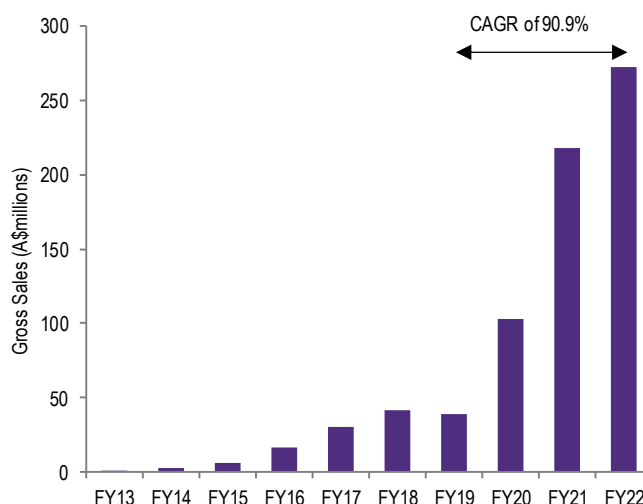
MyDeal is an online platform that acts as both a marketplace and a more traditional e-commerce retailer to customers in Australia with a focus on home and furniture verticals. Since inception, it has grown rapidly and listed on the ASX in October 2020. The platform has c. 2,049 sellers (of which 1,373 are active sellers), who sell over 6 million SKU's⁵⁴ across 2,000 categories⁵⁵. MyDeal has had a strong growth record with over 2.3 million products shipping in LTM and over 1 million active customers⁵⁶.

The Company was initially launched in 2011 by Sean Senvirtne and it has since evolved from a daily deals website to a traditional e-commerce model of sourcing products and holding inventory, to now, an online marketplace model. The growth of MyDeal has been significantly accelerated from the increase in online sales since the outbreak of COVID-19 when GTV grew by 111.1% between FY20 to FY21 as set out in the graph below. From a product category perspective, furniture and home and garden accounted for more than 50% of GTV in FY21.

FY21 Product category breakdown



Historical GTV growth



Source: H1 FY22 Results Presentation, Q4 FY22 Activities Report and Appendix 4C

4.2 Business model

The MyDeal website is primarily running as a marketplace that offers customers a platform to browse brands and products and facilitate transactions between customers and sellers. Sellers advertise their products on the MyDeal website whilst continuing to control the price and logistics. The Company acts as an online shopfront and receives payment from the customers for the purchase of the products, which, after the collection of MyDeal commissions, are released to the sellers. The key features of the business model are outlined below:

- **Scalability** – The focus of MyDeal's business model is to scale the marketplace platform and increase operating efficiency to maximise GTV. This is done through streamlining the onboarding process to ensure a significant number of sellers and their products can be added to the platform without

⁵⁴ Stock Keeping Unit.

⁵⁵ MYD Q3 FY22 Activities Report and Appendix 4C.

⁵⁶ MYD H1FY22 Investor Presentation.

significant investments needed. The proprietary technology allows an automated process of inventory uploads and it then updates stock levels and order management systems.

- *Limited Working Capital and Operations Costs* – The marketplace business model allows the Company to have a capital light working capital model which results in the sellers holding inventory at their own cost, whilst the costs incurred by MyDeal are associated with the upkeep of the platform and its systems and marketing costs. With no costs associated with purchasing or warehousing inventory, the Company focuses on growing GTV in order to drive scale and achieve profitability.

The Company generates the following revenue streams from marketplace transactions:

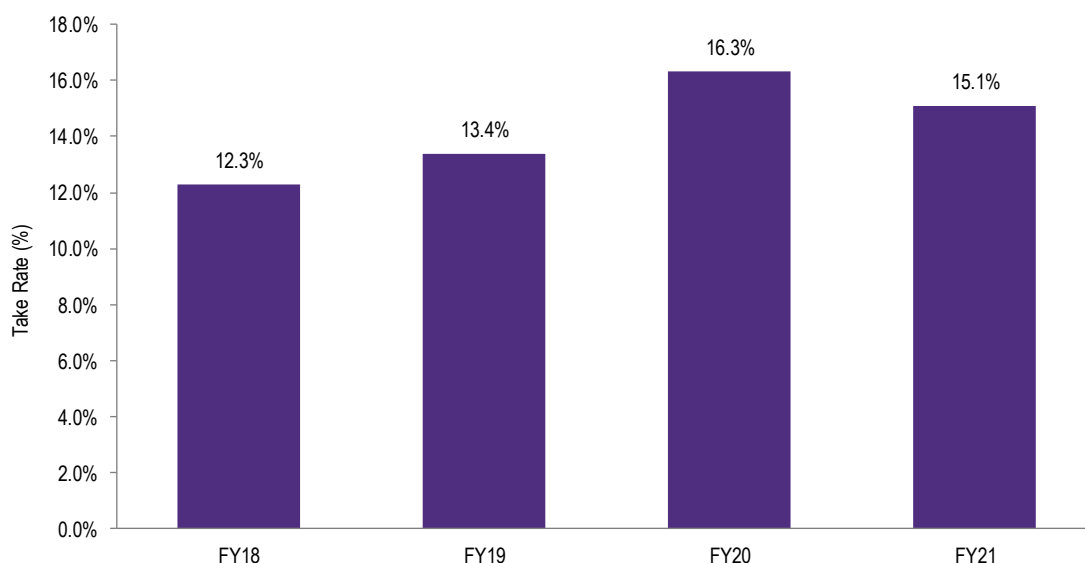
Revenue Streams	
Marketplace	Description
Primary Revenue Stream	
Sales Commission & Transaction fees	Sales Commission is charged to sellers once products are dispatched. Transactions fees are charged to sellers upon completion of a transaction on the marketplace. Refunds are also charged to sellers as part of a transaction fee associated with refund administration.
Secondary Revenue Stream	
Advertising	Fees charged to sellers for promotional activity of their products on the MyDeal website and email newsletter.
Subscription fees	Monthly fees charged to sellers for the selling products on the MyDeal marketplace.
Other	Government grants for research and development incentives, in addition to interest revenue.

Source: MyDeal 2021 Annual Report

MyDeal had a take rate of 13.4% in FY19, which grew to a peak of 16.3% in FY20⁵⁷. The increase in take rate can be attributed towards the increased number of fees charged to sellers (detailed above) and higher margins in seller commission rates for Home & Garden goods compared to other lifestyle goods. MyDeal also offers advertising packages to sellers which contribute towards the take rate.

⁵⁷ MyDeal 2021 Annual Report

Historical Take Rates



Source: MYD Prospectus and Brokers

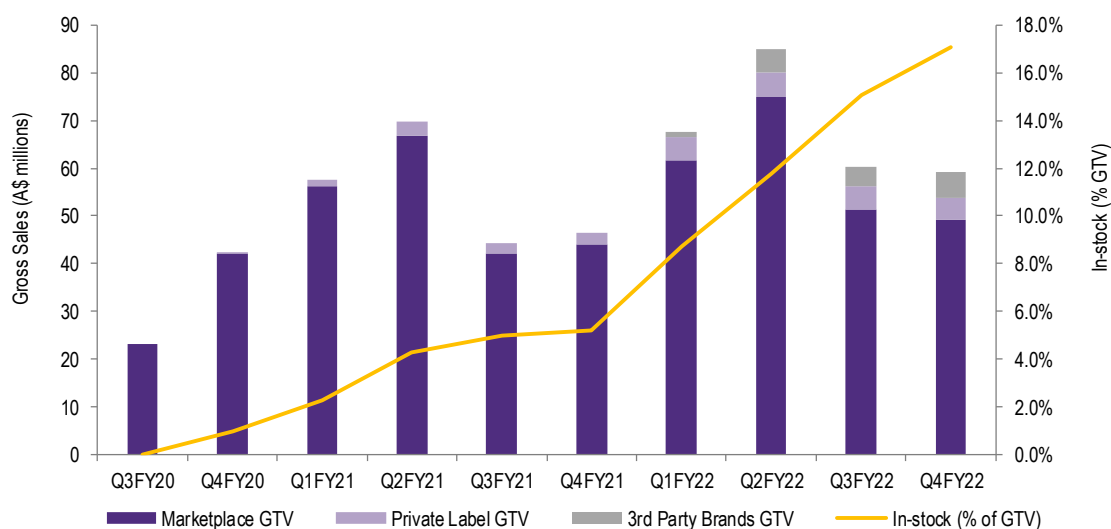
In addition to marketplace services, MYD has launched in-stock products to assist in growing its marketplace and generate higher profitability as summarised below:

- **Private Labels** – In late FY20, MyDeal launched its private labels comprising of Duke Living, ErgoDuke, Esplanade Home and recently in March 2022, the Kubo and Neilio products. The private label products focus heavily on the Furniture and Homewares department, which make up a majority of the MyDeal platform. Since the launch of the private label stock, GTV in Q4 FY22 has grown to A\$4.7 million, up 104.3% vs pcp⁵⁸. This growth was also achieved due to the ability of MYD to leverage its existing data analytics to predict sales trends as well as offering an end-to-end customer experience to gain customer loyalty in private label transactions.
- **Third-party brands** – MyDeal has also implemented third-party branded stock, as a compliment to the marketplace and private label. Launched in early FY22, third-party branded products are crucial to retain customers and improve the MyDeal brand. These products focus on low-margin verticals such as the tech and homewares categories, appliances and kitchenware products. GTV has grown quite considerably, with third party branded products recording a FY22 performance of A\$15.7 million since being launched.

Both the private label and third-party brands (in-stock) operate like a traditional e-commerce business model and MyDeal will source the products from third party suppliers, warehouse the inventory and then promote the product listings to sell on the MyDeal marketplace. The in-stock products are in early phases of growth, however if successfully implemented, they are able to generate higher operating margins than marketplace revenue. As illustrated below, in-stock as a percentage of GTV has increased materially in the LTM.

⁵⁸ MYD Q4 FY22 Activities Report and Appendix.

GTV Breakdown

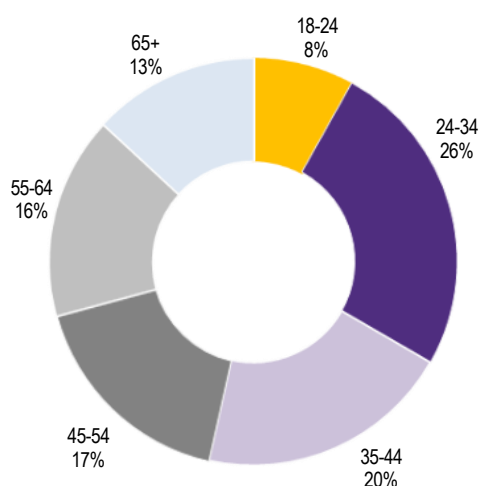


Source: MYD 2022 Quarterly Activities/Appendix 4C Cash Flow Report, H1FY22 MYD Results Presentation, MYD 2021 Annual Report

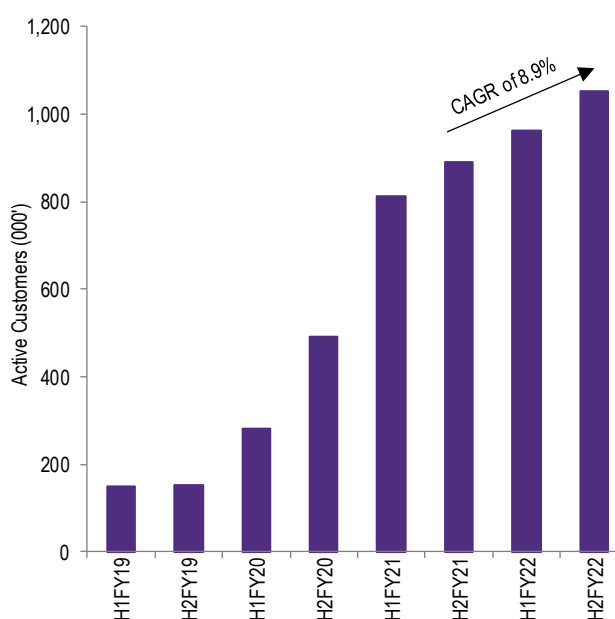
4.3 Customers profile and marketing

For the quarter ended 30 June 2022, the Company reported over 1 million active customers⁵⁹ ("Active Customer"⁶⁰), with a slight lean towards female active customers historically (56% of active customers)⁶¹. MyDeal customers are relatively young to middle-aged, with approximately 50% of its customers aged between 25 and 44 years old. Additional information on the Company's customers is presented below:

Customer age distribution FY10-FY18



Historical total of active customers



Source: MYD Initiating Coverage, November 2020, MYD 2021 Annual Report, MYD Q4 FY22 Activities Report and Appendix 4C, GTCF analysis

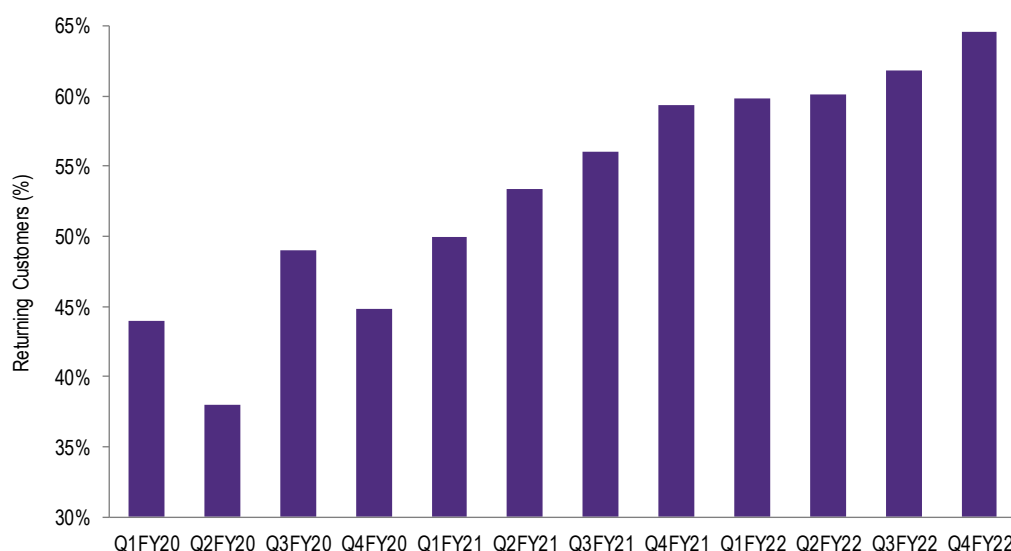
⁵⁹ MYD Q4 FY22 Activities Report and Appendix 4C.

⁶⁰ Active Customer is a customer who had transacted with MyDeal in the previous 12-month period.

⁶¹ MyDeal Initiating Coverage, November 2020.

MyDeal has focused on enhancing customer experience through an increased product range and leveraging artificial intelligence (“AI”) technology to recommend relevant products. MyDeal has seen significant growth in its customer loyalty, with 64.6% of all transactions coming from returning customers in Q4 FY22⁶².

Percentage of Returning Customers



Source: MYD quarterly information

Whilst the percentage of returning customers has substantially remained flat in the last year, the average order per customer and the GTV per Active Customers are rising which ensure the Company is moving into the right direction to obtain scale efficiencies.

Increasing advertising and marketing costs are associated with the MyDeal customer acquisition and retention strategy. Advertising and marketing expenses increased to A\$25.3⁶³ million in FY22, representing 9.3% of FY22 GTV, and up 15.1% versus pcp.

MyDeal adopts a range of free and paid sources to direct website traffic. With the number of active customers growing rapidly to over 1 million, MyDeal is attempting to keep the cost of new customer acquisitions (CAC)⁶⁴ low, whilst increasing the gross profit per customer⁶⁵. As illustrated below, the gross profit for total customers is increasing, with the gross profit per customer growing 22.6% from FY20 to LTM FY22⁶⁶.

⁶² MYD Q4 FY22 Activities Report and Appendix.

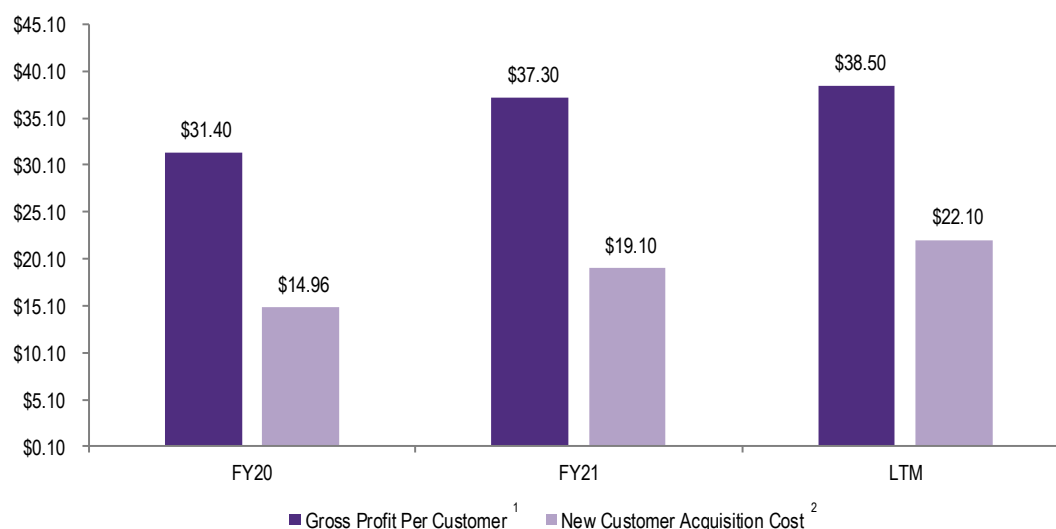
⁶³ Q4 FY22 Activities Report and Appendix 4C.

⁶⁴ New customer acquisition cost is calculated by multiplying the total marketing spend in LTM from Dec 21, with the estimated marketing spend on new customer acquisition (52.7%) and divided by the number of new customers in LTM Dec 21.

⁶⁵ Gross profit per customer is calculated using the gross profit divided by the total number of customers for that period.

⁶⁶ MYD Q4 FY22 Activities and Appendix.

Return on Investment in Marketing

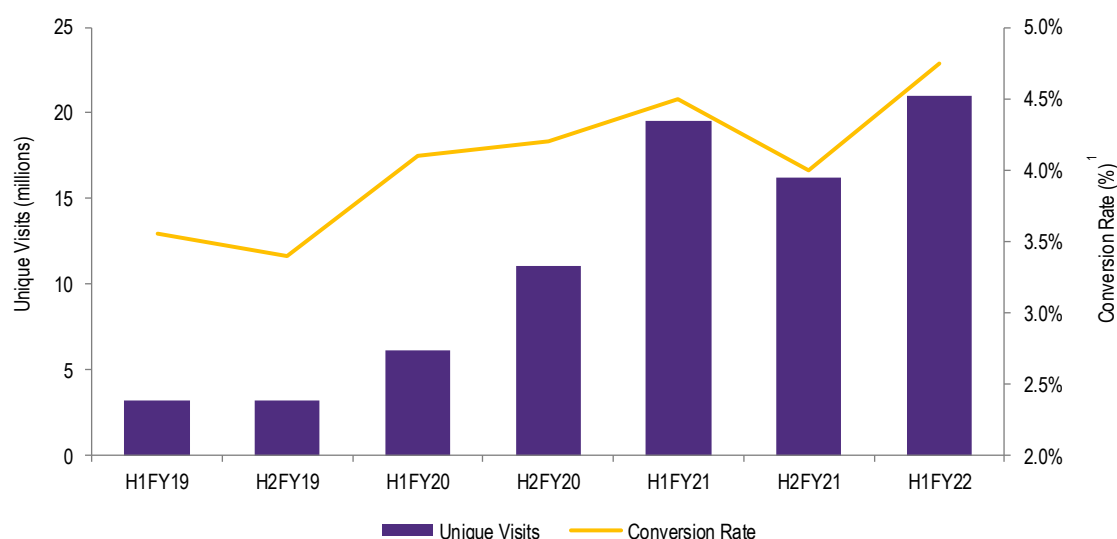


Source: MYD Prospectus 2020 and MYD 2021 Annual Report

Note: (1) Gross profit per customer is calculated using the gross profit divided by the total number of customers for that period; (2) New customer acquisition cost is calculated by multiplying the total marketing spend in LTM from Dec 21, with the estimated marketing spend on new customer acquisition (52.7%) and divided by the number of new customers in LTM Dec 21.

To increase customer acquisition and retention, MyDeal is seeking to increase the conversion rate⁶⁷, which has been trending upwards, through improved customer experience. However, the unique site visits reduced in H1FY22 compared with pcip due to higher competition and the end of the lockdown period driving a reduced number of people working from home which affected online visits.

Customers Acquisition



Source: MYD Prospectus 2020, MYD FY21 Results Presentation, MYD H1FY22 Results Presentation

Note: (1) Conversion rate has been calculated by dividing the number of transactions by unique visitors.

4.4 MyDeal Technology Platform

MyDeal has developed several proprietary systems that operate as a cloud-based platform. The architecture of the platform combined with the cloud-based technology allows for a streamlined onboarding

⁶⁷ Conversion Rate is the percentage of the number of transactions divided by the unique visitors

of sellers and their product list. MyDeal also leverages third party AI and data analytics to create product recommendations for customers based on their searches and purchases. Furthermore, with many sellers using other e-commerce platforms to sell their products, MyDeal has integrated these platforms and channel partners to provide a solution for sellers and automate the management of their products on the MyDeal website.

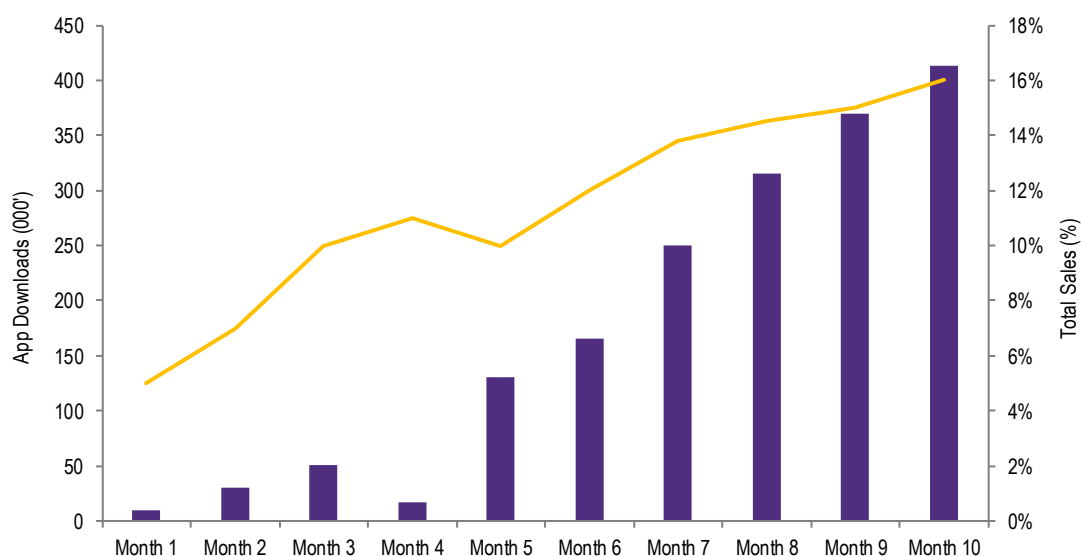
MyDeal platform offers scalability of infrastructure aiming at delivering efficiency and flexibility. The technology platform is agnostic, which enables the customer experience in searching for products and managing their orders. The proprietary systems that MyDeal have developed are outlined below:

- *Online Marketplace Website* – Seamless customer user experience that is built for handling large transactions at once.
- *Customer Relationship Management System (CRM)* – Platform used by MyDeal staff for the onboarding process of new sellers.
- *Seller Portal* – Enables Sellers to manage their product list and transactions. Sellers use e-commerce platforms such as Shopify, Omnivore, Channel Advisor and Magneto API to set up their products, stock listing and prices on the marketplace. MyDeal is able to pull the data from these platforms and provide a seamless process to sellers to enable them to manage all activities related to their stock, fulfilment and cancellations. The ability for sellers to easily integrate into the marketplace and manage their products is one of the key success factors of the business.
- *Deal Provisioning System* – The Deal Provisioning System is an automated system that connects e-commerce platforms used by sellers and channel partner to the MyDeal website. This will allow products to be updated regularly and have the ability to support large product sets.
- *Order Processing System* – System used to gather order details for sellers and supporting the refund and cancellation process.

To improve the customer experience and leverage the proprietary technology, AI and machine learning algorithms, MyDeal launched a mobile application in May 2021. Since its launch, MyDeal has seen significant progress in the mobile app adoption, with 413k downloads in H1FY22, compared to just over 30k downloads in June 2021⁶⁸. As illustrated below, the mobile app contributed to 15% of total sales in H1FY22.

⁶⁸ MYD H1FY22 Investor Presentation

Mobile Application Performance⁶⁹



Source: MYD H1FY22 Results Presentation and MYD 2021 Annual Report

The app provides an alternative avenue for customers to access the MyDeal marketplace and drives purchasing activity through deals and discounts. Via the greater use of the mobile app, MYD aims to increase the number of repeat customers through push notifications and reduced marketing and customer acquisition costs. The application is accessible to both iOS and Android devices.

⁶⁹ Monthly mobile application downloads were recorded on a 4-week periods ending 22 February 2022.

4.5 Financial Information

4.5.1 Financial Performance

The table below illustrates the Company's audited consolidated statements of comprehensive income for FY20 and FY21 and the reviewed H1 FY22.

Consolidated statements of financial performance	FY20	FY21	1H FY22
A\$	Actual	Actual	Actual
Revenue from contracts with customers	15,335,680	38,271,998	32,895,659
Cost of sales	(84,094)	(4,926,100)	(10,236,925)
Gross profit	15,251,586	33,345,898	22,658,734
<i>Gross margin</i>	99.5%	87.1%	68.9%
Other Revenue	404,915	75,086	(19,269)
Advertising expense	(8,575,077)	(23,032,201)	(15,480,931)
Distribution expense	(23,414)	(2,789,787)	(3,221,539)
Employee benefit expense	(2,908,672)	(5,052,221)	(5,159,500)
Merchant fees	(1,472,908)	(3,236,011)	(2,247,141)
Occupancy expense	(74,496)	(80,993)	(59,292)
Professional fees	(480,537)	(843,799)	(770,242)
Software expenses	(1,147,445)	(1,984,092)	(1,413,371)
Other expenses	(326,863)	(893,068)	(393,286)
Operating expenses	(15,009,412)	(37,912,172)	(28,745,302)
EBITDA	647,089	(4,491,188)	(6,105,837)
<i>EBITDA margin</i>	4.2%	(11.7%)	(18.6%)
Depreciation & Amortisation	(286,228)	(751,657)	(772,536)
EBIT	360,861	(5,242,845)	(6,878,373)
<i>EBIT margin</i>	2.4%	(13.7%)	(20.9%)
Net interest (expense) / revenue	(29,229)	(82,422)	5,348
Net profit before tax	331,632	(5,325,267)	(6,873,025)
Tax expense	517,600	(550,120)	-
Net profit / (loss)	849,232	(5,875,387)	(6,873,025)
<i>Net profit margin</i>	5.5%	(15.4%)	(20.9%)

Source: MyDeal FY21 annual report

Note: (1) Exact numbers have used to determine EBITDA. Accordingly, there may be some discrepancies with the EBITDA reported in MYD's half yearly reports which use rounded figures.

In relation to the above, we note the following:

- The top-line growth was a combination of marketplace revenue and the recently introduced in-stock business which performed above expectations. This growth was achieved with a significant increase in active customers which surpassed 1 million in February 2022. The table below illustrates a breakdown of revenue among its main components.

Revenue breakdown	FY20	FY21	H1FY22
A\$	Actual	Actual	Actual
Revenue			
Marketplace	13,983,150	28,055,432	16,895,015
In-stock ¹	281,209	8,662,981	15,063,594
Subscription and advertising	1,071,321	1,553,585	937,050
Total	15,335,680	38,271,998	32,895,659

Source: MyDeal's FY21 annual report and FY22 Half yearly report and accounts

Note: (1) In-stock revenue accounts for Private Label and Third-Party brands.

Third Party branded stock was only launched in early FY22 and hence the private label revenue accounted for 100% of in-stock revenue in FY20 and FY21. Nonetheless, private label sales were A\$19.3 million in FY22 and third-party brands reached A\$15.7 million. In-stock products generated gross margins of 31.4% in H1 FY22, however this is expected to slightly compress going forward as the margin on third party products is lower than private labels. Nonetheless, MYD targets a normalised in-stock gross margin between 30% and 40%.

- Whilst advertising expense are growing in absolute dollar values, the digital marketing spend as percentage of NTV reduced from 11.7% in H1 FY21 to 9.5% in H1 FY22. Further, MYD has experienced an improvement in customer loyalty with returning customers accounting for more than 60% of transactions in H1 FY22 from 52.7% in pcip.
- The launch of the private label and third-party brands has increased distribution expenses. With in-stock offerings continuing to expand, distribution costs will continue to rise.
- The growth in the employee costs reflects an increased scale of the business with staff numbers increasing from 61 to 85 during H1 FY22. Other costs also increased following the investment in an overseas customer service centre and administrative support.
- The increase in loss in H1 FY22 EBITDA was driven, among other factors, by investments in building the brand of A\$1.9 million⁷⁰ and A\$0.5 million for the investment in the launch of Amazed. Further, it includes share based payments of A\$0.8 million.

⁷⁰ Above the line marketing representing expenses excluding digital performance marketing (e.g. radio, TV, billboards).

4.5.2 Financial Position

The table below illustrates the Company's audited consolidated statements of financial position as at 30 June 2020, 30 June 2021 and the reviewed balance sheet as at 31 December 2021.

Consolidated statements of financial position	FY20	FY21	1HFY22
A\$	Actual	Actual	Actual
Assets			
Cash and cash equivalents	16,808,955	42,674,560	40,173,747
Trade and other receivables	736,716	351,967	471,315
Inventories	384,981	5,326,581	11,314,851
Other assets	782,408	922,099	1,990,860
Total current assets	18,713,060	49,275,207	53,950,773
Intangible assets	219,967	1,952,469	2,755,613
Lease assets	280,749	124,053	674,829
Deferred tax assets	550,120	-	-
Property, plant and equipment	69,395	261,222	725,136
Total non-current assets	1,120,231	2,337,744	4,155,578
Total assets	19,833,291	51,612,951	58,106,351
Liabilities			
Trade and other payables	13,707,294	19,184,989	29,430,972
Lease liabilities	152,326	154,489	81,466
Current tax liability	32,520	-	-
Provisions	226,269	554,092	729,523
Other liabilities	1,385,635	823,446	2,321,463
Total current liabilities	15,504,044	20,717,016	32,563,424
Lease liabilities	154,482	-	671,666
Borrowings	3,082,265	-	-
Provisions	34,775	67,377	79,736
Other non-current liabilities	-	-	-
Total non-current liabilities	3,271,522	67,377	751,402
Total liabilities	18,775,566	20,784,393	33,314,826
Net assets	1,057,725	30,828,558	24,791,525

Source: MYD FY21 annual report, MYD H1FY22 Half Yearly Report

In relation to the above, we note the following:

- The significant increase in cash balance between 30 June 2020 and 30 June 2021 was the result of the IPO completed in October 2020. The cash balance reduced to A\$29.2 million as at 31 March 2022, however this was mainly due to seasonality as the accrued Q2 supplier related expenses are paid in Q3. The working capital unwound in the June 2022 quarter with an unaudited cash balance of c. A\$32.4 million as at 30 June 2022.
- Intangible assets include acquired customer lists, internally generated software and software at cost which are amortised over their useful life.
- Trade and other payables include amounts due to the sellers and collected from the customers following a transaction. This balance is expected to continue to grow in conjunction with a growth in the GTV and reflects the beneficial working capital terms for the business.

4.5.3 Cash Flow Statement

The Company's cash flow statements are summarised below.

Consolidated statements of cash flow	FY19	FY20	FY21	1H FY22
A\$	Pro Forma ¹	Actual	Actual	Actual
Cash flows from operating activities				
Receipts from customers	41,371,115	106,603,916	229,381,111	160,699,467
Payments to suppliers and employees	(42,747,802)	(94,626,335)	(233,245,212)	(161,214,064)
Income tax paid	-	-	(32,520)	-
Interest received	32,817	22,080	42,139	26,325
Interest paid	(10,612)	(104)	(9,881)	(15)
Net cash inflow from operating activities	(1,354,482)	11,999,557	(3,864,363)	(488,287)
Cash flows from investing activities				
Payments for property, plant and equipment	(6,529)	(45,074)	(279,087)	(571,196)
Payments for intangible assets	(22,550)	(278,733)	(2,283,365)	(1,378,095)
Net cash outflow from investing activities	(29,079)	(323,807)	(2,562,452)	(1,949,291)
Cash flow from financing activities				
Proceeds from issue of equity securities	-	2,950,000	32,456,811	-
Repayment of borrowings	(13,637)	(24,919)	-	-
Repayment of lease principal	(163,485)	(130,638)	(152,319)	(46,518)
Repayment of lease interest	-	(18,940)	(12,072)	(16,717)
Net cash (outflow) / inflow from financing activities	(177,122)	2,775,503	32,292,420	(63,235)
Net increase / (decrease) in cash and cash equivalents	(1,560,683)	14,451,253	25,865,605	(2,500,813)
Cash and cash equivalents at the beginning of the financial year	2,287,945	2,357,702	16,808,955	42,674,560
Effects of exchange rate changes on cash and cash equivalents	-	-	-	-
Cash and cash equivalents at year end	727,262	16,808,955	42,674,560	40,173,747

Source: MYD Q3 FY22 Activities Report and Appendix 4C and MyDeal FY21 annual report

Note: (1) Pro forma as presented in the Prospectus.

We note the following in relation to MyDeal's cash flow statements:

- Notwithstanding the Company is in the growth phase of its business cycle, it has never generated large and continuous negative free cash flows. This is driven by effective marketing expenditure and a fully developed and scalable IT platform as well as a favourable working capital cycle.

A summary of the net working capital is summarised below which highlights the positive working capital cycle in conjunction with a growing business.

Net Working Capital	FY20	FY21	1H FY22
A\$ '000	Actual	Actual	Actual
Assets			
Trade and other receivables	736,716	351,967	471,315
Inventories	384,981	5,326,581	11,314,851
Total Current assets	1,121,697	5,678,548	11,786,166
Liabilities			
Trade and other payables	13,707,294	19,184,989	29,430,972
Provisions	226,269	554,092	729,523
Other liabilities	1,385,635	823,446	2,321,463
Total current liabilities	(15,319,198)	(20,562,527)	(32,481,958)
Total Net Working Capital	(14,197,501)	(14,883,979)	(20,695,792)
Net Working Capital Movement	Na	686,478	5,811,813

Source: MYD FY21 annual report, MYD H1FY22 Half Yearly Report

4.6 Share capital structure

As at the date of this report, MYD's capital structure comprised the following securities:

- 258,827,306 fully paid ordinary shares.
- 12,925,696 MYD Options with the terms summarised below.

Option Class	Date Granted	Expiry Date	Exercise Price	Balance
1.	29-Jun-21	20-Oct-27	A\$0.20	1,100,000
		29-Jun-28		2,470,000
		29-Jun-31		175,000
2.	29-Jun-21	29-Jun-26	A\$1.00	5,895,000
		20-Oct-27		350,000
		29-Jun-31		1,290,000
3.	29-Jun-21	20-Oct-28	A\$1.50	400,000
		20-Oct-29		50,000
4.	23-Dec-21	31-Jul-29	A\$0.64	1,195,696
Total				12,925,696

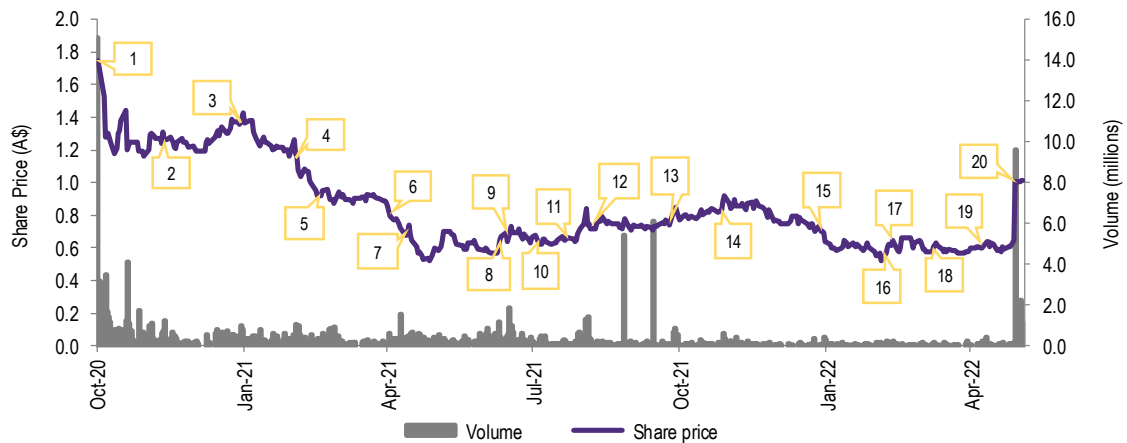
Source: Scheme Implementation Agreement

Under the Scheme, MYD Options with an exercise price greater than the Scheme Consideration (450,000 MYD Options) will be cancelled for no consideration and the remaining MYD Options will be cancelled for a consideration equivalent to the difference between the Scheme Consideration and the exercise price.

4.6.1 Share price movements

Our analysis of the daily movements in MyDeal's share price and volumes since listing on the ASX in October 2020 is set out below.

MyDeal – Historical share trading price and volumes



Sources: GTCF analysis, S&P Global

The following table illustrates the key events from October 2020 to May 2022, which may have impacted the share price and volume movements shown above.

Event	Date	Comment
1	22-Oct-20	MyDeal commences trading on the ASX following the completion of a A\$35 million initial public offering via the issue of 35 million new shares and A\$5 million for certain existing shareholders through the sale of 5 million shares, both at \$1.00 a share.
2	03-Dec-20	The Company announced an update on key operating metrics for the November period, as summarised below: <ul style="list-style-type: none"> - GTV hit a record A\$30 million per month, which is up 192% yoy - Private label recorded a GTV of over A\$1.2 million in November - The number of Active Customers grew to 778,867, up 236% vs YoY
3	20-Jan-21	The Company announced its quarterly cash flow and trading update for the quarter ended 31 December 2020 (Q2 FY21), as summarised below: <ul style="list-style-type: none"> - GTV for the second quarter increased to A\$70.1 million, up 23.7% vs pcq and up 165% vs yoy - Private label grew to A\$2.8 million, up 103% vs pcq - As at 31 December 2020, the number of Active Customers grew to 813,764, which is an increase of 205% yoy - Cash balance was recorded to be at A\$48.1 million as of 31 December 2020
4	23-Feb-21	The Company announced its half year results for the period ended 31 December 2020 (H1 FY21), as summarised below: <ul style="list-style-type: none"> - GTV increased to A\$126.7 million, up 217% vs yoy - Private label recorded GTV of A\$4.3 million, with a gross margin of 43% - Cash balance was recorded at A\$6.2 million due to the IPO raising, up 618% vs pcq - 930 Active Sellers listed and over 6 million products listed - Gross profit increased by 210% in the LTM, to A\$18.9 million
5	12-Mar-21	The Company announced the S&P Dow Jones Indices March 2021 Quarterly rebalance of the S&P/ASX Indices, as summarised below: <ul style="list-style-type: none"> - Effective March 12, 2021, the MyDeal.com.au index was added to the All Ordinaries Index - S&P20/ASX index, S&P50/ASX index and S&P100/ASX index all remained unchanged

Event	Date	Comment
6	27-Apr-21	<p>The Company announced its quarterly cash flow and trading update quarterly for the quarter ended 31 March 2021 (Q3 FY21), as summarised below:</p> <ul style="list-style-type: none"> - Q3 FY21 GTV increased to A\$44.7 million, which was a 104.5% growth yoy - Returning Customers accounted for 56.1% of transactions, which grew from 48.4% in Q3FY20 - Revenue for Q3 FY21 was recorded at A\$8.3 million, which was up 175.8% vs pcg - The number of Active Customers increased to 883, 397, which represented a 157% increase yoy
7	4-May-21	<p>The Company announced the launch of the mobile application ('app') for iOS and Android devices, as summarised below:</p> <ul style="list-style-type: none"> - The mobile app offers a more seamless approach to shop on the MyDeal website, which can be downloaded on any iOS or Android device - Includes specific discounts and push notification offers on the app - Focusing on improving customer experiences and customer retention strategy
8	1-Jul-21	<p>The Company announced an Equity Incentive Plan, as summarised below:</p> <ul style="list-style-type: none"> - MyDeal issued 11, 845, 000 options to its directors, leadership team and other key members of the MyDeal team under the Equity Incentive Plan - The incentive plan is designed to retain and motivate key talent within the Company, to optimize the interest of key personnel within the Company and its Shareholders
9	7-Jul-21	<p>The Company announced its trading update for the year ended 30 June 2021, as summarised below:</p> <ul style="list-style-type: none"> - GTV increased to A\$218.1 million, up 111.1% vs pcg - The number of Active Customers grew to 894, 225, up 83.1% vs pcg - Private label GTV increased to A\$8.8 million
10	27-Jul-21	<p>The Company announced its quarterly business update for the quarter ended 30 June 2021 (Q4 FY21), as summarised below:</p> <ul style="list-style-type: none"> - GTV of A\$46.6 million, up 12.4% vs pcg - Revenue increased to A\$8.7 million, up 40.3% vs pcg - Active Customers increased to 892, 225, up from 83.1% vs pcg - Cash balance at A\$42.7 million as at 30 June 2021
11	18-Aug-21	<p>The Company announced its intention of refreshing the brand identity, as summarised below:</p> <ul style="list-style-type: none"> - Strategy to increase customer growth through multi-channel brand campaigns. - Updates on brand assets such as logo, typography and color palette.
12	25-Aug-21	<p>The Company announced its results for the twelve months ended 30 June 2021 (FY21), as summarised below:</p> <ul style="list-style-type: none"> - New record for GTV of A\$218.1 million, up 111% vs pcg - The number of Active Customers grew to 894k, up 149.6% vs pcg - Over 1.1k active sellers and 6 million products listed on the MyDeal website - Average monthly visit of 6.4 million throughout FY21 - Gross profit was recorded at A\$33.3 million, up 118.6% vs pcg - Over 200 thousand apps installed, which accounted for 13% of total sales - Average orders per customer increased to 1.7x, up from 1.5x in FY20
13	18-Oct-21	<p>The Company announced its quarterly business update for the quarter ended 30 September 2021 (Q1 FY22), as summarised below:</p> <ul style="list-style-type: none"> - GTV are continuing to hit record levels, with A\$69.5 million recorded, up 49.0% vs quarter on quarter (QoQ) and up 22.6% vs pcg - Returning Customers accounting for 60% of all transactions, up 10.3% vs pcg - Private Label and Third Party brands hitting a new record of A\$6 million in GTV, up 323% vs pcg - Cash balance at A\$47.2 million as at 30 September 2021
14	16-Nov-21	<p>The Company announced the CEOs Presentation and Comments to the Annual General Meeting, as summarised below:</p> <ul style="list-style-type: none"> - October YTD GTV hit c. A\$93 million, up 24% vs pcg - The number of Active Customers continued to grow, recording 940, 726, up c. 31% vs pcg - Private Label and Third-Party brands grow to A\$8.8 million, up c. 308% vs pcg

Event	Date	Comment
15	20-Jan-22	<p>The Company announced its quarterly business update for the quarter ended 31 December 2021 (Q2 FY22), as summarised below:</p> <ul style="list-style-type: none"> - GTV climbed to A\$83.1 million, up 19.5% vs QoQ and 18.5% vs pcp for Q2 FY22 - Returning customers steady, accounting for 60.1% of all transactions, which is up 7.4% vs pcp - Use of funds update from the IPO are on track for investment in personnel, advertising and brand expenditure, inventory investment and working capital.
16	28-Feb-22	<p>The Company announced its half year business update for the period ended 31 December 2021 (H1 FY22), as summarized below:</p> <ul style="list-style-type: none"> - GTV hit A\$152.6 million, up 20.4% pcp - The number of Active Customers grew to 963 thousand, up 18.4% vs pcp - Advertising as a percentage of NTV was reduced to 9.5%, down 2.2% vs pcp - Over 315k downloads of the MyDeal mobile application, representing 15% of total GTV - Over 1 million active customers on the MyDeal platform
17	4-Mar-22	<p>The Company announced the S&P Dow Jones Indices March 2022 Quarterly rebalance of the S&P/ASX Indices, as summarised below:</p> <ul style="list-style-type: none"> - Effective prior to open on March 21 2022, MyDeal.com.au Limited is removed from the All Ordinaries index.
18	29-Mar-22	<p>The Company announced the launch of Amazed.com marketplace, as summarized below:</p> <ul style="list-style-type: none"> - Amazed.com is a marketplace for activities and experiences for local Australians - Previous Director of Redbubble, Sam Pinney, will head the new marketplace - Proposed plans to launch in New Zealand by 2022 and the United States and United Kingdom by 2023 - The Amazed marketplace has grown to over 250 suppliers - Projected profitability by FY25
19	29-Apr-22	<p>The Company announced its quarterly business update for the quarter ended March 2022 (Q3 FY22), as summarised below:</p> <ul style="list-style-type: none"> - GTV grew to A\$60.4 million, up 35.2% vs pcp and A\$213 million in the last nine months since 31 March 2022 - The number of Active Customers recorded a new high of 1.02 million, up 15.4% vs pcp - Returning Customers accounted for 61.8% of all transactions, up 5.7% vs pcp - In-stock products which include the Private label and Third-Party brands have recorded A\$9.1 million in GTV, up 307% vs pcp
20	20-May-22	<p>Announcement of the Scheme Implementation Agreement of Woolworths Group to acquire 80% of MyDeal.com.au.</p>

Source: ASX announcements; S&P Global

The monthly share price performance of MyDeal since May 2021 and the weekly share price performance of MyDeal over the last 16 weeks is summarised below.

MyDeal.com.au Limited	Share Price			Average
	High	Low	Close	weekly volume
	\$	\$	\$	000'
Month ended				
Jun 2021	0.700	0.557	0.685	1,889
Jul 2021	0.770	0.600	0.645	2,314
Aug 2021	0.845	0.620	0.635	1,689
Sep 2021	0.805	0.700	0.775	1,839
Oct 2021	0.865	0.700	0.735	2,355
Nov 2021	0.925	0.780	0.780	871
Dec 2021	0.890	0.730	0.860	403
Jan 2022	0.790	0.580	0.795	608
Feb 2022	0.650	0.520	0.605	386
Mar 2022	0.665	0.550	0.610	390
Apr 2022	0.625	0.565	0.615	356
May 2022	1.020	0.580	0.600	3,997
Jun 2022	1.030	1.005	1.015	2,121
Week ended				
25 Mar 2022	0.650	0.580	0.580	394
1 Apr 2022	0.630	0.570	0.615	355
8 Apr 2022	0.620	0.570	0.590	433
15 Apr 2022	0.595	0.565	0.570	82
22 Apr 2022	0.600	0.570	0.600	428
29 Apr 2022	0.620	0.570	0.600	523
6 May 2022	0.665	0.580	0.620	700
13 May 2022	0.645	0.580	0.595	493
20 May 2022	1.015	0.600	1.005	10,109
27 May 2022	1.020	1.005	1.015	4,251
3 Jun 2022	1.020	1.005	1.015	7,761
10 Jun 2022	1.020	1.015	1.015	412
17 Jun 2022	1.020	1.015	1.020	1,349
24 Jun 2022	1.030	1.015	1.020	1,417
1 Jul 2022	1.030	1.025	1.025	528
8 Jul 2022	1.030	1.025	1.025	568

Sources: S&P Global, GTCF analysis

4.6.2 Top shareholders

We have set out below the substantial shareholders of MyDeal as of 14 July 2022.

MyDeal Top 3 Shareholders as at 7 June 2022		
Name	No. of Shares	Interest (%)
Sean Servitne ¹	126,966,347	49.05%
Aavasani Pty Ltd ("Gandel Invest")	39,617,841	15.31%
Silver Globe Investments Pty Ltd	34,173,853	13.20%
Total Top 3 Shareholders	200,758,041	77.6%
Remaining Shareholders	58,069,265	22.4%
Total Number of Ordinary Shares Outstanding	258,827,306	100.0%

Source: S&P Global

Note: (1) Includes 4.47 million MYD Shares held or controlled by Kate Dockery, Sean Servitne's partner.

5 Valuation methodologies

5.1 Introduction

As discussed in Section 2, our fairness assessment for the Scheme involves comparing the Scheme Consideration with the fair market value of MYD on a control basis.

Grant Thornton Corporate Finance has assessed the value of MYD using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

5.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets (“DCF Method”).
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets (“FME Method”).
- Amount available for distribution to security holders in an orderly realisation of assets (“NAV Method”).
- Quoted price for listed securities, when there is a liquid and active market (“Quoted Security Price Method”).
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG 111 does not prescribe any above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

5.3 Selected valuation methods

In our assessment of the fair value of MYD, we have relied on the following valuation methodologies as outlined below:

- *DCF Method* – We have undertaken a valuation assessment of MYD utilising the DCF Method. Grant Thornton Corporate Finance has built the GT Model based on the cash flow projections prepared by Management and benchmarked assumptions (where appropriate) with publicly available information.
- *Revenue and GTV Multiples* – Grant Thornton has selected the Revenue and GTV Multiple method to assess the fair market value of MYD. Whilst these multiples are widely used to benchmark the value of online retailers and high growth companies, we note that, generally, businesses are more often valued with reference to earnings multiples as earnings are considered the best proxy for measuring a company's underlying financial performance and can be readily benchmarked against other comparable companies. However, several factors in our view make a revenue and GTV multiples approach the most appropriate to assess the fair market value of MYD, in particular:
 - Given the growth stage of its lifecycle, MYD exhibits high levels of growth and high rates of reinvestment in marketing and sales.
 - MYD and our selected peers have a limited history of generating positive earnings and report high variability in operating margins.
 - The value of businesses displaying these characteristics is predominantly driven by their growth potential and capacity to increase market share, as opposed to short term earnings, cash flow generation and dividend distributions.
- *Quoted Security Price Method* – Whilst we have not relied on the trading prices given the limited liquidity, we have undertaken a detailed analysis to provide some relevant commercial insights to MYD Shareholders.

6 Valuation assessment of MYD

6.1 DCF Method

6.1.1 GT Model

For the purpose of our valuation assessment of MYD utilising the DCF Method, Grant Thornton Corporate Finance was provided with Management's Internal Projections up to FY27 which were prepared as part of the budgeting and business planning process to establish a roadmap to scale and profitability for the business.

We have incorporated the Internal Projections in the GT Model to assess the fair market value of MYD based on the nominal post-tax free cash flows up to 30 June 2027 at which point we have calculated the terminal value. Before including the Internal Projections in the GT Model, we have undertaken the following procedures:

- Reviewed the historical and YTD financial performance of MYD, MYD Consensus Estimates and the industry as a whole.
- Tested some of the key assumptions underlying the Internal Projections against KPIs of comparable listed peers.
- Conducted high-level checks, including limited procedures in relation to the mathematical accuracy of the Internal Projections.
- Held discussions and interviews with Management of the Company and its advisors to discuss the underlying assumptions.

Whilst Grant Thornton Corporate Finance believes the assumptions underlying the GT Model are reasonable and appropriate to be adopted for the purpose of our valuation, we have not disclosed them in our IER as they contain commercially sensitive information and they do not meet the requirements for presentation of prospective financial information as set out in ASIC Regulatory Guide 170 "Prospective Financial Information".

6.1.2 Key valuation assumptions and Scenario Analysis

The assumptions adopted by Grant Thornton Corporate Finance in the GT Model do not represent projections by Grant Thornton Corporate Finance but are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar businesses. We note the assumptions are inherently subject to considerable uncertainty and there is significant scope for differences of opinion. Accordingly, in our assessment of MYD based on the DCF, we have sensitised certain key assumptions in order to obtain a number of scenarios to derive our selected value range.

The benchmark analysis presented throughout this section between MYD and the listed peers should be taken with caution given that the different business models⁷¹ may at time affect the comparability.

⁷¹ Marketplace vs ecommerce.

GTV Growth

MYD reported FY22 GTV of A\$272.27⁷² million representing a growth rate of c. 24.8% relative to FY21. Longer term, MYD is targeting GTV of A\$500.0 million by FY25 which the Company has indicated as the medium-term goal to achieve scale and profitability. We have set out below a benchmark of the historical and forecast growth rates of the Company and the listed peers.

GTV Growth Rate	FY21 Marketplace	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
%	Revenue %	Actual	Actual	Actual	Actual	Actual	Actual	Broker Forecasts		
MyDeal - Marketplace ^{1,2}	77.4%			35.8%	(5.9%)	163.8%	102.5%	24.8%	14.7%	11.1%
MyDeal - In-stock ^{1,2}	22.6%						2833.3%	297.7%	58.0%	56.7%
Peers³										
Redbubble - Marketplace	84.2%	61.7%	22.7%	31.9%	41.8%	44.5%	47.8%	(9.9%)	13.9%	19.1%
Kogan ^{4,5}	3.0%		47.4%	47.3%	12.0%	40.0%	52.7%	3.4%	2.8%	11.4%
Temple & Webster - Drop Ship	74.0%	Do not report GTV						Do not report GTV		
Catch	Na					49.1%	54.0%			
Average Peers only	Na	61.7%	35.1%	39.6%	26.9%	44.5%	51.5%	(3.3%)	8.4%	15.2%

Source: GTCF analysis; Publicly available information in the form of annual reports and investor presentations, Investment research
 Note: (1) FY22 GTV growth for MYD is based on reported figures; (2) MyDeal is covered by four Brokers. However, only Broker 1 provides a breakdown of GTV by segment. Accordingly, the forecast GTV for MyDeal shown above is based only on Broker 1's forecasts; (3) Temple & Webster does not disclose information on GTV. Accordingly, we have excluded Temple & Webster from the GTV growth rate benchmarking; (4) Kogan In-stock revenue includes revenue from Exclusive Brands and Third-Party Brands; (5) Kogan other revenue includes revenue from Mighty Ape, Kogan Mobile Australia, Advertising Income, Kogan First, Kogan Travel, Kogan Insurance, Kogan Internet, Kogan Mobile NZ, Kogan Credit Cards, Kogan Cars and Kogan Energy.

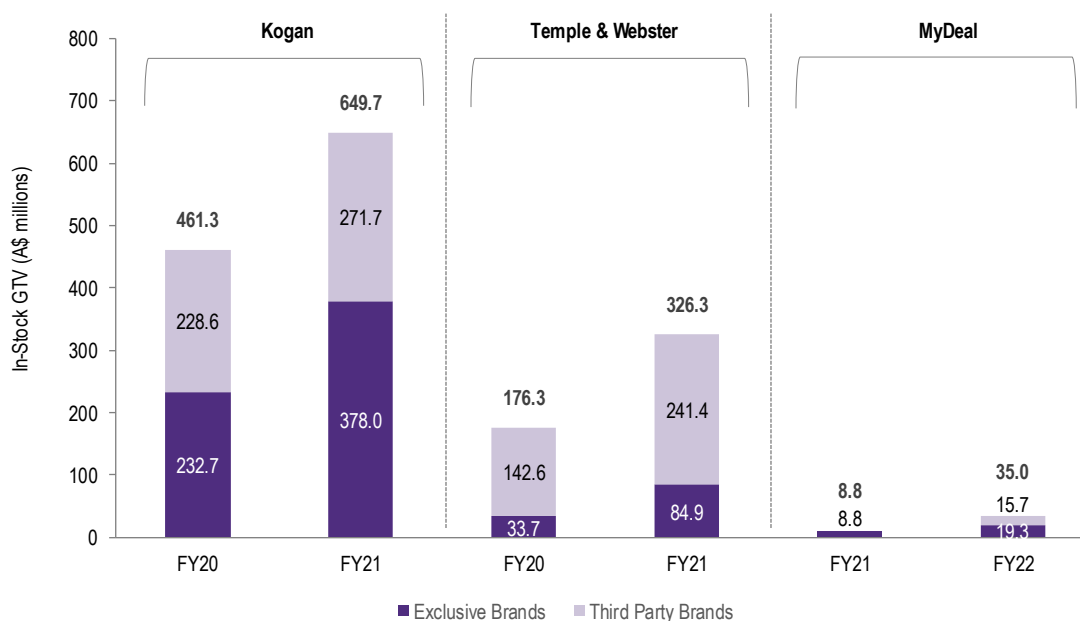
The Company experienced a c. 24.8% uplift in the marketplace segment GTV in FY22 compared with FY21 supported by strong customer acquisition and an improvement in repeated transactions. The performance was significantly better than some of the other listed peers. The forecast growth rate included in the Internal Projections are higher than MYD Consensus Estimates but, at the same time, lower than the historical growth rates achieved by Redbubble and Kogan before the outbreak of COVID-19 (representative of a normalised growth rate). Accordingly, in our valuation assessment, we have presented upside and downside cases in relation to future growth rates.

MYD reported in-stock GTV of c. A\$8.8 million and c. A\$35.0 million in FY21 and FY22 respectively, which represented c. 4.0% and c. 12.9% of total GTV. The Company plans to continue to invest in and expand the in-stock range as a proportion of GTV up to 25%.

Given the in-stock segment has been recently introduced and hence it is growing off a lower base, the Internal Projections allow for elevated GTV growth rates in the initial years of the discrete forecast period. Beyond this, growth is expected to taper down towards normalised levels, although at higher rates than the Marketplace segment. We are of the opinion that this assumption is not unreasonable considering that the in-stock segment represents a materially smaller proportion of total GTV compared with some of the relevant listed peers but at the same time a key focus for the future growth of the business. Below we present the in-stock GTV for Kogan, Temple & Webster and MyDeal, highlighting the infancy of MyDeal's in-stock business.

⁷² Q4 FY22 Activities Report and Appendix 4C (numbers quoted are unaudited).

In-stock GTV – MyDeal and Peers



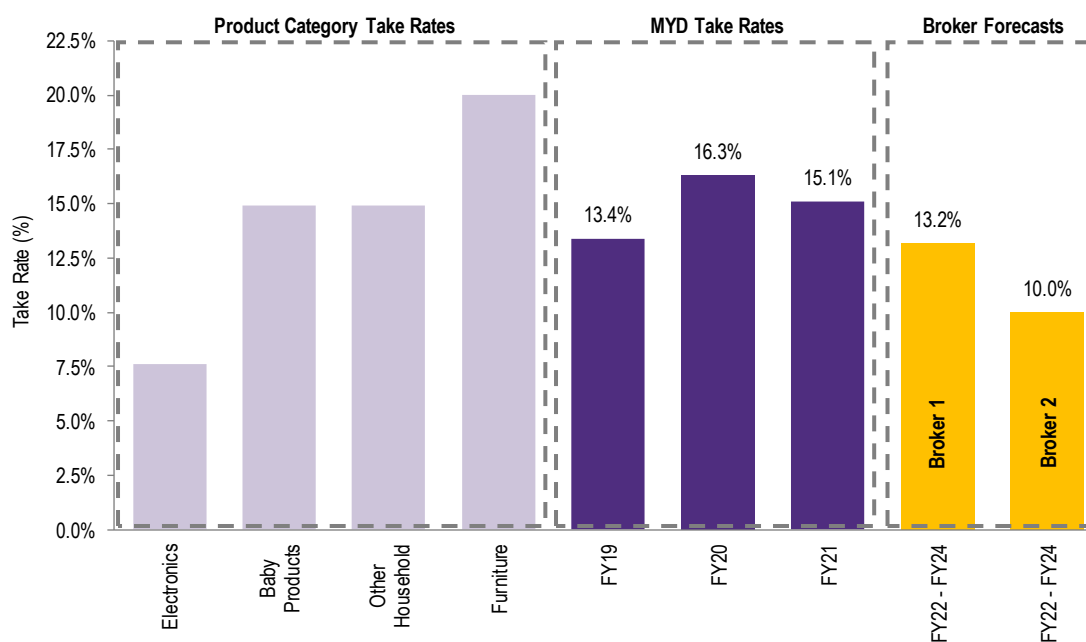
Source: GTCF Calculations; Q4 FY22 Activities Report and Appendix 4C

Marketplace Commission / Sales Revenue (Take Rate)

The average commission charged for FY21 Marketplace revenue was 15.1% inclusive of other revenue⁷³. We have benchmarked this rate against the competitors noting that different product categories typically generate different commission rates. MYD's focus on furniture and home products allows for higher commission rates whilst peers with more diversified product categories including consumer electronics, everyday goods and smaller items generate lower take rates as set out in the chart below.

⁷³ Other revenue includes revenue from subscription fees, transaction fees, refund fees and advertising.

Average Commission Rates Across Product Categories



Source: GTCF Calculations, RBC Investment Research, S&P Global

In our opinion, given the challenging market conditions and the competitive environment, there is the possibility of a compression in the take rate for MYD which may be driven by competitors applying greater discounts to achieve revenue growth or new competitors entering the more profitable verticals. As set out above, MYD Consensus Estimates expect the take rate to reduce going forward. Accordingly, in our valuation assessment, we have run an alternative scenario where the take rate reduces from the current level.

Gross Margin and EBITDA

The gross margin as a percentage of revenue is expected to continue to reduce going forward as the Company grows the in-stock GTV until it reaches a normalised level. We note that the in-stock GTV generates lower gross margin percentages compared with Marketplace as the cost of goods sold is negligible for Marketplace revenue, however the dollar amount of the gross margin for in-stock products is materially higher than Marketplace for the same GTV.

At the end of the discrete forecast period, the normalised level of gross margin is expected to be broadly in line with some of the more relevant listed peers. As set out below, broker estimates expect a significant contraction of the gross margin percentage which is a reflection of market conditions and the growth of the in-stock segment.

Gross Margin	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
% Revenue	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Broker Forecast		
MyDeal	Na	Na	Na	Na	100.0%	100.0%	87.1%	55.6%	53.4%	49.9%
Peers:										
Redbubble	33.9%	34.0%	35.6%	35.0%	36.8%	38.9%	40.3%	36.2%	36.7%	37.6%
Kogan	14.4%	15.5%	17.9%	19.5%	20.7%	25.4%	26.1%	26.0%	27.3%	28.2%
Temple & Webster	41.2%	39.9%	42.7%	44.2%	44.1%	44.6%	45.4%	41.8%	41.7%	40.9%
Average	29.8%	29.8%	32.1%	32.9%	33.9%	36.3%	37.3%	34.7%	35.2%	35.6%
Median	33.9%	34.0%	35.6%	35.0%	36.8%	38.9%	40.3%	36.2%	36.7%	37.6%

Source: GTCF analysis, S&P Global, publicly available information

With a greater focus on in-stock GTV, distribution expenses become a key driver of the future profitability. The Internal Projections assume that the distribution expenses will trend downwards over the discrete forecast period as the shipping contracts locked in during the height of the pandemic will gradually come to an end and are expected to be renegotiated on more favourable terms. However, we note that brokers covering the listed peers with available information are forecasting the distribution costs to remain flat or be higher as a proportion of revenue going forward. We have taken this into account in our valuation assessment.

Distribution expenses	FY19	FY20	FY21	FY22	FY23	FY24
% Revenue	Actual	Actual	Actual	Forecast	Forecast	Forecast
Kogan	5.3%	6.9%	8.8%	12.3%	Na	Na
Temple & Webster	14.5%	14.0%	13.6%	14.6%	14.4%	14.4%
Average	9.9%	10.4%	11.2%	13.4%	14.4%	14.4%

Source: GTCF analysis, S&P Global, publicly available information

Historically, MYD has invested significant funds on advertising and marketing expenses. Whilst this amount as a proportion of revenue was substantially higher relative to the peers, it should be noted that the peers are larger and more established relative to MYD. MYD is at the growth stage in its business lifecycle, which typically coincides with higher rates of reinvestment in marketing and sales as the key focus is to achieve scale. In the GT Model, we have assumed that marketing costs will trend downwards as a percentage of revenue over the discrete forecast period before normalising as the Company achieves scale and realises efficiencies in relation to conversion and return on advertising spend ("ROAS") rates. We have set out below our benchmarking analysis.

Marketing and advertising expenses	FY15	FY16	FY17	FY18	FY19	FY20	FY21
% GTV	Historical	Historical	Historical	Historical	Historical	Historical	Historical
MyDeal	Na	Na	Na	5.1%	4.7%	8.3%	10.6%
Peers:¹							
Redbubble	7.4%	6.8%	8.0%	7.9%	8.7%	9.2%	10.4%
Kogan	Na	2.5%	3.2%	4.0%	3.4%	3.6%	5.0%
Average	7.4%	4.7%	5.6%	6.0%	6.1%	6.4%	7.7%

Source: Publicly available information in the form of annual reports and investor presentations, GTCF analysis

Note: (1) Temple & Webster does not disclose information on GTV. Accordingly, we have excluded Temple & Webster from the GTV benchmarking.

Marketing and advertising expenses	FY15	FY16	FY17	FY18	FY19	FY20	FY21
% Revenue	Historical	Historical	Historical	Historical	Historical	Historical	Historical
MyDeal	Na	Na	Na	43.2%	37.0%	55.9%	60.2%
Peers:							
Redbubble ¹	9.2%	8.5%	9.9%	10.0%	11.1%	12.4%	13.2%
Kogan	3.0%	2.7%	3.7%	4.8%	4.3%	5.5%	7.5%
Temple & Webster	Na	21.0%	12.7%	11.2%	10.9%	11.9%	13.0%
Average	6.1%	10.7%	8.7%	8.7%	8.8%	10.0%	11.2%
Median	6.1%	8.5%	9.9%	10.0%	10.9%	11.9%	13.0%

Source: Publicly available information in the form of annual reports and investor presentations, GTCF analysis

Note: (1) Marketing and advertising expenses have been calculated as a percentage of marketplace revenue for Redbubble.

From an EBITDA perspective, whilst the Company is currently not profitable, it is targeting A\$500 million GTV by FY25 which is expected to support positive EBITDA. We have set out in the table below the EBITDA margin of the listed peers which show that Redbubble and Temple & Webster only achieved profitability recently on the back of the significant growth during COVID-19. Whilst Kogan has been profitable for a number of years, its EBITDA margin varies within a narrow range in the period between FY17 and FY24.

EBITDA Margin	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
% Revenue	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
Redbubble	(9.1%)	(7.6%)	(5.7%)	(4.0%)	(1.2%)	1.7%	9.6%	(2.4%)	0.6%	2.9%	5.7%	6.8%
Kogan	0.9%	1.9%	4.6%	6.3%	6.9%	6.0%	1.9%	2.2%	4.3%	5.7%	13.3%	13.0%
Temple & Webster	(24.4%)	(24.0%)	(10.5%)	(1.0%)	1.1%	4.5%	7.1%	2.7%	1.9%	3.2%	6.4%	9.1%
Average	(10.9%)	(9.9%)	(3.9%)	0.4%	2.3%	4.1%	6.2%	0.8%	2.3%	4.0%	8.5%	9.6%
Median	(9.1%)	(7.6%)	(5.7%)	(1.0%)	1.1%	4.5%	7.1%	2.2%	1.9%	3.2%	6.4%	9.1%

Source: GTCF analysis, S&P Global, publicly available information

Kogan had revenue of c. A\$200 million in FY15 when it became profitable, however it is mainly a pure e-commerce business and Redbubble had a GTV of A\$474 million in FY20 when for the first time, it achieved positive EBITDA. This reference point seems to broadly support the assumption adopted in the Internal Projections that MYD will reach a positive EBITDA in conjunction with a GTV of c. A\$500 million.

Other assumptions

- **Cost savings** – We have incorporated in our valuation assessment the cost savings that would be available to a pool of potential purchasers estimated at between A\$1.5 million and A\$3.0 million per annum. They mainly refer to the costs of being a publicly listed company and some of the duplications in the corporate overhead functions. We note that based on the terms of the Post-Implementation Agreements, MYD will remain a stand-alone entity at least until the Retained Shares Options are exercised and accordingly, some of the costs savings included at the high-end of our range may not be realised for a number of years.
- **Tax rate** – We have assumed a 30% corporate tax rate. The Company has c. A\$14.0 million of accumulated tax losses as of 31 December 2021. We have reflected the benefits of these tax losses in the GT Model.
- **Working capital** – Historically, MyDeal has benefitted from a limited requirement to invest in working capital due to the capital light nature of the business and the payment cycle from customers and to

sellers (see Section 4.2 for details). However, as the in-stock business grows, there will be a greater requirement to fund working capital which is reflected in the Internal Projections.

- *Capital expenditure* – Management have indicated an expected level of maintenance capex of c. A\$4.0 million per annum over the discrete period, largely associated with the development and renewal of internally generated software and IT systems. Thereafter, we have assumed maintenance capex of c. A\$3.5 million per annum in the terminal value as the Company scales and develops greater access to web traffic.
- *Discount rate* – We have adopted a discount rate between 11.9% and 12.5% based on the Weighted Average Cost of Capital (“WACC”). We have provided details in relation to the discount rate calculations in Appendix B.
- *Terminal value* – In our assessment of the terminal value, we have normalised the financial performance of the business to reflect a steady state based on the following assumptions:
 - We have adopted a terminal growth rate of 5.0% based on the long-term real GDP of 2.4% plus the mid-point of the long-term inflation range of 2.5%. It is reasonable for a discretionary retail business to move in line with nominal GDP in the long term.
 - Given the growth stage of its lifecycle, MYD is expected to continue to exhibit high rates of reinvestment in marketing and sales in the discrete forecast period, which however should normalise once the Company achieves scale and a steady state in the terminal value. To arrive at our terminal year assumptions, we have considered MYD’s historical marketing spend, and the portion attributed to preserving the customer base versus attracting new customers. We have also considered benchmarks against comparable companies. Whilst MYD measures marketing expenses against NTV, most of the comparable listed peers are online e-commerce players rather than marketplaces and they do not disclose NTV. Accordingly, we have benchmarked marketing expenses as a percentage of revenues and GTV for the listed peers.
 - EBITDA margin in the terminal year has been normalised at c. 13.0%. This seems reasonable considering the historical and forecast profitability of the listed peers and the brokers’ forecasts

6.1.3 Valuation assessment and scenarios developed in the GT Model

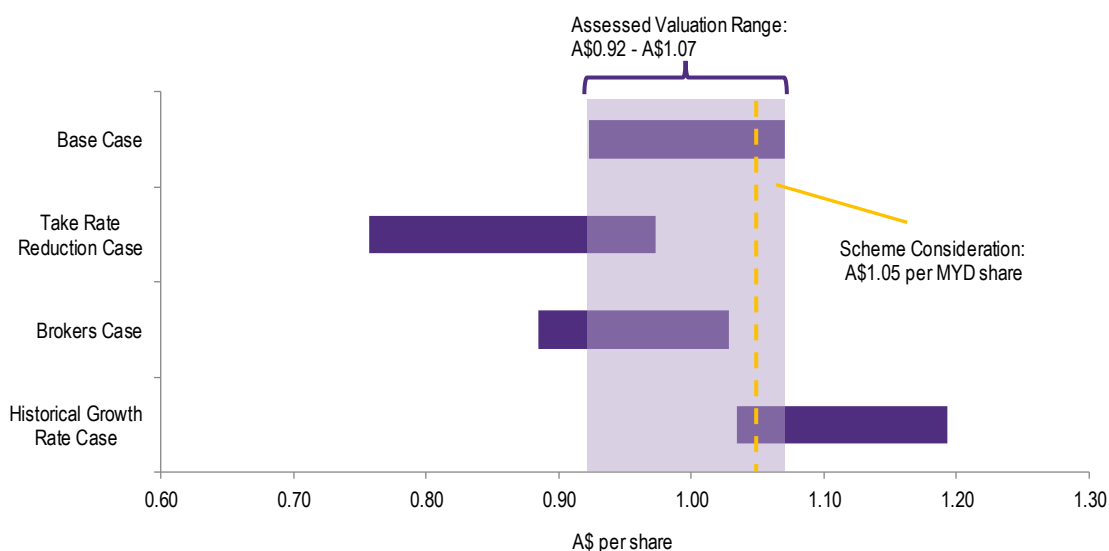
Based on the analysis and benchmarking above, in our valuation assessment, we have considered a number of scenarios to sensitise some of the key value drivers and assumptions adopted in the Internal Projections as outlined below.

MYD - DCF Scenario Assumptions	
Scenario	Description
Base Case	As described in Section 6.1.2 This is largely based on the Internal Projections for the Discrete Period with normalised / steady state assumptions adopted in the terminal value. We have estimated MyDeal's discount rate to be between 11.9% and 12.5%.
Take Rate Reduction Case	In our opinion, given the challenging market conditions and the competitive environment, there is the possibility of a compression MyDeal's take rate as it is currently higher than some of its competitors. As discussed earlier, investment analysts expect the take rate to reduce during the Discrete Period. Under this case, we have adopted the Base Case assumptions, but we have assumed a reduction in the take rate of between 1% and 2% from the current level over the discrete forecast period.
Brokers Case	We have lowered the growth rate assumptions in the marketplace GTV in the Internal Projections to be aligned with MYD Consensus Estimates. All the other assumptions are as per the Base Case.
Historical Growth Rate Case	We have changed the growth rate assumptions in the marketplace GTV in the Internal Projections with the growth rates achieved by some of the listed peers such as Temple & Webster, Kogan and Redbubble in the period between FY17 to FY21. All the other assumptions are as per the Base Case.

Source: GTCF analysis

We have set out below a summary of our valuation assessment under the various scenarios.

Assessed Enterprise Value of MYD



Source: GT Model, GTCF analysis

Based on the above, we have selected an enterprise value for the purpose of our assessment between A\$211.1 million and A\$249.5 million.

6.1.4 Net Debt / (Cash Balance)

Based on preliminary information provided by the Company, the unaudited net cash as at 30 June 2022 is estimated at A\$31.7 million after accounting for lease liabilities. We have further reduced the cash balance for the MYD Options payout of c. A\$4.1 million calculated as the difference between the Scheme Consideration and the exercise price (if positive). The MYD Options with an exercise price higher than the Scheme Consideration will be cancelled for no consideration⁷⁴.

6.1.5 Summary of the value per share

We have set out below our assessment of the fair market value of MYD on a 100% control basis.

DCF Method - valuation summary A\$ '000 (except where stated otherwise)	Section Reference	Low	High
Enterprise value on a control basis	6.1	211,078	249,508
Less: Net debt / (Cash Balance) as at 30 June 2022	6.1.4	27,649	27,649
Equity Value (control basis)		238,728	277,157
Number of outstanding shares (fully diluted)		258,827	258,827
Value per share (control basis) (A\$ per Share)		0.92	1.07

Source: GT Model, GTCF analysis

6.2 Revenue and GTV Multiples

In order to provide a cross check of our valuation conclusions under the DCF methodology, we have considered the Revenue and GTV Multiples of comparable listed companies and recent transactions involving online marketplaces and online-focused retailers. Given that MYD's revenue is currently predominantly derived from the marketplace business, GTV Multiples are more relevant as they take into account the size of the marketplace, the number of active customers and the overall retail ecosystems. However, only a limited number of pure marketplace providers are listed in Australia whereas the listed peers are more e-commerce businesses. For the latter, GTV is not relevant and it is not often disclosed in their announcements. Accordingly, we have also relied on Revenue Multiples for the purpose of our cross check, however this should be considered with caution. For example, Kogan's offering comprises third party, private label and marketplace products. Whilst the marketplace products represented c. 25% of the GTV, they accounted for c. 4.5% of revenues and c. 11.5% of gross profit in FY21. This is the case as only the take rate on the marketplace GTV is reflected in the revenue (c. 16% for MYD in FY21) whereas broadly 100% of the GTV from third party and private label segments translate into revenue. Accordingly, marketplace revenues have minimal cost of goods sold (higher gross margin percentage) whereas in-stock products reflect the cost of the products and associated costs.

Below we present the Revenue and GTV Multiples of MyDeal implied in our valuation assessment based on the DCF together with the Revenue and GTV Multiples implied in the Scheme Consideration and in the IPO Price. Whilst the IPO occurred in October 2020 when market conditions and trading prices were different, we are of the opinion it is still relevant to provide a comparison with our valuation assessment and the Scheme Consideration given that this is the last time that MYD raised capital from investors.

⁷⁴ There are 12,925,969 MYD Options of which 12,475,696 have an exercise price below the Scheme Consideration.

Implied Multiples A\$ '000 unless stated otherwise	DCF Method ¹		Scheme Consideration	IPO ⁴
Enterprise Value (control basis)	211,078	249,508	244,119	231,178
FY22 Revenue - MyDeal Actual ²	65,400		65,400	65,400
FY23 Revenue - Broker Consensus ³	85,725		85,725	85,725
FY22 GTV - MyDeal Actual ²	272,200		272,200	272,200
FY23 GTV - Broker Consensus	340,800		340,800	340,800
FY22 EV/Revenue - MyDeal Actual	3.2x	3.8x	3.7x	3.5x
FY23 EV/Revenue - Broker Consensus	2.5x	2.9x	2.8x	2.7x
FY22 EV/GTV - MyDeal Actual	0.8x	0.9x	0.9x	0.8x
FY23 EV/GTV - Broker Consensus	0.6x	0.7x	0.7x	0.7x

Source: GTCF analysis

Notes: (1) Enterprise value computed as the enterprise value from the DCF method (Section 6.1); (2) Revenue and GTV numbers quoted have been taken from the Q4 FY22 Activities Report and Appendix 4C. Accordingly, all numbers quoted are unaudited; (3) FY23 Broker Consensus Revenue based on most recent broker consensus; (4) IPO Enterprise Value based on the IPO Consideration of A\$1.00 per share multiplied by the current number of shares being 258,827,306 and net debt as detailed in Section 6.1.

In our valuation assessment, we have mainly relied on both the FY22 and FY23 multiples due to the following:

- FY21 revenue and GTV were significantly affected by COVID-19 and associated lockdowns which resulted in consumers significantly shifting their purchases from in-store to online channels, benefitting MyDeal and other online retailers. While COVID-19 did result in a permanent shift to consumer spending habits (i.e. greater reliance on online), a reduction in restrictions and reopening of the economy over the last 6 to 12 months has resulted in a slight reversal in this trend.
- FY22 revenue and GTV multiples are based on MyDeal unaudited financials released to the market on 12 July 2022. Due to the drafting of this report occurring around the time of the 30 June year end, a heightened level of certainty can be placed on the FY22 revenues and GTV used to calculate the multiples for both MyDeal and the listed companies who all have a 30 June year end. Furthermore, MyDeal and the listed companies provide regular business updates to the market with some providing guidance as well. Accordingly, FY22 Consensus Estimates are likely to closely align with the companies' actual performance for the year.
- FY23 revenue represents a more normalised view and a post-COVID-19 environment. Below we provide the forecast FY23 revenue and GTV of the Company based on Consensus Estimates. We note that the Company's forecasts included in the Internal Projections are somewhat more optimistic than the Consensus Estimates.

Broker Forecasts		
FY23	Date	A\$ '000'
Revenue:		
Broker 1	28-Feb-22	85,900
Broker 2	20-May-22	85,550
Average		85,725
GTV:		
Broker 1	28-Feb-22	326,300
Broker 2	20-May-22	355,200
Average		340,750

Source: S&P Global, Broker reports

6.2.1 Trading multiples

In selecting the listed comparable companies, we have primarily focused on companies listed on the ASX and operating in Australia given the varying levels of competition, online sales penetration and macroeconomic conditions across different geographies. For instance, Australia has a c. 8.1% online penetration for furniture and homewares, which is materially lower than the UK and US, at 21.7% and 34.3% respectively⁷⁵, and therefore the growth prospects for Australian companies are likely to differ from overseas players.

Summarised below are the Revenue and GTV multiples of the selected companies on a minority basis. We note that only Kogan and Redbubble provide GTV disclosures as the others are pure e-commerce businesses and accordingly revenue and GTV broadly coincide.

		Market Cap ¹	EV/Revenue ^{2,3,4}		EV/GTV
			FY22	FY23	LTM ⁵
Company	Year-end	(A\$m)	Forecast	Forecast	Historical
Australian Online Marketplace Platforms and E-Commerce Retailers					
Kogan.com Ltd	30 June	321	0.4x	0.4x	0.2x
Temple & Webster Group Ltd	30 June	429	0.8x	0.6x	Na
Adore Beauty Group Limited	30 June	101	0.4x	0.3x	Na
Booktopia Group Limited	30 June	44	0.4x	0.3x	Na
Redbubble Limited	30 June	258	0.7x	0.6x	0.2x
Low			0.4x	0.3x	0.2x
Average			0.5x	0.4x	0.2x
Median			0.4x	0.4x	0.2x
High			0.8x	0.6x	0.2x

Sources: S&P Global, GTCF analysis

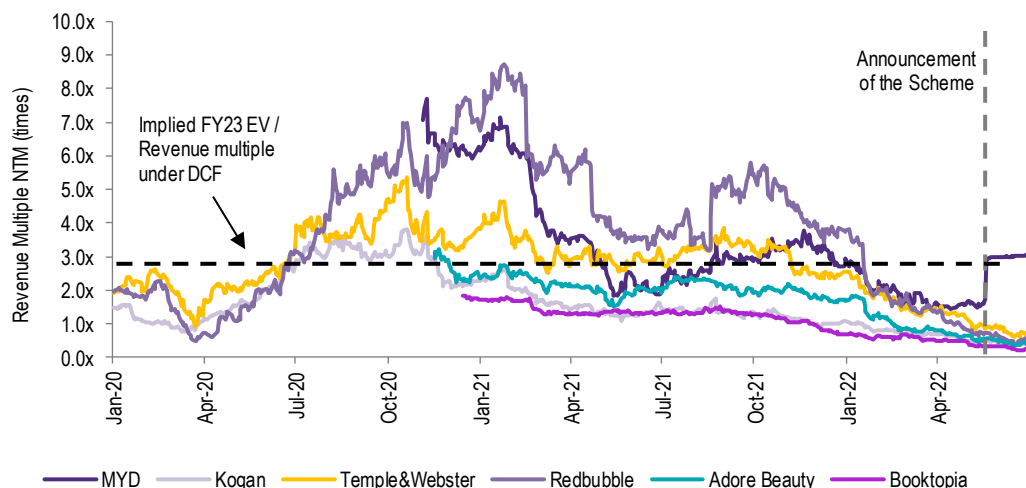
Notes: (1) Revenue multiples as at 12 July 2022; (2) Enterprise Value (EV) includes net debt (interest-bearing liabilities less non-restricted cash), non-controlling interests and AASB16 liabilities. (3) Forecast trading multiples are based on the median of broker consensus estimates; (4) For Redbubble, we have taken gross profit as a measure of revenues due to the third party fulfiller expenses (i.e. product manufacturers, printers, and shipping companies) which are deducted to determine the Redbubble's take rate. (5) LTM GTV refers to the 12-month period ending 31 March 2022 for Redbubble and Kogan.

There is a significant difference between the multiples implied in the Scheme Consideration and our valuation assessment and the current multiples of the comparable listed companies. In our opinion, this is caused by the rapidly changing macro-economic and retail environment which has weighed on high-growth stocks such as MyDeal's listed peers and the consumer discretionary sector in recent months.

⁷⁵ Euromonitor International – Home and Garden in Australia, 2022 edition (February 2022), Home and Garden in the US (February 2022), Home and Garden in the UK (February 2022)

Below we have presented the historical rolling multiples of the listed peers which assists in explaining the reasons for the significant difference.

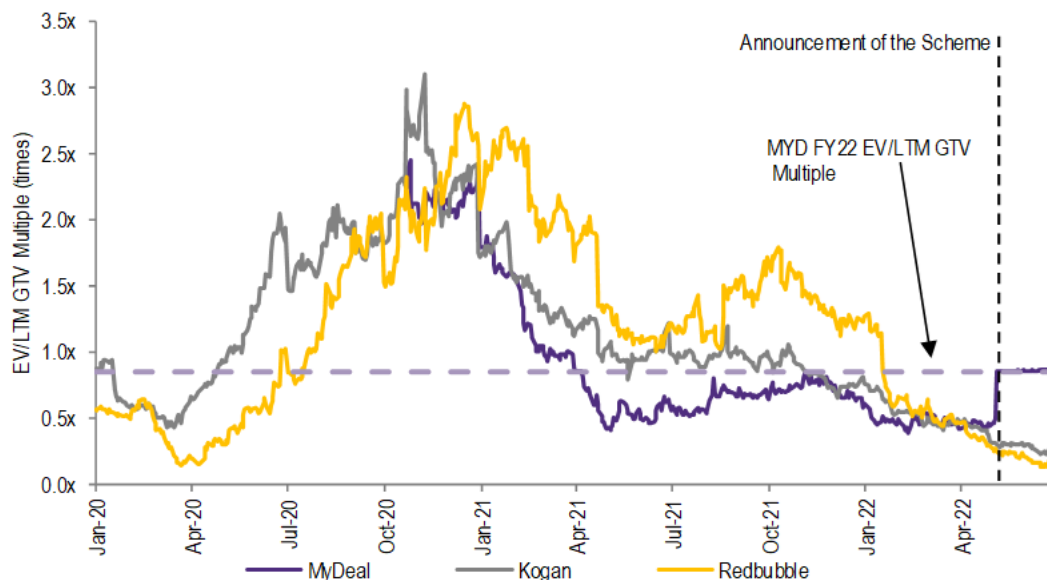
EV / NTM¹ Revenue multiples of the Listed Peers^{2,3}



Source: S&P Global, GTCF analysis

Notes: (1) Next-twelve months (2) We have excluded Cettire Limited due to the limited broker coverage. (3) We have adjusted Redbubble's revenue to reflect the revenue after third party fulfiller costs. This ensures better comparability with MyDeal's multiples as MyDeal does not incur fulfiller costs due to its different business model.

EV / LTM¹ GTV multiple



Source: GTCF analysis, S&P Global

Notes: (1) Last-twelve months.

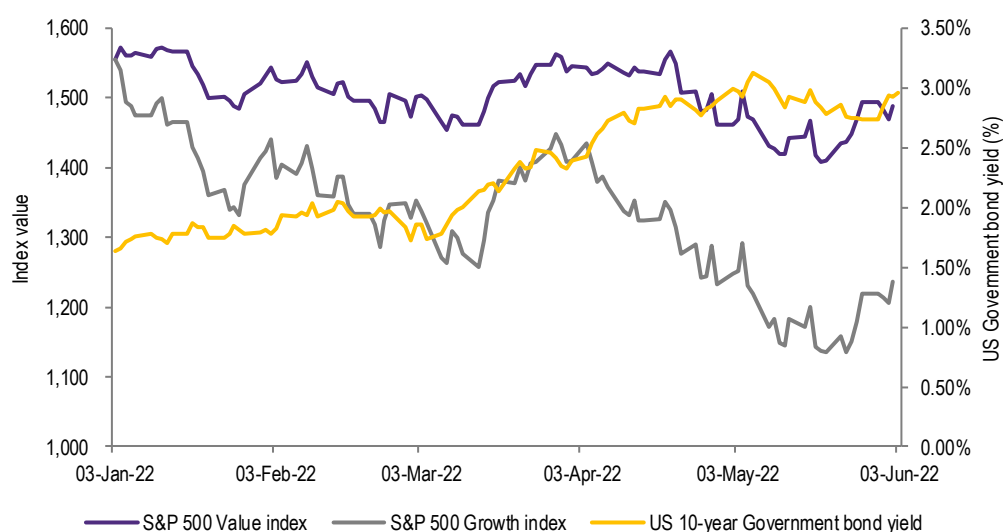
All listed peers⁷⁶ have experienced a significant reduction in their multiples since MYD's IPO, driven by changing market dynamics. Shortly after the IPO, there was a steady increase in Government bond yields in response to inflationary pressures and central banks globally, signalling a tightening of monetary policy. Further, in early 2022, central banks around the world began to aggressively lift interest rates in an attempt to curb rapidly increasing inflation. Between March 2022 and June 2022, the United States Federal

⁷⁶ The Listed Peers include Kogan, Temple & Webster, Adore Beauty Group Limited, Booktopia Group Limited and Redbubble.

Reserve (“Fed”) increased the Effective Funds Rate by 125 basis points. In Australia, the RBA did the same between May and July 2022. The RBA has signalled further rate increases as the headline CPI rose 5.1% and increased 2.1% in the March 2022 quarter alone (corresponding to an annualised rate of 8.7%). The CPI is expected to remain elevated over coming months driven by ongoing demand/supply imbalances, supply chain disruptions and Russia’s invasion of Ukraine.

As a result of the change in the macro environment, the S&P 500 Growth Index⁷⁷ declined significantly in conjunction with the sharp increase in interest rates in early 2022, whereas the S&P 500 Value Index⁷⁸ has remained more stable.

Movements of S&P500 Growth Index, S&P 500 Value Index and Bond Yields



Source: GTCF analysis, S&P Global

Similarly, all of the listed peers are trading at multiples that are many times below their historical average and their valuations may not necessarily represent their underlying value.

In order to provide greater insights into the selected comparable companies, we have also discussed below certain KPIs and historical performance.

Temple & Webster

Temple & Webster is listed on the ASX with a market capitalisation of c. A\$400 million and is a pure-play online retailer for furniture and homewares in Australia. The company operates solely in Australia and operates a drop ship⁷⁹ range (c. 74% of FY21 revenue) and a private label range (Milan Direct) which is sourced directly from overseas suppliers, primarily in China. In FY21, Temple & Webster generated revenues of A\$326.2 million and had an active customer base of c. 906k as at 31 December 2021. We regard Temple & Webster as one of the most comparable listed companies to MyDeal due to its strong focus on furniture and homewares and similar size of active customers. However, Temple & Webster is at

⁷⁷ The S&P 500 Growth Index is an index of growth stocks from the S&P 500 compiled by S&P Global based on three key criteria being: sales growth, the ratio of earnings change to price, and momentum. As of 30 June 2022, the index was heavily weighted towards the Information Technology, Consumer Discretionary, Health Care and Communication Services sectors.

⁷⁸ The S&P 500 Value Index is an index of value stocks from the S&P 500 compiled by S&P Global based on three key criteria being: sales growth, the ratio of earnings change to price, and momentum. As of 30 June 2022, the index was heavily weighted towards the Health Care, Financials, Industrials, Consumer Staples and Information Technology sectors.

⁷⁹ A drop ship model is an order fulfillment method where a business doesn't keep the products it sells in stock. Instead, the seller purchases inventory as needed from a third party (usually a wholesaler or manufacturer) to fulfill orders.

a relatively more advanced growth stage than MyDeal, has successfully ramped up its private label business, has stronger brand recognition and is profitable at an EBITDA level. On the flip side, MYD has greater growth prospects, and its market positioning (value offer) is more resilient in the current macro environment. We note that Temple & Webster's Revenue Multiple has traded at an average multiple (on a minority basis) of c. 2.7x since January 2020. Temple & Webster does not disclose GTV information.

Kogan

Kogan is an ASX-listed company with an online-focused portfolio of retail and service businesses that includes Kogan Retail (comprising a portfolio of online retail businesses), Kogan Marketplace (allowing other vendors to sell through the Kogan website) and new verticals⁸⁰. Kogan had an active customer⁸¹ base of 4.1 million as at 31 March 2022 and a market capitalisation of c. A\$297 million as at 30 June 2022. Similar to MyDeal, it has a number of private label brands (referred to by Kogan as exclusive brands). It also stocks and sells third party brands (e.g. Apple, Samsung etc). Historically, Kogan has been focused on the sale of consumer electronics, however it has broadened its offering in recent years to include furniture and homewares, sporting goods and home appliances, amongst others. Exclusive brands contributed c. 52% of Kogan's overall gross profit in FY21. Although Kogan Marketplace has been growing rapidly, it represented c. 25% of the GTV, c. 4.5% of revenues and 11.5% of gross profit in FY21. GTV declined in Q3 FY22 by 3.8% as a result of difficult market conditions and Kogan holding excess stock compared with underlying demand. Whilst Kogan is larger and more diversified than MyDeal, it is expected to grow at a slower pace in coming years.

Redbubble

Redbubble was founded in 2006 and is an ASX-listed online marketplace operating redbubble.com and teepublic.com with a market capitalisation of c. A\$247 million as at 30 June 2022. The company's online marketplace provides independent artists with a global platform to sell print-on demand products such as apparel, stationary, housewares, bags, wall art and others. Products are made on demand and shipped from a third-party fulfiller to the customer.

In FY21, Redbubble's take rate was c. A\$223 million (after artists' margins and fulfiller costs are deducted). Of the marketplace revenue, only 5.7% was generated in Australia with approximately 67.5% out of the United States, and the balance from the rest of the world. Whilst Redbubble has achieved strong growth in GTV between FY19 and 1H22, recently it announced a significant softening in market conditions with marketplace revenue⁸² down 17%⁸³ and EBITDA falling from a profit of A\$51 million to a loss of A\$2 million over the pcp.

Redbubble's product line of print-on-demand products could be considered more discretionary in nature than MyDeal's focus on furniture and homewares. Redbubble also relies on user-created artwork to remain relevant and for its products to remain on-trend by attracting relevant artists. In addition, the print-on-demand market is centred on the personalisation trend for everyday objects which may be affected by changing consumer preferences. Due to these factors, as well as the greater discretionary nature of Redbubble's products, Redbubble's lower forecast GTV growth and MyDeal's focus on customer value in the current market environment, we would expect MyDeal to trade at higher multiples than Redbubble.

⁸⁰ Such as insurance, mobile, internet, energy, money and others.

⁸¹ Unique customers who have purchased in the last twelve months.

⁸² We note that figures for the 9 months ending 31 March 2021 include A\$52 million in mask sales related to COVID-19, or 11.4% of revenues. Mask sales contributed only A\$10 million for the YTD (or c. 2.6% of marketplace revenues).

⁸³ On a constant currency basis.

Adore Beauty

Adore Beauty is an Australian pureplay e-commerce beauty retailer which listed on the ASX in October 2020. It has a current market capitalisation of approximately A\$99 million and it operates in Australia and New Zealand. Different to the marketplace model adopted by MyDeal and Redbubble, Adore Beauty is a pure e-commerce player that purchases products from over 260 brands, stores them in its warehouse and ships to its customers. The company is currently preparing to launch its own private label products. Due to Adore Beauty's focus on the cosmetics sector and its different business model to MyDeal, we have placed limited reliance on Adore Beauty's trading multiple.

Booktopia

Booktopia is a pure e-commerce book retail company focused on the Australian market. It has been listed on the ASX since December 2020 and has a market capitalisation of approximately A\$31 million as at 30 June 2022. The company operates in the highly competitive book retail market as a pure e-commerce business. Accordingly, we have considered Booktopia to be of limited comparability to MyDeal.

Cettire

Cettire is an Australian global online retailer offering a large selection of luxury goods and fashion from over 1,700 luxury brands and 190,000 products from third-party brands. The company was launched in 2017 and has a market capitalisation of approximately A\$158 million. Cettire is a pure e-commerce retailer but it operates a technology led, no-inventory business model where it does not hold physical inventory. Products ordered on the Cettire website are sent directly to customers by the supplier, similar to Temple & Webster's drop-ship model. The company has an average order value of A\$817 and average order frequency of 1.52x as at 1H22. Further, 90% of revenue is derived from international customers. Due to the different product offerings to MyDeal, we have placed limited reliance on Cettire.

6.2.2 Transaction multiples

We have also considered multiples implied by historical transactions involving companies broadly comparable to MYD. Our analysis is summarised in the table below. We note that GTV information is not available for the comparable companies so we have only presented the revenue multiple.

Transaction analysis Date ¹	Target Company	Country	Bidder Company	Stake (%)	Enterprise value (A\$m)	Revenue Multiple
24-Jun-21	eBay Korea Co., Ltd.	South Korea	E-Mart Inc	80.1%	5,016	2.7x
2-Jun-21	Depop Limited	US	Etsy, Inc.	100%	2,161	23.2x
22-Oct-20	CarLotz, Inc.	US	Acamar Partners Acquisition Corp.	60.0%	1,166	0.9x
6-Jul-20	Postmates Inc.	US	Uber Technologies, Inc.	100%	3,632	7.9x
17-Dec-19	AutoScout24 GmbH	Germany	Hellman & Friedman LLC	100%	4,727	15.5x
25-Nov-19	StubHub, Inc.	US	Viagogo AG	100%	5,994	3.6x
5-Aug-19	Just Eat Plc	UK	Just Eat Takeaway.com NV	47.9%	8,950	6.4x
12-Jun-19	Catch Group Holdings Ltd	Australia	Wesfarmers Limited	100%	230	0.6x
11-Apr-19	Fanxchange Limited	Canada	Vivid Seats LLC	100%	89	Na
Average						7.6x
Median						5.0x

Source: S&P Global, GTCF analysis, Mergemarket

Notes: (1) Transaction announcement date.

In relation to the table above, we note the following:

- The comparable transactions observed took place during the period between June 2019 and June 2021. Most of these transactions involved the acquisition of controlling interests, and the EV/Revenue multiples have been determined having regard to the historical and forecast (when available) financial performance.
- The majority of the transactions involve e-commerce/marketplace companies with operations outside of Australia and with significantly larger total addressable markets. There seems to be a correlation between the multiple and the scale and size of the business.
- The acquisition of Catch by Wesfarmers is the most relevant transaction, however it occurred in a different market when online retail sales penetration was materially lower. Accordingly, we have placed limited reliance on the comparable transactions.
- The transaction multiples are materially in excess of the current trading multiples of listed peers which seem to support our view that adverse market sentiment is currently being reflected in the trading prices which may not necessarily reflect the underlying fair market value.
- None of the transactions above are particularly relevant for the purpose of our valuation assessment, however, we have referred to them for directional support.

6.2.3 Conclusion on the Revenue and GTV Multiples

Refer to the executive summary for our conclusions.

6.3 Quoted Security Price Method

In our assessment of the fair market value of MYD shares, we have also considered the trading price of the listed securities on the ASX since IPO.

The assessed value per share based on the trading price is an exercise in professional judgement that takes into consideration the depth of the market for listed securities, the volatility of the trading price, and whether or not the trading price is likely to represent the underlying value of MYD. The following sections detail the analysis undertaken in selecting the share price range.

6.3.1 Liquidity analysis

In accordance with the requirements of RG 111, we have analysed the liquidity of MYD shares before relying on them for the purpose of our valuation assessment. We have set out below the trading volume from May 2021 to April 2022 as a percentage of the total shares outstanding as well as free float shares outstanding.

Month end	Volume traded ('000)	Monthly VWAP (\$)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Cumulative Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of free float
May 2021	7,857	0.6265	4,923	3.0%	3.0%	18.3%	18.3%
Jun 2021	8,313	0.5987	4,977	3.2%	6.2%	19.3%	37.6%
Jul 2021	10,183	0.6738	6,861	3.9%	10.2%	23.7%	61.3%
Aug 2021	7,432	0.7279	5,410	2.9%	13.1%	17.3%	78.5%
Sep 2021	8,090	0.7297	5,903	3.1%	16.2%	18.8%	97.3%
Oct 2021	9,890	0.7412	7,331	3.8%	20.0%	23.0%	120.3%
Nov 2021	3,832	0.8501	3,258	1.5%	21.5%	8.9%	129.2%
Dec 2021	1,852	0.8266	1,531	0.7%	22.2%	4.3%	133.5%
Jan 2022	2,555	0.6948	1,775	1.0%	23.2%	5.9%	139.5%
Feb 2022	1,543	0.5773	891	0.6%	23.8%	3.6%	143.1%
Mar 2022	1,795	0.6157	1,105	0.7%	24.5%	4.2%	147.2%
Apr 2022	1,494	0.5887	880	0.6%	25.1%	3.5%	150.7%
Min				0.58%		3.47%	
Average				2.09%		12.56%	
Median				2.18%		13.09%	
Max				3.93%		23.67%	

Sources: S&P Global, GTCF analysis

With regard to the above analysis, we note that:

- The level of free float for MYD is low given that Sean Senvirtne (CEO and founder of MyDeal) together with his associates hold 49.05%, and Aavasana Pty Ltd and Silver Globe Investments Pty hold 15.3% and 13.2% respectively of the issued capital. Further, and subject to any early release that may be required to facilitate the Scheme, there are MYD Shares representing 48.7% of the undiluted share capital in voluntary escrow until October 2022. The level of free float of MYD is lower than all the listed peers as set out in the table below.

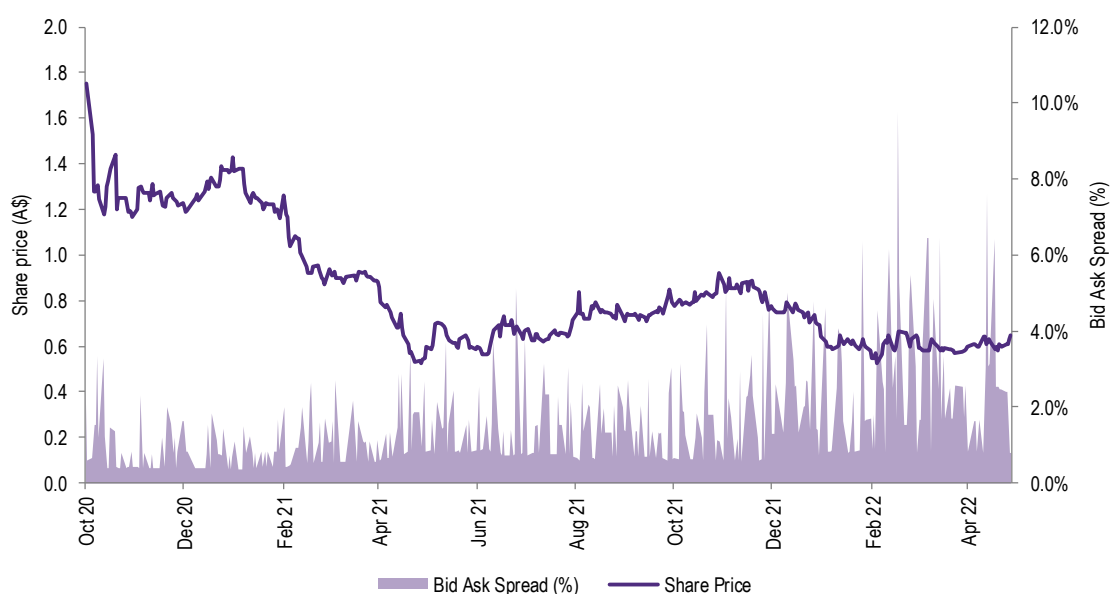
Liquidity analysis			Average volume traded as a % of total shares	Average volume traded as a % of free float shares	Cumulative volume traded as a % of total shares	Cumulative volume traded as a % of free float shares
Company	Country	Free float (%)				
MyDeal.com.au Limited	Australia	16.6%	2.1%	12.6%	25.1%	150.7%
Online marketplace and e-commerce businesses						
Kogan.com Ltd	Australia	79.1%	20.8%	26.3%	424.6%	537.0%
Temple & Webster Group Ltd	Australia	74.6%	10.0%	13.4%	224.9%	301.5%
Adore Beauty Group Limited	Australia	41.1%	4.4%	10.7%	76.9%	187.0%
Booktopia Group Limited	Australia	31.9%	1.2%	3.6%	19.1%	59.8%
Redbubble Limited	Australia	72.0%	16.8%	23.3%	323.3%	449.2%
Cettire Limited	Australia	34.6%	6.0%	17.4%	98.6%	285.4%
Low		31.9%	1.2%	3.6%	19.1%	59.8%
Average		55.5%	9.9%	15.8%	194.6%	303.3%
Median		56.6%	8.0%	15.4%	161.8%	293.4%
High		79.1%	20.8%	26.3%	424.6%	537.0%

Source: S&P Global, GTCF analysis

- In the absence of a takeover or alternative transactions, the trading price represents the value at which minority shareholders could realise their investment.

- MYD provides regular updates to the market regarding its strategy and performance. In addition, the stock is covered by four investment analysts who provide regular updates to investors.
- Where a company's stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. We have set out below the bid and ask price since listing.

MYD – Bid/Ask Spread 22 October 2020 to 19 May 2022



Sources: S&P Global, GTCF analysis

The average bid-ask spread was 1.6% since October 2020 with spikes above 6% in conjunction with large movements in the trading price. In the last three months, the average bid and ask spread has increased to 2.7%.

Based on the analysis above, we conclude that there is limited liquidity in MYD's trading price and accordingly we have provided in the sections below some commercial observations in relation to the performance since IPO and comparison with the Scheme Consideration rather than rely on the trading prices for the purpose of our valuation assessment.

6.3.2 Analysis of the trading price since IPO

Whilst the Scheme Consideration is at a significant premium to the trading price before the announcement, it only represents a c. 5% premium to the IPO Price. Accordingly, we have analysed how the IPO Price was set and the performance since then, to provide insights to MYD Shareholders.

The Company listed on the ASX on 22 October 2020 at an IPO price of A\$1.00 per share, closing on its first day of trading at A\$1.75. The significant increase in price was due to the IPO being multiple times over-subscribed compounded by the fact that c. 72.3% of the shares on issue immediately after IPO were subject to voluntary escrow arrangements, further affecting the liquidity of the shares. The strong demand for the shares, including from a number of institutional investors, pushed the price higher and led to a significant increase in the trading multiples relative to the peers.

Based on discussions with Management and their adviser, we understand that investors considered Kogan and Temple & Webster as a relevant reference point in reviewing the IPO Price. Accordingly, we have illustrated in the graph below the multiples implied in the IPO price compared with these two listed peers.

Company	Enterprise Value (A\$m)	EV/GTV ⁵ (FY20)	EV/Revenue (FY20)	EV/Delivered Margin ⁶ (FY20)
MyDeal (IPO Price) ¹	221.0	2.1x	14.4x	14.5x
MyDeal (Closing price on 23 October - first day of trading on ASX) ²	415.1	4.0x	27.1x	27.3x
Kogan ³	2,290.3	3.0x	4.6x	21.5x
Temple and Webster ⁴	1,360.4	Na	7.7x	25.2x

Source: S&P Global, GTCF analysis

Notes: (1) MyDeal enterprise value calculated based on the IPO price of A\$1.0 per share and net cash and cash equivalents of A\$37.8 million. (2) In calculating the Enterprise Value, we have used MyDeal's closing share price of A\$1.75 on the first day of trading. (3) Kogan's enterprise value as at 22 October 2020. (4) Temple & Webster's enterprise value as at 22 October 2020. (5) Temple & Webster do not disclose GTV. (6) Delivered Margin calculated as gross profit less distribution costs.

As set out above, the LTM⁸⁴ GTV and delivered margin multiples were at a discount to the selected listed peers. We note that whilst the revenue multiple was at a premium, this is mainly due to the different business model of MyDeal (marketplace) compared with Kogan and Temple & Webster (more skewed towards ecommerce).

However, MyDeal's share price closed 75% higher on its first day of trading, resulting in the MYD multiples of GTV and Delivered Margin being at a premium to Kogan and Temple & Webster. This was primarily driven by underlying demand for the stock from investors who missed out on the IPO and limited liquidity of the stock rather than a change in the intrinsic value of MYD.

However, in the six months following the IPO, the share price trended down resulting in what appeared to be an effective re-alignment of the multiples of MYD with the listed peers. We have made some observations below which may assist the Shareholders in considering the performance of the trading price of MYD after the IPO:

- *Timing of setting the IPO price* – The book building for the A\$40 million IPO was undertaken around mid-October 2020. On or around the time that MYD commenced trading on 23 October 2020, the closing trading prices of Temple & Webster reduced from A\$13.74 on 19 October 2020 to A\$10.00 on 3 November 2020 (or 27% reduction). Similarly, Kogan's trading prices contracted by 36% between 19 October 2020 and 27 November 2020.
- *Vaccine candidate* – On 9 November 2020, global equity markets, including the ASX, increased significantly on the news of positive interim clinical trial results of Pfizer's COVID-19 vaccine candidate. This was signalling a potential re-opening of economies around the world and an exit from a protracted period of lockdowns. Following the announcement, the trading prices of e-commerce and marketplace businesses reduced materially as their growth was significantly boosted during the 2020 extended lockdowns.
- *Rotation from growth to value* – In November 2020, the uncertainty in relation to the US election was removed and the positive news on Pfizer's vaccine candidate (discussed above) triggered a market rotation from growth to value stocks. Value stocks usually include companies that are exposed to the

⁸⁴ Last twelve months

economic cycle, and which have historically performed well coming out of recessions. MYD is considered a growth stock.

As set out in section 6.2.1, in the months following the IPO, the MYD multiples trended down to effective re-alignment with the listed peers. This was despite the Company's strong fundamental performance during this period which is summarised in the table below.

MYD Quarterly GTV, Revenue and Active Users Growth

Quarter Ended	GTV (Total LTM) (A\$m)	GTV LTM Growth (%)	Revenue Quarterly (A\$m)	Revenue Growth (%) ¹	Active Users (Total)	Active Users Growth (%) ²
31-Dec-20	190.2	29.7%	11.7	Na	813,764	21.5%
31-Mar-21	213.0	12.0%	8.3	Na	883,397	8.6%
30-Jun-21	218.1	2.4%	8.7	Na	894,225	1.2%
30-Sep-21	230.9	5.9%	13.9	46.3%	929,461	3.9%
31-Dec-21	243.9	5.6%	19.0	62.4%	963,882	3.7%
31-Mar-22	259.6	6.4%	16.0	92.8%	1,019,698	5.8%
30-Jun-22	272.2	4.9%	16.5	89.0%	1,051,701	3.1%

Sources: S&P Global, GTCF analysis

Notes: (1) Growth has been calculated on the prior corresponding period; (2) Growth has been calculated on the prior quarter.

Based on the analysis above, we are of the opinion that between the timing the IPO price was set and the announcement of the Scheme, several market related factors, rather than business specific, have changed, which make the comparison between the Scheme Consideration and the IPO price not necessarily relevant. In addition, as discussed at length in section 6.3.1, the liquidity in MYD Shares is limited and accordingly small trading volumes may create material volatility in the trading price which may jeopardise their ability to represent fair market value.

7 Sources of information, disclaimer and consents

7.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Annual reports/consolidated accounts of MYD for FY21.
- IPO Prospectus.
- Scheme Booklet.
- Management accounts.
- Management presentations and CFO reports.
- Internal Projections.
- Minutes of Board meetings.
- Access to other relevant documents in the Data Room.
- Transaction databases such as S&P Global Capital IQ and Mergermarket.
- Industry reports provided by the Company.
- Various broker reports for the Company and for the listed peers.
- Other publicly available information.

In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of MYD and its advisers.

7.2 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This Report has been prepared to assist the Directors in advising the Company's shareholders in relation to the Scheme and other ancillary resolutions. This Report should not be used for any other purpose. In particular, it is not intended that this Report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Scheme is in the best interests of MYD Shareholders.

MYD has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

7.3 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Scheme Booklet to be sent to MYD shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future.

Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses. This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model. Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction. Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Appendix B – Discount rate

Introduction

The cash flow assumptions underlying the DCF approach are on a nominal, ungeared and post-tax basis. Accordingly, we have assessed a range of nominal post-tax discount rates for the purpose of calculating the net present value of the cash flows.

The discount rates were determined using the WACC formula. The WACC represents the average of the rates of return required by providers of debt and equity capital to compensate for the time value of money and the perceived risk or uncertainty of the cash flows, weighted in proportion to the market value of the debt and equity capital provided. However, we note that the selection of an appropriate discount rate is ultimately a matter of professional judgment.

Under a classical tax system, the nominal WACC is calculated as follows:

$$\text{WACC} = R_d \times \frac{D}{D + E} \times (1 - t) + R_e \times \frac{E}{D + E}$$

Where:

- R_e = the required rate of return on equity capital;
- E = the market value of equity capital;
- D = the market value of debt capital;
- R_d = the required rate of return on debt capital; and
- t = the statutory corporate tax rate.

Required rate of return on equity capital

We have used the CAPM, which is commonly used by practitioners, to calculate the required return on equity capital.

The CAPM assumes that an investor holds a large portfolio comprising risk-free and risky investments. The total risk of an investment comprises systematic risk and unsystematic risk. Systematic risk is the variability in an investment's expected return that relates to general movements in capital markets (such as the share market) while unsystematic risk is the variability that relates to matters that are unsystematic to the investment being valued.

The CAPM assumes that unsystematic risk can be avoided by holding investments as part of a large and well-diversified portfolio and that the investor will only require a rate of return sufficient to compensate for the additional, non-diversifiable systematic risk that the investment brings to the portfolio. Diversification cannot eliminate the systematic risk due to economy-wide factors that are assumed to affect all securities in a similar fashion.

Accordingly, whilst investors can eliminate unsystematic risk by diversifying their portfolio, they will seek to be compensated for the non-diversifiable systematic risk by way of a risk premium on the expected return. The extent of this compensation depends on the extent to which the company's returns are correlated with

the market as a whole. The greater the systematic risk faced by investors, the larger the required return on capital will be demanded by investors.

The systematic risk is measured by the investment's beta. The beta is a measure of the co-variance of the expected returns of the investment with the expected returns on a hypothetical portfolio comprising all investments in the market - it is a measure of the investment's relative risk.

A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment the higher the beta of the investment.

The CAPM assumes that the return required by an investor in respect of an investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of the investment by the return earned on the market portfolio in excess of the risk-free rate.

Under the CAPM, the required nominal rate of return on equity (Re) is estimated as follows:

$$R_e = R_f + \beta_e (R_m - R_f)$$

Where:

- Rf = risk free rate
- β_e = expected equity beta of the investment
- (Rm – Rf) = market risk premium

Risk-free rate – 3.5%

In the absence of an official risk free rate, the yield on government bonds (in an appropriate jurisdiction) is commonly used as a proxy. Accordingly, we have observed the yield on the 10-year Australian Government bond over several intervals from a period of 5 trading days to 15 trading years. The following table sets out the average yield on 10-year Australian Government Bond over the last 10 years.

Australia Government Debt - 10 Year as at 5 July 2022				
	Range			Daily average
Previous 5 trading days	3.56%	-	3.70%	3.62%
Previous 10 trading days	3.56%	-	3.99%	3.72%
Previous 20 trading days	3.56%	-	4.21%	3.81%
Previous 30 trading days	3.21%	-	4.21%	3.67%
Previous 60 trading days	2.98%	-	4.21%	3.47%
Previous 1 year trading	1.05%	-	4.21%	2.15%
Previous 2 years trading	0.73%	-	4.21%	1.68%
Previous 3 years trading	0.60%	-	4.21%	1.46%
Previous 5 years trading	0.60%	-	4.21%	1.87%
Previous 10 years trading	0.60%	-	4.44%	2.46%

Source: S&P Global

Given the current volatility in the global financial markets in conjunction with COVID-19, quantitative easing by central banks, recent changes to government bond yields, we have placed more emphasis on the

average risk free rate observed over a longer period of time. Our adopted risk-free rate is 3.5% and it reflects long-term expectations and it is not inconsistent with the spot yields.

Market risk premium – 6.0%

The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to assets on which a risk-free rate of return is earned. However, given the inherent high volatility of realised rates of return, especially for equities, the market risk premium can only be meaningfully estimated over long periods of time. In this regard, Grant Thornton studies of the historical risk premium over periods of 20 to 80 years suggest a risk premium between 5.5% and 6.0% for the Australia markets.

For the purpose of the WACC assessment, Grant Thornton Corporate Finance has adopted a market risk premium of 6.0%.

Equity beta – 1.40 to 1.50

The beta measures the expected relative risk of the equity in a company. The choice of the beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

Equity betas are typically calculated from historical data. These are then used as a proxy for the future which assumes that the relative risk of the past will continue into the future. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity. For the purpose of the report, we would normally have regard to the observed betas (equity betas) of listed companies operating in the e-commerce sector. However, we note that the R-squares of the betas are generally low due to most companies being listed recently and suffering from high volatilities brought on by the outbreak of COVID-19. We have therefore placed limited reliance on the betas of peer companies. In order to provide a greater amount of data from which to draw on, we have also considered international listed e-commerce companies and pre-COVID betas as presented below:

Beta analysis - Contemporaneous Betas			2-yr weekly betas - at 24 June 2022				5-yr monthly betas - at 24 June 2022			
Company	Country	Market cap A\$m	Equity Beta	R squared	Gearing Ratio	Adopted Beta	Equity Beta	R squared	Gearing Ratio	Adopted Beta
ASX-listed e-commerce & marketplace companies										
Temple & Webster Group Ltd	Australia	419	1.84	0.13	(14.5%)	1.84	1.54	0.10	(11.0%)	1.54
Kogan.com Ltd	Australia	328	2.04	0.20	(2.1%)	2.04	0.56	0.01	(5.0%)	Nmf
Redbubble Limited	Australia	271	1.92	0.10	(32.1%)	1.92	2.19	0.16	(17.9%)	2.19
Adore Beauty Group Limited	Australia	104	1.85	0.17	(14.2%)	1.85	1.65	0.19	(14.2%)	1.65
Booktopia Group Limited	Australia	29	1.98	0.16	68.7%	1.34	0.10	0.00	68.7%	Nmf
Cettire Limited	Australia	169	2.65	0.10	(16.1%)	2.65	(0.21)	0.00	(16.1%)	Nmf
Offshore listed e-commerce & marketplace companies										
Zalando SE	Germany	9,239	1.48	0.33	(0.0%)	1.48	1.30	0.24	(3.1%)	1.30
Etsy, Inc.	United States	16,569	1.72	0.43	5.9%	1.65	1.85	0.31	0.5%	1.84
MercadoLibre, Inc.	Uruguay	53,099	1.88	0.56	4.3%	1.82	1.45	0.33	(0.0%)	1.45
Mercari, Inc.	Japan	3,575	1.05	0.08	(16.0%)	1.05	1.18	0.12	(14.7%)	1.18
Farfetch Limited	United Kingdom	4,467	2.83	0.30	(5.1%)	2.83	3.13	0.43	(6.0%)	3.13
eBay Inc.	United States	36,328	0.78	0.30	11.0%	0.72	1.07	0.43	12.7%	0.97
Low						0.72				0.97
Median						1.83				1.54
Average						1.77				1.69
High						2.83				3.13
Beta analysis - Pre-COVID Betas			2-yr weekly betas - Pre-COVID				5-yr monthly betas - Pre-COVID			
Company	Country	Market cap A\$m	Equity Beta	R squared	Gearing Ratio	Adopted Beta	Equity Beta	R squared	Gearing Ratio	Adopted Beta
ASX-listed e-commerce & marketplace companies										
Temple & Webster Group Ltd	Australia	419	0.15	0.00	(7.5%)	Nmf	2.48	0.09	(26.6%)	2.48
Kogan.com Ltd	Australia	328	1.51	0.07	(4.6%)	1.51	0.87	0.01	(8.7%)	Nmf
Redbubble Limited	Australia	271	0.25	0.00	(22.3%)	Nmf	0.95	0.02	(21.1%)	Nmf
Adore Beauty Group Limited	Australia	104	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf
Booktopia Group Limited	Australia	29	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf
Cettire Limited	Australia	169	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf	Nmf
Offshore listed e-commerce & marketplace companies										
Zalando SE	Germany	9,239	0.76	0.08	(11.5%)	0.76	1.32	0.17	(11.8%)	1.32
Etsy, Inc.	United States	16,569	1.43	0.22	(2.4%)	1.43	0.84	0.05	(13.6%)	Nmf
MercadoLibre, Inc.	Uruguay	53,099	1.49	0.32	(2.1%)	1.49	1.33	0.24	(2.0%)	1.33
Mercari, Inc.	Japan	3,575	1.46	0.24	(27.1%)	1.46	2.31	0.44	(27.1%)	2.31
Farfetch Limited	United Kingdom	4,467	1.54	0.12	(13.3%)	1.54	2.76	0.46	(13.3%)	2.76
eBay Inc.	United States	36,328	0.79	0.32	17.6%	0.70	1.14	0.21	10.6%	1.06
Low						0.70				1.06
Median						1.46				1.82
Average						1.27				1.88
High						1.54				2.76

Source: S&P Global and GTCF calculations

Note (1): Equity betas are calculated using data provided by S&P Global as at 24 June 2022 (Contemporaneous betas) and 31 January 2020 (Pre-COVID betas). The betas are based on five-year period with monthly observations and two-year period based on weekly observations and based on the local index. Betas have been ungeared based on the average gearing ratio (i.e. net debt divided by shareholders' equity based on market values). Betas have been regressed based on the assumed regearing ratio of 0% debt; 100% equity.

We note that the industry beta⁸⁵ for retail was between 1.05 and 1.27, as at March 2022, however this does not distinguish between discretionary and non-discretionary retail. We categorised the market in

⁸⁵ Risk Measurement, Rozetta Institution

which MyDeal operates as discretionary retail as it is a shopping experience solution for customers and a marketing tool for merchants in the discretionary retail sector.

It should be noted that the above betas are drawn from the actual and observed historical relationship between risk and returns. From these actual results, the expected relationship is estimated generally on the basis of extrapolating past results. Despite the arbitrary nature of the calculations it is important to assess their commercial reasonableness. That is to assess how closely the observed relationship is likely to deviate from the expected relationship.

Consequently, while measured equity betas of the listed comparable companies provide useful benchmarks against which the equity beta used in estimating the cost of equity for MyDeal, the selection of an unsystematic equity beta requires a level of judgement.

The asset betas of the selected companies are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable companies, a process commonly referred as de-gearing. We have then recalculated the equity beta based on an assumed 'optimal' capital structure deemed appropriate for the business (re-gearing). This is a subjective exercise, which carries a significant possibility of estimation error.

We used the following formula to undertake the de-gearing and re-gearing exercise:

$$\beta_e = \beta_a \left[1 + \frac{D}{E} \times (1 - t) \right]$$

Where:

- β_e = Equity beta
- β_a = Asset beta
- t = corporate tax rate

The betas are de-gearred using the average historical gearing levels of those respective companies over several years. We note that most comparable companies had net cash positions. We then re-gearred based on a gearing ratio of 5% debt (see Capital Structure Section below for further discussions).

As a result, for the purposes of our valuation, we have selected a beta range of between 1.4 and 1.5 to calculate the required rate of return on equity capital. In our beta assessment we had regards to brokers and the beta of the consumer discretionary segment.

Cost of debt – 5.0% - 6.0%

Grant Thornton Corporate Finance has considered the following:

- The weighted average interest rate on credit outstanding for large businesses over the last one to five years as published by the Reserve Bank of Australia.
- The historical and current cost of debt for MYD and the comparable companies.
- Expectations of the yield curve.

Based on the above, Grant Thornton Corporate Finance has adopted a cost of debt between 5.0% and 6.0% on a pre-tax basis. However, we note that since MYD has nil gearing, the assumption does not impact the assessment of the WACC.

Capital Structure

The appropriate level of gearing that is utilised in determining WACC for a particular company should be the “target” gearing ratio, rather than the actual level of gearing, which may fluctuate over the life of a company. The target or optimal gearing level can therefore be derived based on the trade-off theory which stipulates that the target level of gearing for a project is one at which the present value of the tax benefits from the deductibility of interest are offset by present value of costs of financial distress. For the purpose of the valuation, Grant Thornton Corporate Finance has adopted a capital structure based on 100% equity. In determining the appropriate capital structure, we have had regard to the current capital structure of MYD with the Company having no debt outstanding but also having regard to the selected comparable companies.

Tax rate – 30%

For the purpose of our valuation assessment we have assumed the Australian corporate tax rate of 30%.

Discount rate summary

WACC calculation	Low	High
Cost of equity		
Risk free rate	3.50%	3.50%
Beta	1.40	1.50
Market risk premium	6.0%	6.0%
Specific risk premium	0.0%	0.0%
Cost of equity	11.9%	12.5%
Cost of debt		
Cost of debt (pre tax)	5.0%	6.0%
Tax	30.0%	30.0%
Cost of debt (post tax)	3.5%	4.2%
Capital structure		
Proportion of debt	0%	0%
Proportion of equity	100%	100%
	100%	100%
WACC (post tax)	11.9%	12.5%
GT Selected WACC	11.9%	12.5%

Source: GTCF Analysis

Appendix C – Comparable companies descriptions

Company	Description
Kogan.com Ltd	Kogan.com Ltd operates as an online retailer in Australia. The company offers various brands across a range of categories, including consumer electronics, appliances, homewares, hardware, toys, and others; and owns and operates 20 private label brands. It also provides pre-paid mobile phone plans online; and directly sourced holiday packages and travel bookings. In addition, the company offers general insurances, including home, contents, landlord, car, and travel insurances, as well as pet and life insurance; NBN internet plans; and home loans. Further, it provides superannuation funds, credit cards, telecommunications services, and power and gas services, as well as trade-in cars. The company provides its products under the company's brands, such as Kogan, Ovela, Fortis, Vostok, and Komodo, as well as products sourced from imported and domestic third party brands comprising Apple, Canon, Swann, and Samsung. The company was founded in 2006 and is based in South Melbourne, Australia.
Temple & Webster Group Ltd	Temple & Webster Group Ltd engages in the online retail of furniture, homewares, and other lifestyle products in Australia. The company operates the Temple & Webster online platform that offers approximately 200,000 products. Its online platform offers outdoor, office, and home décor furniture; and rugs, lighting, wall art bed and bath, kitchen baby and kids, renovation, and lifestyle products. Temple & Webster Group Ltd was founded in 2011 and is headquartered in Sydney, Australia.
Booktopia Group Limited	Booktopia Group Limited operates as an online book retailer in Australia. It also sells eBooks, DVDs, audiobooks, magazines, calendars and diaries, stationery, and gift cards. The company offers books that cover various subjects, such as biographies and true stories; business and management; history; family and health; personal development; self-help and travel and holidays; modern and contemporary fiction; Australian fiction; crime and mystery; thrillers and suspense; romance; picture books; children's fiction; young adult; manga; gift guides; cooking, food, and drink; sports; and art and entertainment books. The company was founded in 2004 and is headquartered in Lidcombe, Australia.
Adore Beauty Group Limited	Adore Beauty Group Limited operates an integrated content, marketing, and e-commerce retail platform in Australia and New Zealand. The company primarily retails beauty and personal care products, including skincare, make-up, haircare, fragrance, and wellness products under various brands. It also offers editorial content on beauty news, reviews, tips, and expert how-to articles to educate the customers on purchasing decisions. The company was founded in 2000 and is headquartered in Northcote, Australia.
Redbubble Limited	Redbubble Limited operates as an online marketplace that facilitates the sale of art and design products. It offers clothing, face masks, phone cases, stickers, home and living products, wall arts, kids and baby clothing, accessories, stationery and office products, and gifts. The company provides its services through its website Redbubble.com, TeePublic.com, and other sites in Australia, the United States, the United Kingdom, and internationally. Redbubble Limited was founded in 2006 and is based in Melbourne, Australia.

Source: S&P Global

Appendix D – Comparable transaction targets descriptions

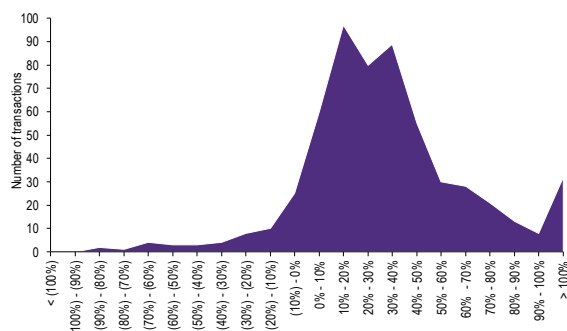
Company	Description
eBay Korea Co., Ltd.	eBay Korea Co., Ltd. operates an e-commerce marketplace for sellers and buyers in Korea. The company provides products in the categories of brand fashion, clothing, accessories/shoes, beauty and hair, baby and kids, food, household supplies, home and kitchen, sports and outdoor, health and diet, hobbies and KPOP, electronics and motor, and computer and digital. eBay Korea Co., Ltd. was formerly known as eBay Gmarket Co., Ltd. and changed its name to eBay Korea Co., Ltd. in August 2011. The company was incorporated in 2000 and is headquartered in Seoul, South Korea. eBay Korea Co., Ltd. operates as a subsidiary of eBay Inc.
Depop Limited	Depop Limited provides a mobile application that allows users to buy, sell, discover, and explore various things. The company was founded in 2011 and is based in London, United Kingdom. Depop Limited operates as a subsidiary of Etsy, Inc. As of July 12, 2021, Depop Limited operates as a subsidiary of Etsy, Inc..
CarLotz, Inc.	CarLotz, Inc. operates as a consignment-to-retail used vehicle marketplace that provides its corporate vehicle sourcing partners and retail sellers of used vehicles. The company serves corporate vehicle sourcing partners, which include fleet leasing companies, vehicle rental companies, banks, finance companies, third-party remarketers, wholesalers, corporations managing their own fleets, and original equipment manufacturers; retail sellers of used vehicles to individuals; and retail customers. It operates 22 retail hubs throughout the Mid-Atlantic, Southeast, Southcentral, Midwest, West, and Pacific Northwest regions of the United States. The company was incorporated in 2011 and is headquartered in Richmond, Virginia.
Postmates Inc.	Postmates Inc. operates a food and grocery delivery platform. It offers Postmates, an urban logistics platform that connects customers with local couriers that delivers products various stores and restaurants; and enables users to discover, order, and track groceries and alcohol from restaurants and stores in the United States. The company also provides gift card services. Postmates Inc. was founded in 2011 and is based in San Francisco, California.
AutoScout24 GmbH	AutoScout24 GmbH operates Internet based portals for trading cars, motorcycles, and trucks on the Internet. Its platform also provides car loans, insurance, and vehicle leasing products. The company's platform is used by private customers, dealers, and manufacturers in Europe. AutoScout24 GmbH was formerly known as MasterCar AG and changed its name to AutoScout24 GmbH in 1999. The company was founded in 1998 and is based in Munich, Germany.
StubHub, Inc.	StubHub, Inc. owns and operates an online fan-to-fan ticket marketplace. Its online ticket marketplace enables fans to buy and sell tickets to sports, concert, theater, and other live entertainment events. Its marketplace also enables fans to sell their tickets when they can't go. StubHub, Inc. was formerly known as Liquid Seats, Inc. and changed its name to StubHub, Inc. in December 2003. The company was founded in 2000 and is based in San Francisco, California. StubHub, Inc. operates as a subsidiary of eBay International AG.
Just Eat Plc	As of April 15, 2020, Just Eat Plc was acquired by Just Eat Takeaway.com N.V. Just Eat Plc operates a hybrid marketplace for online food delivery. It offers digital ordering services for its customers and restaurant partners in the United Kingdom, Australia and New Zealand, Canada, Denmark, France, Ireland, Italy, Mexico, Norway, Spain, Switzerland, and Brazil. The company was founded in 2001 and is headquartered in London, the United Kingdom.
Catch Group Holdings Limited	Catch Group Holdings Limited, together with its subsidiaries, primarily engages in online retail and e-commerce business activities in Australia. The company operates through two segments, In-Stock and Marketplace. It operates as an online retailer of goods and services; and manages online marketplaces, as well as acts as a Web-based intermediary between independent businesses and customers. Catch Group Holdings Limited was formerly known as Catch Group Pty Ltd. The company was incorporated in 2012 and is based in Bentleigh East, Australia. Catch Group Holdings Limited operates as a subsidiary of Wesfarmers Limited.
FanXchange Limited	FanXchange Limited operates an online and mobile secondary live events ticketing marketplace that provides access for loyalty and reward programs. Its platform enables program members to earn and redeem points for the purchase of tickets of sports, concert, and theatre events in North America. The company was founded in 2009 and is based in Toronto, Canada with an additional office in New York. As of April 11, 2019, FanXchange Limited operates as a subsidiary of Vivid Seats Ltd.

Source: S&P Global, Mergermarket

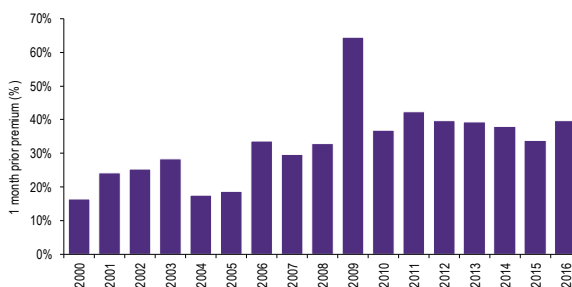
Appendix E – Control Premium study

Evidence from studies indicates that the premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia, and that the premium can vary significantly for each transaction.

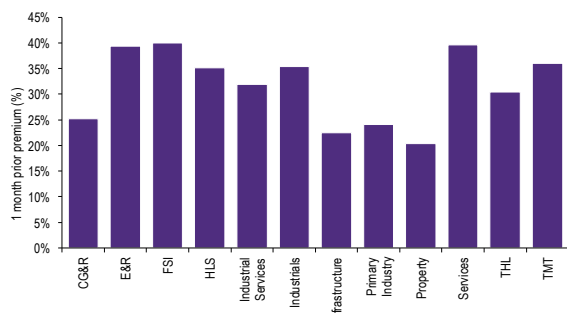
1 Month Prior Control Premium



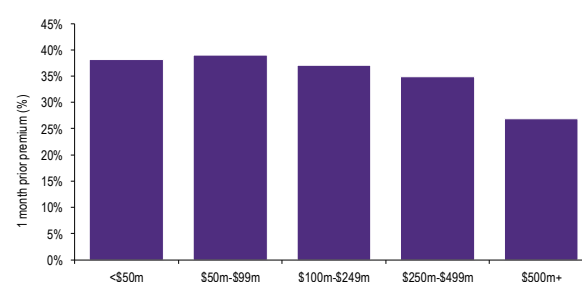
Control premium per completion date



Control premium per industry



Control premium and size



		Control premium
Average		34.33%
Median		29.34%

Source: GTCF Analysis

Appendix F – Glossary

\$, A\$ or AUD	Australian Dollar
1H22	First half of FY22 being the period between 1 July 2021 to 31 December 2021
ABS	Australian Bureau of Statistics
Active Customer	A MYD customer who has transacted with MYD in the previous 12-month period
Adore Beauty	Adore Beauty Group Limited
AI	Artificial Intelligence
Amazed	Amazed.com
APES 225	APES 225 Valuation Services
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Booktopia	Booktopia Group Limited
BWX	BWX Limited
CAGR	Compound average growth rate
Call Option	The call option dated 20 May 2022 granted by Sean Servirtne in favour of Woolworths Group over 19.9% of MyDeal Shares
Catch	Catch.com.au
CCI	Consumer Confidence Index
Cettire	Cettire Limited
CNY	Chinese Yuan
Corporations Act	Corporations Act 2001 (Cth)
COVID-19	Coronavirus pandemic
DCF Method	Discounted cash flow and the estimated realisable value of any surplus assets
Fed	United States Federal Reserve
FME Method	Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets
FSG	Financial Services Guide
Gandel Investment	Aavasan Pty Ltd
GT Model	Financial Model prepared by GTCF, projecting the post-tax free cash flows of MYD
GTCF, Grant Thornton, or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987)
GTV	Gross Sales or Gross Transaction Value
GTV multiple	GTV multiple method
IBC	Independent Board Committee
IER or Report	Independent Expert's Report
Internal Projections	MyDeal.com.au Limited management forecast up to 30 June 2027
IPO	Initial Public Offering
IPO Price	A\$1.00 per share at which MYD completed an IPO on the ASX in October 2020 raising A\$40 million
KMP	Sean Servirtne, Kate Dockery, and Dean Ramler
Kogan	Kogan.com Ltd
KPI	Key Performance Indicator
MYD Consensus Estimates	Consensus estimates prepared by the four investment analysts which cover MYD
MYD Options	The 12,925,696 options to subscribe for a MyDeal Share issued under the MyDeal Equity Incentive Plan
MYD Shareholders or Shareholders	Each person who is registered in the Register as the holder of MyDeal Shares other than the holders of Retained Shares
MYD Shares or MyDeal Shares	A fully paid ordinary share issued in the capital of MyDeal
MYD, MyDeal, or the Company	MyDeal.com.au Limited

NAB Index	NAB Online Retail Sales Index
Non-Associated Shareholders	A MyDeal Shareholder other than the holders of Excluded Shares and their associates
NTV	Net Transaction Value being GTV after deducting refunds and chargebacks etc.
Pcp	Previous corresponding period
Post-Implementation Agreements	The agreements described in Section 1.2 which are mostly proposed to be entered into on or around the Implementation Date in relation to the operation and governance of MyDeal after the Implementation Date
Quoted Security Price Method	Quoted price for listed securities when there is a liquid and active market
RBA	Reserve Bank of Australia
Redbubble	Redbubble Limited
Retained Shares	The MyDeal Shares which are to be retained by Key Management Personnel and will not participate in the Scheme
Retained Shares Acquisition	The acquisition of a relevant interest in MYD Shares as a result of WOW entering into the Retained Shares Options agreements with the KMP
Retained Shares Options	Put and call options in relation to the Retained Shares forming part of the Post-Implementation Agreements as described in Section 1.2
Revenue Multiple	Revenue multiple method
RG	Regulatory Guide
RG111	ASIC Regulatory Guide 111 "Contents of experts reports"
RG112	ASIC Regulatory Guide 112 "Independence of experts"
RG60	Regulatory Guide 60 "Scheme of arrangement"
ROAS	Return on advertising spend
Scheme Consideration	The consideration to be provided to MyDeal shareholders under the terms of the Scheme for the transfer of their MyDeal Participating Shares to WOW
SIA	Scheme Implementation Agreement
Temple & Webster	Temple & Webster Group Ltd
Trading Multiples	The current trading multiples of broadly comparable companies
Transaction Multiples	The multiples implied by acquisitions of companies with broadly similar operations
USD	United States Dollar
VWAP	Volume Weighted Average Price
WACC	Weighted average cost of capital
WOW, the Bidder, or Woolworths	Woolworths Group Limited
Yoy	Year on year



Deed Poll

Woolworths Group Limited

ACN 000 014 675

in favour of

Scheme Shareholders

29 July 2022

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THIS DEED POLL is made on

29 July

2022

BY:

- (1) **Woolworths Group Limited** ACN 000 014 675 of 1 Woolworths Way, Bella Vista NSW 2153 (**Bidder**);

in favour of

- (2) Each person registered as a holder of fully paid ordinary shares in **Mydeal.com.au Limited** ACN 640 108 130 (**Target**) in the Target Register as at the Scheme Record Date, other than a holder of Excluded Shares (**Scheme Shareholder**).

RECITALS:

- (A) The directors of Target have resolved that Target should propose the Scheme.
- (B) The effect of the Scheme will be that all Scheme Shares will be transferred to Bidder.
- (C) Target and Bidder have entered into the Scheme Implementation Agreement.
- (D) In the Scheme Implementation Agreement, Bidder agreed (amongst other things) to provide, or procure the provision of the Scheme Consideration to Target on behalf of the Scheme Shareholders, subject to the satisfaction of certain conditions.
- (E) Bidder is entering into this deed poll for the purpose of covenanting in favour of Scheme Shareholders to perform its obligations under the Scheme Implementation Agreement and the Scheme.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The meanings of the terms used in this deed poll are set out below.

First Court Date means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Scheme Implementation Agreement means the scheme implementation agreement dated 20 May 2022 between Target and Bidder under which, amongst other things, Target has agreed to propose the Scheme to Target Shareholders, and each of Bidder and Target has agreed to take certain steps to give effect to the Scheme.

Scheme means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between Target and Scheme Shareholders, the form of which is set out in Schedule 3 to the Scheme Implementation Agreement, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Target and Bidder.

Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

1.2 **General interpretation**

Clauses 1.2, 1.3, 1.4 and 1.5 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

1.3 **Nature of deed poll**

The Bidder acknowledges that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent to enforce this deed poll against Bidder.

2. **CONDITIONS PRECEDENT AND TERMINATION**

2.1 **Conditions precedent**

This deed poll and the obligations of Bidder under this deed poll are subject to the Scheme becoming Effective.

2.2 **Termination**

The obligations of Bidder under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Scheme has not become Effective on or before the End Date; or
- (b) the Scheme Implementation Agreement is terminated in accordance with its terms, unless Bidder and Target otherwise agree in writing.

2.3 **Consequences of termination**

If this deed poll is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Shareholders:

- (a) Bidder is released from its obligations to further perform this deed poll except those obligations contained in clause 7.1 and any other obligations which by their nature survive termination; and
- (b) each Scheme Shareholder retains the rights, powers or remedies they have against Bidder in respect of any breach of this deed poll which occurs before it is terminated.

3. **SCHEME CONSIDERATION**

3.1 **Compliance with Scheme obligations generally**

Subject to clause 2, Bidder undertakes in favour of each Scheme Shareholder to observe and perform the steps attributed to it under, and otherwise to comply with, the Scheme, subject to and in accordance with the terms of the Scheme.

3.2 **Provision of Scheme Consideration**

Subject to clause 2 and subject to and in accordance with the terms of the Scheme, Bidder undertakes to, by no later than the Business Day before the Implementation Date, deposit

in cleared funds an amount equal to the aggregate Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account with an ADI operated by Target as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account.

4. **REPRESENTATIONS AND WARRANTIES**

Bidder represents and warrants in favour of each Scheme Shareholder that:

- (a) **(status)** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **(power)** it has full legal capacity and power to execute, deliver and enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) **(corporate authority)** it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) **(validity of obligations)** its obligations under this deed poll are valid and binding and are enforceable against it in accordance with its terms; and
- (e) **(no contravention)** this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5. **CONTINUING OBLIGATIONS**

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder has fully performed its obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.2.

6. **NOTICES**

6.1 **Form of notice and how notice must be given**

Any notice (including any other communication) given to Bidder under or in connection with this deed poll must be:

- (a) in writing and in English;
- (b) addressed to Bidder at the address or email address set out below:

Address: 1 Woolworths Way, Bella Vista NSW 2153

Email : cjmills@woolworths.com.au

Attention: Chris Mills, Head of Mergers and Acquisitions

Copy to (which shall not constitute notice):

Email: legalnotices@woolworths.com.au

Attention: Jade Droguett, Group Counsel – Ecosystem & Strategic Partnerships

and

Ashurst Australia

Address: 5 Martin Place, Sydney, NSW 2000 Australia

Email : Phil.Breden@ashurst.com

Andrew.Kim@ashurst.com

Attention: Phil Breden

Andrew Kim

- (c) signed by or on behalf of the person giving the notice. If the notice is sent by email and does not contain a signature, it is deemed to be signed by the person identified as the sender of the email;
- (d) sent to Bidder by hand, prepaid post (airmail if from a place outside Australia) or email; and
- (e) if sent by email, in a form which:
 - (i) identifies the sender; and
 - (ii) clearly indicates the subject matter of the notice in the subject heading of the email.

6.2 When notice is received

Without limiting any other means by which a person may prove that a notice has been received by Bidder, a notice is deemed to be received:

- (a) if sent by hand, when left at the address of Bidder;
- (b) if sent by prepaid post, five Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or
- (c) if sent by email:
 - (i) at the time the email was delivered to the recipient's email server or the recipient read the email, as stated in an automated message received by the sender; or
 - (ii) one hour after the email was sent (as recorded on the device from which it was sent), unless within 24 hours of sending the email the sender receives an automated message that it was not delivered,

whichever is earlier, but any notice or other communication that, pursuant to this clause 6.2, would be considered to have been received if a notice would otherwise be deemed to be received on a day that is not a Business Day, or after 5.00 pm (recipient's local time) on a Business Day, the notice is deemed to be received at 9.00 am (recipient's local time) on the next Business Day.

7. GENERAL

7.1 Stamp duty and registration fees

Bidder:

- (a) will pay all stamp duty, registration fees and similar taxes payable or assessed as being payable in connection with this deed poll or any other transaction contemplated by this deed poll (including any fees, fines, penalties and interest in connection with any of these amounts); and
- (b) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

7.2 Variation

A provision of this deed poll or any right created under it may not be varied, altered or otherwise amended unless:

- (a) if before the First Court Date, the variation is agreed to by Target in writing; and
- (b) if on or after the First Court Date, the variation is agreed to by Target in writing and the Court indicates that the variation, alteration or amendment would not of itself preclude approval of the Scheme,

in which event Bidder must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation, alteration or amendment.

7.3 Waiver

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this deed poll by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (b) A waiver or consent given by a party under this deed poll is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed poll operates as a waiver of another breach of that term or of a breach of any other term of this deed poll.

7.4 Remedies cumulative

The rights, powers and remedies of Bidder and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

7.5 Assignment or other dealings

- (a) The rights created by this deed poll are personal to Bidder and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.5(a) is invalid.

7.6 **Further action**

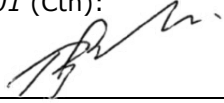
Bidder must, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

7.7 **Governing law and jurisdiction**

- (a) This deed poll and any dispute arising out of or in connection with the subject matter of this deed poll is governed by the laws of the State of New South Wales, Australia.
- (b) Bidder:
 - (i) submits to the non-exclusive jurisdiction of the courts of that State, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this deed poll; and
 - (ii) waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

EXECUTED as a deed poll.

EXECUTED by **WOOLWORTHS GROUP LIMITED** in accordance with section 127 of the *Corporations Act 2001* (Cth):



Signature of director

Bradford Banducci

Name



Signature of secretary

Katrina Eastoe

Name



Scheme of arrangement

MyDeal.com.au Limited

ACN 640 108 130

and

Scheme Shareholders

2022

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BETWEEN:

- (1) **MyDeal.com.au Limited** ACN 640 108 130 of Level 1, 446 Collins Street, Melbourne VIC 3000 (**Target**); and
- (2) **Scheme Shareholders**, each person who is registered as the holder of Target Shares recorded in the Target Register as at the Scheme Record Date (**Scheme Shareholders**).

THE PARTIES AGREE AS FOLLOWS:

1. **DEFINITIONS, INTERPRETATION AND SCHEME COMPONENTS**

1.1 **Definitions**

The meanings of the terms used in this Scheme are set out below.

ADI means authorised deposit-taking institution (as defined in the *Banking Act 1959* (Cth)).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.

Bidder means Woolworths Group Limited ACN 000 014 675 of 1 Woolworths Way, Bella Vista NSW 2153.

Bidder Group means Bidder and its subsidiaries.

Business Day means a business day as defined in the Listing Rules and which is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, Australia.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.

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

Court means the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Target and Bidder.

Deed Poll means the deed poll under which Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to Bidder under this Scheme.

Effective means when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court Order (as defined in clause 4) made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which this Scheme becomes Effective.

End Date has the meaning given to it in the Scheme Implementation Agreement, including any variation as permitted under that document.

Excluded Shares mean:

- (a) 48,997,216 Target Shares held by one or more entities controlled by Sean Senvirtne;
- (b) 1,316,942 Target Shares held by one or more entities controlled by Kate Dockery;
- (c) 1,043,377 Target Shares held by one or more entities controlled by Dean Ramler; or

- (d) any Target Shares held by a member of the Bidder Group or any person who holds any Target Shares on behalf of, or for the benefit of, any member of the Bidder Group and does not hold Target Shares on behalf of, or for the benefit of, any other person,

which will not be transferred to Bidder under the Scheme.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.

Implementation Date means the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Target and Bidder.

Listing Rules means the official listing rules of ASX.

Operating Rules means the official operating rules of ASX.

Registered Address means in relation to a Target Shareholder, the address shown in the Target Register as at the Scheme Record Date.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Target and Bidder.

Scheme Consideration means A\$1.05 cash for each Scheme Share.

Scheme Implementation Agreement means the scheme implementation agreement dated 20 May 2022 between Target and Bidder relating to the implementation of this Scheme.

Scheme Meeting means the meeting of the Target Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Record Date means 7.00 pm on the second Business Day after the Effective Date or such other time and date after the Effective Date as may be agreed to in writing by Target and Bidder.

Scheme Share means a Target Share on issue as at the Scheme Record Date, other than an Excluded Share.

Scheme Shareholder means a person who holds one or more Scheme Shares as at the Scheme Record Date.

Scheme Transfer means a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidder as transferee, which may be a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.

Target means MyDeal.com.au Limited ACN 640 108 130.

Target Register means the register of members of the Target maintained in accordance with the Corporations Act.

Target Registry means Boardroom Pty Limited ACN 003 209 836.

Target Share means a fully paid ordinary share in the capital of the Target.

Target Shareholder means each person who is registered as the holder of a Target Share in the Target Register.

1.2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to **\$**, **A\$** or **dollar** is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1, has the same meaning when used in this Scheme;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;

- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
 - (i) which ceases to exist; or
 - (ii) whose powers or functions are transferred to another body,
 is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Listing Rules and the Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

1.3 **Interpretation of inclusive expressions**

Specifying anything in this Scheme after the words include or for example or similar expressions does not limit what else is included.

1.4 **Business Day**

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

1.5 **Scheme components**

This Scheme includes any schedule to it.

2. **PRELIMINARY MATTERS**

- (a) Target is a public company limited by shares registered in Victoria, Australia, and has been admitted to the official list of the ASX. Target Shares are quoted for trading on the ASX.
- (b) As at the date of the Scheme Implementation Agreement, there were on issue:
 - (i) 258,827,306 Target Shares, which are quoted for trading on the ASX; and
 - (ii) 12,925,696 options to subscribe for Target Shares, which are not quoted for trading on any stock exchange.
- (c) Bidder is a public company limited by shares registered in New South Wales, Australia, and has been admitted to the official list of the ASX. Bidder shares are quoted for trading on the ASX.
- (d) If this Scheme becomes Effective:
 - (i) Bidder must provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with their respective obligations under the terms of this Scheme and the Deed Poll;

- (ii) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidder; and
- (iii) Target will enter the name of Bidder in the Target Register in respect of the Scheme Shares.
- (e) Target and Bidder have agreed, by executing the Scheme Implementation Agreement, to implement this Scheme.
- (f) This Scheme attributes certain actions to Bidder but does not itself impose an obligation on Bidder to perform those actions. Bidder has agreed, by executing the Deed Poll, to perform the actions attributed to it under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

3. **CONDITIONS**

3.1 **Conditions precedent**

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions in clause 3.2 of the Scheme Implementation Agreement (other than the condition in the Scheme Implementation Agreement relating to Court approval of this Scheme) having been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement by 8.00 am on the Second Court Date;
- (b) neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with their terms before 8.00 am on the Second Court Date;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by Target and Bidder;
- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by Target and Bidder having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date (or any later date Target and Bidder agree in writing).

3.2 **Certificate**

- (a) Target and Bidder will each provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived as at 8.00 am on the Second Court Date.
- (b) The certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived as at 8.00 am on the Second Court Date.

3.3 **End Date**

This Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Scheme Implementation Agreement or the Deed Poll is terminated in accordance with its terms,

unless Target and Bidder otherwise agree in writing.

4. **LODGEMENT OF COURT ORDER WITH ASIC**

Target must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act an office copy of the Court order approving this Scheme (the **Court Order**), as soon as possible after the Court approves this Scheme and in any event by 5.00 pm on the first Business Day after the day on which the Court approves this Scheme (or such later time or date as agreed in writing by Bidder).

5. **TRANSFER OF SCHEME SHARES**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 6.1 and Bidder having provided Target with written confirmation of the provision of the Scheme Consideration, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 9.5), by:
 - (i) Target delivering to Bidder a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target; and
 - (ii) Bidder duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 5(a)(ii), but subject to the stamping of the Scheme Transfer (if required), Target must enter the name of Bidder in the Target Register as the registered holder of all the Scheme Shares.

6. **SCHEME CONSIDERATION**

6.1 **Provision of Scheme Consideration**

- (a) Bidder must, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate Scheme Consideration payable to all Scheme Shareholders into an Australian dollar denominated trust account with an ADI operated by Target as trustee for the Scheme Shareholders and notified to Bidder at least five Business Days prior to the Implementation Date. Any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account).
- (b) On the Implementation Date, subject to funds having been deposited in accordance with clause 6.1(a), Target must pay the Scheme Consideration from the trust account referred to in clause 6.1(a) to each Scheme Shareholder in respect of all that Scheme Shareholder's Scheme Shares in accordance with clause 6.1.
- (c) The obligations of Target under clause 6.1(b) will be satisfied by Target (in its absolute discretion, and despite any election referred to in clause 6.1(c)(i) or authority referred to in clause 6.1(c)(ii) made or given by the Scheme Shareholder):

- (i) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (ii) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Target; or
 - (iii) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 6.2).
- (d) To the extent that, following satisfaction of Target's obligations under clause 6.1(b), there is a surplus in the amount held by Target as trustee for the Scheme Shareholder in the trust account referred to in that clause, that surplus must be paid by Target to Bidder.

6.2 **Joint holders**

In the case of Scheme Shares held in joint names:

- (a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Target, the holder whose name appears first in the Target Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Target, the holder whose name appears first in the Target Register as at the Scheme Record Date or to the joint holders.

6.3 **Fractional entitlements and splitting**

- (a) Where the calculation of the amount of Scheme Consideration to be paid, to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, then the fractional entitlement will be rounded down to the nearest cent.
- (b) If Bidder is of the opinion, formed reasonably, that several Scheme Shareholders, each of which holds a holding of Target Shares which results in a fractional entitlement to the Scheme Consideration have, before the Scheme Record Date, been party to a shareholding splitting or division in an attempt to obtain an unfair advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Scheme Consideration, Bidder may direct Target to give notice to those Scheme Shareholders:
 - (i) setting out the names and Registered Addresses of all of them;
 - (ii) stating that opinion; and
 - (iii) attributing to one of them specifically identified in the notice the Target Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of this Scheme, be taken to hold all those Target Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of this Scheme, be taken to hold no Target Shares.

6.4 Unclaimed monies

- (a) Target may cancel a cheque issued under this clause 6 if the cheque:
 - (i) is returned to Target; or
 - (ii) has not been presented for payment within six months after the Implementation Date.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Target Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Target must reissue a cheque that was previously cancelled under this clause 6.4.
- (c) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes unclaimed money (as defined in sections 7 and 8 of the *Unclaimed Money Act 1995* (NSW)).

6.5 Orders of a court or Government Agency

If Bidder or Target (or the Target Registry) is required under any applicable law including as a result of any order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

- (a) requires payment of a sum to a third party in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 6, then Bidder or Target shall be entitled to procure that payment is made in accordance with that law, order, direction or notice; or
- (b) prevents Bidder or Target from dispatching payment to any particular Scheme Shareholder in accordance with this clause 6, or such payment is otherwise prohibited by applicable law, Bidder or Target shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as payment in accordance with this clause 6 is permitted by that (or another) order, direction, notice or otherwise by law,

and the payment or retention by Bidder or Target in accordance with this clause 6.5 will constitute full discharge of Bidder's obligations under clause 6.1 with respect to such payment or retention.

7. DEALINGS IN TARGET SHARES

7.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Target Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Target Register as the holder of the relevant Target Shares on or before the Scheme Record Date; and

- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before 5.00pm on the day on which the Scheme Record Date occurs at the place where the Target Register is kept,

and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or their respective successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

7.2 **Register**

- (a) Target must register, or cause to be registered registrable transmission applications or transfers of Target Shares that are received in accordance with clause 7.1(b) before 5.00pm on the day on which the Scheme Record Date occurs provided that, for the avoidance of doubt, nothing in this clause 7.2(a) requires Target to register a transfer that would result in a Scheme Shareholder holding a parcel of Scheme Shares that is less than a marketable parcel (as defined in the Operating Rules).
- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain, or cause to be maintained, the Target Register in accordance with the provisions of this clause 7.2 until the Scheme Consideration has been paid to the Scheme Shareholders and Bidder has been entered in the Target Register as holder of all the Scheme Shares. The Target Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for the Target Shares (other than statements of holding in favour of Bidder or in respect of any Excluded Shares) will cease to have effect after the Scheme Record Date as documents of title in respect of those securities and, as from that date, each entry current at that date on the Target Register (other than entries on the Target Register in respect of Bidder or in respect of any Excluded Shares) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00 p.m. on the second Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Target Register at the Scheme Record Date are available to Bidder in the form that Bidder reasonably requires.

8. **QUOTATION OF TARGET SHARES**

- (a) Target must apply to ASX to suspend trading of the Target Shares on the ASX with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Bidder, Target must apply:
 - (i) for termination of the official quotation of the Target Shares on the ASX; and
 - (ii) to have itself removed from the official list of the ASX.

9. GENERAL SCHEME PROVISIONS

9.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which Target has consented to.

9.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder irrevocably:
 - (i) agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those Scheme Shares to Bidder in accordance with this Scheme;
 - (ii) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;
 - (iii) acknowledges and agrees that this Scheme binds Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Target, Bidder on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder on the Implementation Date, that:
 - (i) all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any security interests within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and
 - (ii) they have full power and capacity to transfer their Scheme Shares to Bidder together with any rights and entitlements attaching to those shares; and
 - (iii) they have no existing right to be issued any Target Shares, options exercisable into Target Shares, performance rights, convertible notes or any other Target securities.
- (c) Target undertakes in favour of each Scheme Shareholder that it will provide the warranties in clause 9.2(b) to Bidder as agent and attorney of each Scheme Shareholder.

9.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder will, at the time of transfer of them to Bidder vest in Bidder free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any security interests within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.

- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 6.1, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder in the Target Register as the holder of the Scheme Shares.

9.4 **Appointment of sole proxy**

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 6.1, and until Target registers Bidder as the holder of all Scheme Shares in the Target Register, each Scheme Shareholder:

- (a) is deemed to have appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as its sole proxy and, where applicable or appropriate, corporate representative to attend securityholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any securityholders' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 9.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 9.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder under clause 9.4(a) may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

9.5 **Authority given to Target**

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against Bidder, and Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Bidder on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) on the Implementation Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer and delivering share certificates for Scheme Shares,

and Target accepts each such appointment. Target as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 9.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

9.6 **Binding effect of Scheme**

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

10. **GENERAL**

10.1 **Stamp duty**

Bidder will:

- (a) pay all stamp duty and any related fines and penalties in respect of this Scheme and the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under or in connection with the Scheme and the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 10.1(a).

10.2 **Consent**

Each of the Scheme Shareholders consents to Target doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Target or otherwise.

10.3 **Notices**

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by an Scheme Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

10.4 **Further action**

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

10.5 **No liability when acting in good faith**

Each Scheme Shareholder agrees that none of Target, Bidder, or any of their respective directors, officers, secretaries or employees shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

10.6 **Governing law**

- (a) This Scheme is governed by the laws in force in New South Wales, Australia.
- (b) The parties irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in New South Wales, Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

SCHEDULE 1

Deed Poll

[Not reproduced here]

Attachment 4 Notices of Meeting



MYDEAL.COM.AU LIMITED
ACN 640 108 130 ('MyDeal' or the 'Company')

NOTICE OF SCHEME MEETING

Notice

Notice is given by order of the Supreme Court of New South Wales, made on 2 August 2022 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), that a meeting of MyDeal Shareholders will be held at:

TIME: 10.30 am (AEST)

DATE: 6 September 2022

PLACE: Maddocks, Level 25, Tower Two, 727 Collins Street, Melbourne 3008 and online via the online platform at <https://web.lumiagm.com/363261076>.

The explanatory notes that accompany and form part of this Notice of Scheme Meeting describe in more detail how to participate in the Scheme Meeting either in person or via the online platform. Please ensure you read the explanatory notes in full.

Chairperson

The Court has directed that Mr Paul Greenberg, or failing him, Mr James Joughin, be chair of the meeting and has directed the chair to report the result of the Scheme Meeting to the Court.

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without modification by the Court) proposed to be made between MyDeal and MyDeal Shareholders (**Scheme**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet that accompanies this notice. Capitalised terms used but not defined in this Notice of Scheme Meeting have the defined meanings set out in section 11 of the Scheme Booklet.

Scheme Resolution

To consider and, if thought fit, to pass the following resolution:

'That pursuant to, and in accordance with, section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between the Company and the holders of its fully paid ordinary shares, the terms of which are contained in and more precisely described in the Scheme Booklet, of which the notice convening this meeting forms part, is agreed to (with or without modification or conditions as approved by the Supreme Court of New

South Wales) and, subject to approval of the scheme of arrangement by the Court, the Board is authorised to agree to, and implement, the scheme of arrangement with any such alternations or conditions as are thought fit by the Court.'

There are no relevant voting exclusions that apply to this Scheme Meeting.

Holders of Excluded Shares will not vote those Excluded Shares at the Scheme Meeting.

Important note

The Chair of the Scheme Meeting intends to vote all valid undirected proxies which they receive **for or in favour of** the Scheme Resolution.

Dated 2 August 2022

By order of the Court



Vanessa Chidrawi
Company Secretary
2 August 2022



**MYDEAL.COM.AU LIMITED
ACN 640 108 130 ('MyDeal' or the 'Company')**

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice

Notice is given that an extraordinary general meeting of MyDeal Shareholders (**EGM**) will be held at:

TIME: 10.45 am (AEST) or as soon after that time as the Scheme Meeting has concluded or been adjourned.

DATE: 6 September 2022

PLACE: Maddocks, Level 25, Tower Two, 727 Collins Street, Melbourne 3008 and online via the online platform at <https://web.lumiagm.com/363261076>.

The explanatory notes that accompany and form part of this Notice of EGM describe in more detail how to participate in the EGM either in person or via the online platform. Please ensure you read the explanatory notes in full.

Purpose of the EGM

The purpose of the EGM is to consider and, if thought fit, to approve pursuant to item 7 of section 611 of the *Corporations Act 2001* (Cth) (**Corporations Act**) the acquisition by Woolworths Group of a relevant interest in the Excluded Shares under the Put and Call Options.

The explanatory statement required by item 7 section 611 of the Corporations Act is contained as part of the Scheme Booklet that accompanies this notice. Capitalised terms used but not defined in this Notice of EGM have the defined meanings set out in section 11 of the Scheme Booklet.

EGM Resolution

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That, for the purposes of item 7 of section 611 of the Corporations Act and for all other purposes, approval is given for the acquisition by Woolworths Group of a relevant interest in the Excluded Shares, on the terms and conditions of the Put and Call Options described in the Scheme Booklet accompanying this Notice of Meeting.'

Voting Exclusions

No votes may be cast at the EGM in favour of the EGM Resolution by any of:

1. Woolworths Group or its associates; and
2. the Key Management Personnel, the KMP Shareholders or any of their respective associates.

However, the Company need not disregard a vote if it is cast by:

1. a person as a proxy or attorney for a person who is entitled to vote on the EGM Resolution, in accordance with directions given to the proxy or attorney to vote on the EGM Resolution in that way; or
2. the Chair of the EGM Meeting as proxy or attorney for a person who is entitled to vote on the EGM Resolution, in accordance with a direction given to the Chair to vote on the EGM Resolution as the Chair decides; or
3. a MyDeal Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the MyDeal Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the EGM Resolution; and
 - b. the MyDeal Shareholder votes on the EGM Resolution in accordance with directions given by the beneficiary to the MyDeal Shareholder to vote in that way.

Important note

The Chair of the EGM intends to vote all valid undirected proxies which they receive **for or in favour of** the EGM Resolution.

Dated 2 August 2022

By order of the Board



Vanessa Chidrawi
Company Secretary
2 August 2022

Explanatory Notes

General

These explanatory notes should be read in conjunction with the Notice of Scheme Meeting and Notice of Extraordinary General Meeting (collectively, **Notices of Meetings**) and the information in the Scheme Booklet. These explanatory notes and the Notices of Meetings form part of the Scheme Booklet.

Capitalised terms used but not defined in the Notices of Meetings and in these explanatory notes, have the same meaning as set out in the Glossary in Section 11 of the Scheme Booklet.

Meeting Format

The Scheme Meeting and EGM (**Meetings**) will be held as hybrid meetings. This means that MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives will be able to attend the meeting in person at Maddocks, Level 25, Tower Two, 727 Collins Street, Melbourne 3008 or may participate in the Meetings online at <https://web.lumiagm.com/363261076>.

MyDeal Shareholders who are unable to participate in the Meetings (or choose not to) are strongly encouraged to submit a proxy form as early as possible and in any event by 10.45 am on 4 September 2022 following the instructions below.

Voting Eligibility

The Directors have determined that the time for determining eligibility to vote at the Meetings is 7.00 pm (AEST) on 4 September 2022. Share transfers registered after this time will be disregarded for determining a MyDeal Shareholder's entitlement to take part in and vote at the Meetings. The remaining comments in these explanatory notes are addressed to MyDeal Shareholders entitled to participate in and vote at the Meetings.

Participating in the Meetings

- **Participating via the online platform**

MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives can participate in and vote at the Meetings via the online platform at <https://web.lumiagm.com/363261076>.

When signing in to the online platform MyDeal Shareholders will be prompted to authenticate their identity by entering their username (which is their Security Reference Number (SRN) or Holder Identification Number (HIN)) and password (which is their postcode or three-character country code (if outside Australia)).

The online platform can be accessed via a computer or mobile or tablet device with internet access. The online platform will allow MyDeal Shareholders and their authorised proxies, attorneys and corporate representative to participate in the Meetings live, ask questions online and cast an online vote.

Participants will be able to log in to the online platform 1 hour before the start of the Scheme Meeting. MyDeal recommends that MyDeal Shareholders log in to the online portal at least 15 minutes prior to the start of the Scheme Meeting to ensure their internet connections and devices are working and to attend to registration requirements.

The Lumi Online Shareholder's Meeting Guide provides details about how to ensure your browser is compatible with the online platform as well as a step-by-step guide to successfully log in and navigate the site. The Lumi Online Shareholder's Meeting Guide is available at <https://www.reportsonline.net.au/?documentid=A35DC1332D60425EB8B70AF4EA07F73A>.

- **Participating in person**

All persons attending the Meetings in person are asked to arrive 30 minutes before the time scheduled for the Meetings to commence, so that their shareholding can be checked against the Register, any power of attorney or certificate of appointment of corporate representative verified and their attendance noted.

If it becomes necessary or appropriate to make alternative arrangements to hold the Meetings to those set out in this notice, MyDeal Shareholders will be given as much notice as possible. Information relating to alternative arrangements will be communicated to shareholders through an announcement to the ASX and MyDeal's website at <https://investors.mydeal.com.au/site/content/>.

How you can Vote

Voting at the Meetings will be conducted by poll.

If you are a MyDeal Shareholder entitled to vote at the Meetings, you may vote:

- **by attending the Meetings in person** at Maddocks, Level 25, Tower 2, 727 Collins Street Melbourne Vic 3000;
- **by attending the Meetings via the online platform**, by participating and voting via the online platform during the Meetings at <https://web.lumiagm.com/363261076>;
- **by proxy**, by completing and submitting the Proxy Form in accordance with the instructions on that form and these explanatory notes. To be valid, your completed Proxy Form must be received by the Share Registry by 10.45 am (AEST) on 4 September 2022 (AEST);
- **by attorney**, by appointing an attorney to participate in and vote at the Meetings on your behalf and providing a duly executed power of attorney to the Share Registry;
- **by corporate representative**, in the case of a body corporate, appointing a corporate representative to participate in and vote at the Meetings on your behalf, and providing a duly executed 'Appointment of Corporate Representative' form (in accordance with section 250D of the Corporations Act) prior to the Meetings as set out in further detail below.

Voting

- **Voting online during the Meetings**

To vote online, you must participate in the Meetings via the online platform at <https://web.lumiagm.com/363261076> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.

Online voting will be open between the start of the relevant Meeting and the closing of voting as announced by the Chair during that Meeting.

More information about how to use the online platform (including how to vote and submit questions online during the Meetings) is available in the Lumi Online Shareholder's Meeting Guide, which is available at <https://www.reportsonline.net.au/?documentid=A35DC1332D60425EB8B70AF4EA07F73A>.

- **Voting in person during the Meetings**

MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives who are attending in person may vote by either:

- bringing their own mobile device and using this to log into the Lumi Platform via the Lumi website on their mobile device; or
- using a Lumi keypad voting device (**Lumi Voting Device**) which will be made available to MyDeal Shareholders or authorised persons at the in person meeting.

Paper poll cards will not be used for voting at the Scheme Meeting. All votes will be cast electronically via the devices identified above.

- **Voting by proxy**

A MyDeal Shareholder who is entitled to participate in and vote at the Meetings is entitled to appoint not more than two proxies to attend and vote in place of that MyDeal Shareholder.

If the MyDeal Shareholder appoints two proxies, the MyDeal Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the MyDeal Shareholder's votes. If no proportion or number of votes is specified in one appointment of a proxy, the other may only exercise the votes not subject of the appointment that specifies a proportion or number. If the specified proportion or number of votes exceeds that which the MyDeal Shareholder is entitled to, each proxy may exercise half of the MyDeal Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a MyDeal Shareholder. A body corporate appointed as a MyDeal Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meetings. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying (see the Explanatory Notes below):

- If a MyDeal Shareholder has not directed their proxy how to vote, the proxy may vote (or abstain from voting) as the proxy determines, and
- If a MyDeal Shareholder appoints the Chair of the relevant Meeting as proxy and does not direct the Chair how to vote on an item of business, **the Chair intends to vote all undirected proxies in favour of the Scheme Resolution or the EGM Resolution (as applicable).**

- **Voting by attorney**

A person attending the Meetings as an attorney must provide the Share Registry with an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Meetings by no later than the time specified for lodging a Proxy Form (being 10.45 am on 4 September 2022) unless it has been previously provided to the Share Registry.

- **Voting by corporate representative**

A MyDeal Shareholder that is a body corporate or a proxy that is a body corporate may elect to appoint an individual as its corporate representative to attend the Meetings. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. A corporate representative of a MyDeal Shareholder that is a body corporate attending the meeting should provide the Share Registry with the necessary evidence of their appointment (by no later than the time specified for lodging a Proxy Form, being 10.45 am 4 September 2022) by providing that individual with:

- a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the Company's constitution; or
- a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

- **How to submit a Proxy Form**

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Share Registry, as an original or by facsimile, **no later than 10.45 am (AEST) on 4 September 2022** (being 48 hours before the time of the EGM).

Proxy forms may be submitted in one of the following ways:

- by mail to Boardroom Pty Limited using the reply-paid envelope or GPO Box 3993, Sydney NSW 2001. Please allow sufficient time so that it reaches Boardroom Pty Limited by the Proxy Deadline;
- by fax to Boardroom Pty Limited on +61 2 9290 9655 (within Australia); or
- online via www.votingonline.com.au/mydsm2022; or
- by hand delivery to Boardroom Pty Limited at Level 12, 225 George Street, Sydney NSW 2000.

Questions from MyDeal Shareholders

MyDeal Shareholders who would like to ask questions at the Meetings are encouraged to do so in writing before the Meetings by emailing their questions online via <https://www.votingonline.com.au/mydsm2022>. Please note that individual responses will not be sent to MyDeal Shareholders.

MyDeal Shareholders and their authorised proxies, attorneys and corporate representatives will have the opportunity to ask questions or make comments (if attending the Meetings in person) or submit questions or comments (if participating via the on-line platform) to the MyDeal Board during the Meetings.

In the interests of all present, please confine your questions to matters before the Meetings that are relevant to MyDeal Shareholders as a whole.

Technical difficulties

Technical difficulties may arise during the course of the Meetings. The Chair has discretion as to whether and how the Meetings should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of MyDeal Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the Chair considers it appropriate, the Chair may continue to hold the Meetings and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

Scheme Resolution

- **Scheme Booklet**

To enable you to make an informed decision about taking part in the Scheme Meeting (either in person or virtually) and voting on the Scheme Resolution, further information on the Scheme is set out in the Scheme Booklet, of which this notice forms part. You should read the Scheme Booklet and its appendices in full before making a decision whether, and as to how, you intend to vote on the Scheme Resolution.

The purpose of the Scheme Booklet is to explain the terms of the Scheme and the manner in which the Scheme will be considered and implemented (if approved), to provide information required by law and to provide any other information that is material to the making of a decision by MyDeal Shareholders whether or not to vote in favour of the Scheme.

- **Shareholder approval of the Scheme Resolution**

For the Scheme to proceed and be implemented, the Scheme Resolution must be approved by the Requisite Majorities of MyDeal Shareholders, being:

- a majority in number (more than 50%) of MyDeal Shareholders present and voting (personally or by proxy, attorney or corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the Scheme Resolution.

- **Court approval**

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without modification or conditions as approved by the Court) must be approved by the Court. The Court has discretion whether or not to approve the Scheme, even if the Scheme Resolution is approved by the Requisite Majorities of MyDeal Shareholders.

In order for the Scheme to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

EGM Resolution

The Scheme Booklet also sets out the information that is known to Woolworths Group or their associates or MyDeal that is material to the decision on how to vote on the EGM Resolution or is otherwise required by item 7 of section 611 of the Corporations Act.

Subject to implementation of the Scheme, if the EGM Resolution is approved by a simple majority of votes cast by MyDeal Shareholders entitled to vote on the EGM Resolution, then the Put and Call Options that contain the terms for the proposed acquisition by Woolworths Group of a relevant interest in the Excluded Shares will be entered into on or around the Implementation Date.

Further Information

Further information concerning the Scheme Resolution, the EGM Resolution, the Scheme and the Post-Implementation Agreements are set out in the Scheme Booklet.

A copy of the Scheme Booklet can be obtained by anyone from ASX's website (www2.asx.com.au) (ASX:MYD), MyDeal's website at <https://investors.mydeal.com.au/site/content/>, or by contacting the Share Registry using the details below.

If you have any further questions, please call the Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside of Australia, Monday to Friday (excluding New South Wales public holidays), between 8.30am and 5.30pm (AEST) or email MyDeal's Company Secretary at vanessa.chidrawi@mydeal.com.au .



ONLINE SHAREHOLDERS' MEETING GUIDE 2022

Attending the meeting virtually

If you choose to participate online, you will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

To access the meeting:

Visit web.lumiagm.com/363261076 on your computer, tablet or smartphone. You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

Meeting ID: 363-261-076

To login you must have your **Voting Access Code (VAC)** and **Postcode or Country Code**

The website will be open and available for log in from 09:30am (AEST), Tuesday 6 September 2022

Using the Lumi meeting platform:

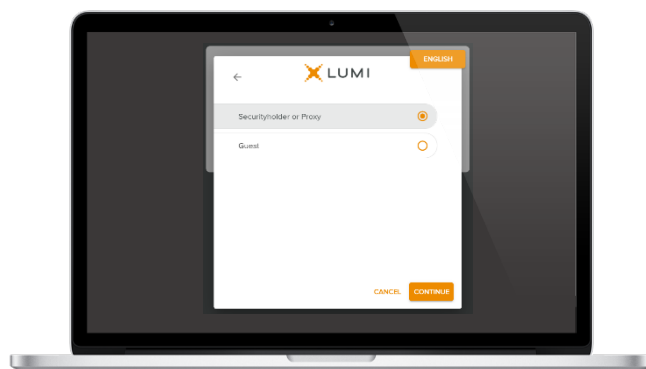
ACCESS

The 1st page of the platform will ask in what capacity you are joining the meeting.

Shareholders or appointed proxies should select

"Shareholder or Proxyholder"

Guests should select **"Guest"**



CREDENTIALS

Shareholders/Proxys

Your username is your **Voting Access Code** and your password is your **Postcode or Country Code**, or, for Non-Australian residents, your **3-letter country code**.

Proxy holders should obtain their log in credentials from the registrar by calling 1300 737 760 or +61 2 9290 9600

The screenshot shows the Lumi login interface for Shareholders/Proxys. It features the Lumi logo at the top. Below it are two input fields: "Voting Access Code (VAC)" and "Postcode or Country Code". A large orange "LOGIN" button is positioned below these fields. At the bottom, there is a link that says "Having trouble logging in...?" followed by a downward arrow icon.

Guests

Please enter your name and email address to be admitted into the meeting.

Please note, guests will not be able to ask questions or vote at the meeting.

The screenshot shows the Lumi login interface for Guests. It features the Lumi logo at the top. Below it are three input fields: "First Name", "Last Name", and "Email". At the bottom right, there are two buttons: "CANCEL" and "CONTINUE".

NAVIGATION

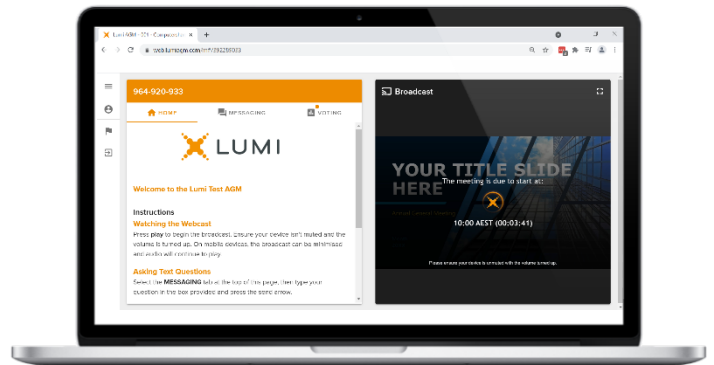
Once successfully authenticated, the home page will appear. You can view meeting instructions, ask questions and watch the webcast.

If viewing on a computer the webcast will appear at the side automatically once the meeting has started.

On a mobile device, select the broadcast icon at the bottom of the screen to watch the webcast.



During the meeting, mobile users can minimise the webcast at any time by selecting the arrow by the broadcast icon. You will still be able to hear the meeting. Selecting the broadcast icon again will reopen the webcast.



Desktop / Laptop users can watch the webcast full screen, by selecting the full screen icon.



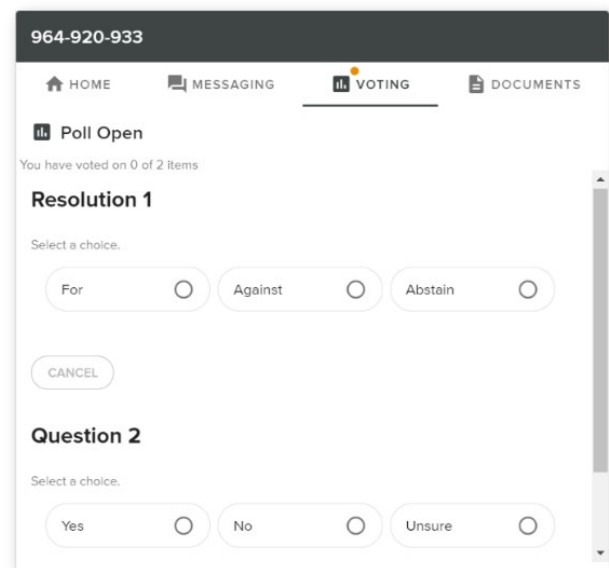
To reduce the webcast to its original size, select the X at the top of the broadcast window.

VOTING

The Chair will open voting on all resolutions at the start of the meeting. Once voting has opened, the voting tab will appear on the navigation bar.



Selecting this tab will open a list of all resolutions and their voting options.

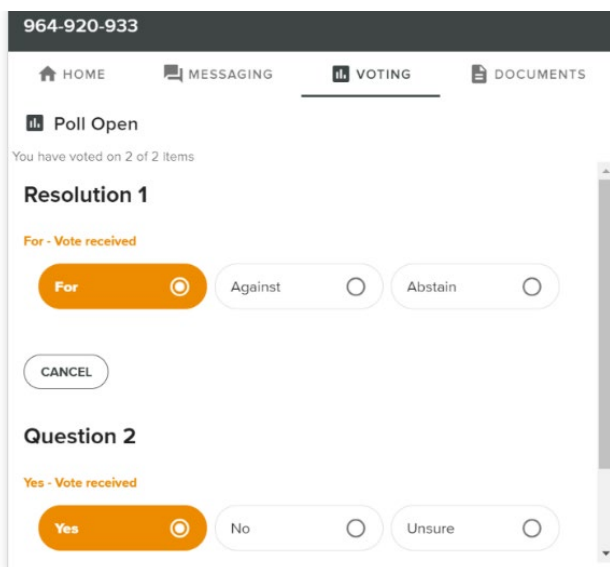


To vote, simply select your voting direction from the options displayed on screen. Your selection will change colour and a confirmation message will appear.

To change your vote, simply select another option. If you wish to cancel your vote, please press cancel.

There is no need to press a submit or send button. Your vote is automatically counted.

Voting can be performed at any time during the meeting until the Chair closes the poll.



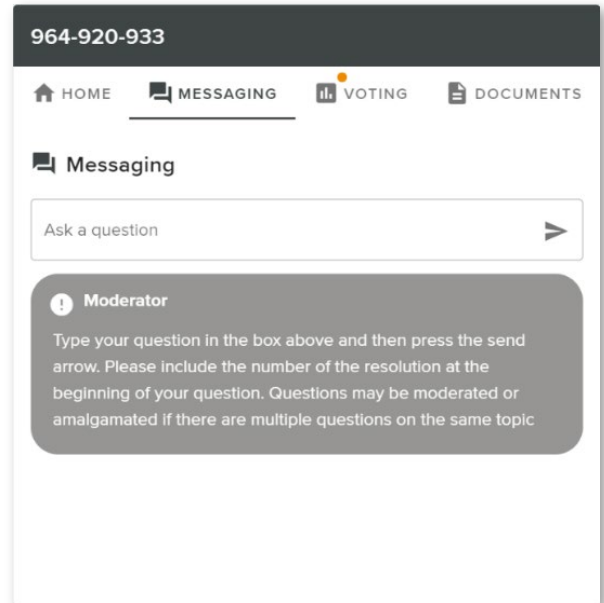
QUESTIONS

Any shareholder or appointed proxy is eligible to ask questions.

If you would like to ask a question. Select the messaging tab.



Messages can be submitted at any time from the start of the meeting, up until the Chair closes the Q&A session.



964-920-933

HOME MESSAGING VOTING DOCUMENTS

Messaging

Ask a question

Moderator

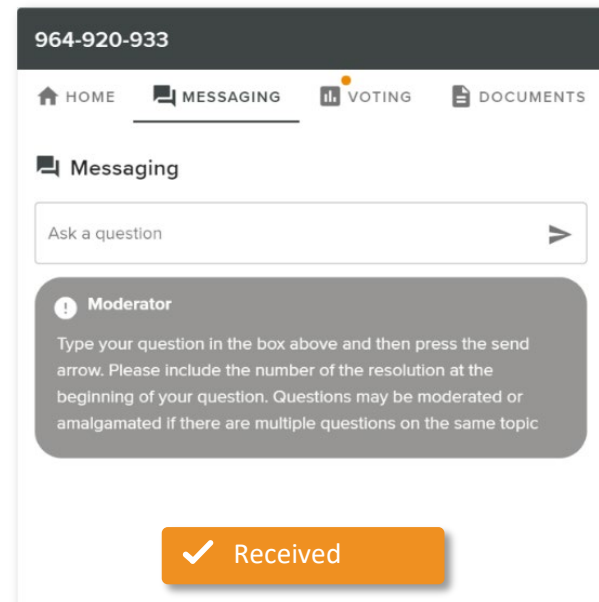
Type your question in the box above and then press the send arrow. Please include the number of the resolution at the beginning of your question. Questions may be moderated or amalgamated if there are multiple questions on the same topic

Select the “Ask a Question” box and type in your message.

Once you are happy with your message, select the send icon.



Questions sent via the Lumi platform may be moderated before being sent to the Chair. This is to avoid repetition and remove any inappropriate language.



964-920-933

HOME MESSAGING VOTING DOCUMENTS

Messaging

Ask a question

Moderator

Type your question in the box above and then press the send arrow. Please include the number of the resolution at the beginning of your question. Questions may be moderated or amalgamated if there are multiple questions on the same topic

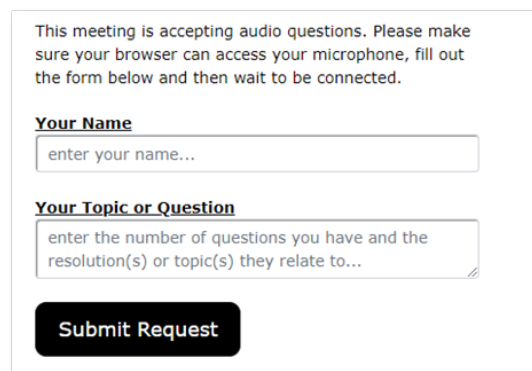
✓ Received

Asking Audio Questions

An audio questions line is available to members and appointed proxy holders.

To use this service, pause the broadcast before clicking on the link under “Asking Audio Questions”. A new page will open, as shown on the right. Please enter the requested details and click “Submit Request” to join the audio questions queue.

You will hear the meeting while you wait to ask your question.



This meeting is accepting audio questions. Please make sure your browser can access your microphone, fill out the form below and then wait to be connected.

Your Name

enter your name...

Your Topic or Question

enter the number of questions you have and the resolution(s) or topic(s) they relate to...

Submit Request

Meeting ID: 363-261-076

To login you must have your **Voting Access Code (VAC)** and **Postcode or Country Code**

The website will be open and available for log in from 09:30am (AEST), Tuesday 6 September 2022

Country Codes

For overseas shareholders, select your country code from the list below and enter it into the password field.

ABW	Aruba
AFG	Afghanistan
AGO	Angola
AIA	Anguilla
ALA	Aland Islands
ALB	Albania
AND	Andorra
ANT	Netherlands Antilles
ARE	United Arab Emirates
ARG	Argentina
ARM	Armenia
ASM	American Samoa
ATA	Antarctica
ATF	French Southern
ATG	Antigua & Barbuda
AUS	Australia
AUT	Austria
AZE	Azerbaijan
BDI	Burundi
BEL	Belgium
BEN	Benin
BFA	Burkina Faso
BGD	Bangladesh
BGR	Bulgaria
BHR	Bahrain
BHS	Bahamas
BIH	Bosnia & Herzegovina
BLM	St Barthelemy
BLR	Belarus
BLZ	Belize
BMU	Bermuda
BOL	Bolivia
BRA	Brazil
BRB	Barbados
BRN	Brunei Darussalam
BTN	Bhutan
BUR	Burma
BVT	Bouvet Island
BWA	Botswana
CAF	Central African Republic
CAN	Canada
CCK	Cocos (Keeling) Islands
CHE	Switzerland
CHL	Chile
CHN	China
CIV	Cote D'ivoire
CMR	Cameroon
COD	Democratic Republic of Congo
COK	Cook Islands
COL	Colombia
COM	Comoros
CPV	Cape Verde
CRI	Costa Rica
CUB	Cuba
CYM	Cayman Islands
CYP	Cyprus
CXR	Christmas Island
CZE	Czech Republic
DEU	Germany
DJI	Djibouti
DMA	Dominica
DNK	Denmark
DOM	Dominican Republic

DZA	Algeria
ECU	Ecuador
EGY	Egypt
ERI	Eritrea
ESH	Western Sahara
ESP	Spain
EST	Estonia
ETH	Ethiopia
FIN	Finland
FJI	Fiji
FLK	Falkland Islands (Malvinas)
FRA	France
FRO	Faroe Islands
FSM	Micronesia
GAB	Gabon
GBR	United Kingdom
GEO	Georgia
GGY	Guernsey
GHA	Ghana
GIB	Gibraltar
GIN	Guinea
GLP	Guadeloupe
GMB	Gambia
GNB	Guinea-Bissau
GNQ	Equatorial Guinea
GRC	Greece
GRD	Grenada
GRL	Greenland
GTM	Guatemala
GUF	French Guiana
GUM	Guam
GUY	Guyana
HKG	Hong Kong
HMD	Heard & Mcdonald Islands
HND	Honduras
HRV	Croatia
HTI	Haiti
HUN	Hungary
IDN	Indonesia
IMN	Isle Of Man
IND	India
IOT	British Indian Ocean Territory
IRL	Ireland
IRN	Iran Islamic Republic of
IRQ	Iraq
ISM	Isle of Man
ISL	Iceland
ISR	Israel
ITA	Italy
JAM	Jamaica
JEY	Jersey
JOR	Jordan
JPN	Japan
KAZ	Kazakhstan
KEN	Kenya
KGZ	Kyrgyzstan
KHM	Cambodia
KIR	Kiribati
KNA	St Kitts And Nevis
KOR	Korea Republic of
KWT	Kuwait
LAO	Laos
LBN	Lebanon

LBR	Liberia
LBY	Libyan Arab Jamahiriya
LCA	St Lucia
LIE	Liechtenstein
LKA	Sri Lanka
LSO	Lesotho
LTU	Lithuania
LUX	Luxembourg
LVA	Latvia
MAC	Macao
MAF	St Martin
MAR	Morocco
MCO	Monaco
MDA	Republic Of Moldova
MDG	Madagascar
MDV	Maldives
MEX	Mexico
MHL	Marshall Islands
MKD	Macedonia Former Yugoslav Rep
MLI	Mali
MLT	Mauritania
MMR	Myanmar
MNE	Montenegro
MNG	Mongolia
MNP	Northern Mariana Islands
MOZ	Mozambique
MRT	Mauritania
MSR	Montserrat
MTQ	Martinique
MUS	Mauritius
MWI	Malawi
MYS	Malaysia
MYT	Mayotte
NAM	Namibia
NCL	New Caledonia
NER	Niger
NFK	Norfolk Island
NGA	Nigeria
NIC	Nicaragua
NIU	Niue
NLD	Netherlands
NOR	Norway Montenegro
NPL	Nepal
NRU	Nauru
NZL	New Zealand
OMN	Oman
PAK	Pakistan
PAN	Panama
PCN	Pitcairn Islands
PER	Peru
PHL	Philippines
PLW	Palau
PNG	Papua New Guinea
POL	Poland
PRI	Puerto Rico
PRK	Korea Dem Peoples Republic of
PRT	Portugal
PRY	Paraguay
PSE	Palestinian Territory Occupied
PYF	French Polynesia
QAT	Qatar
REU	Reunion

ROU	Romania
RUS	Russian Federation
RWA	Rwanda
SAU	Saudi Arabia Kingdom Of
SDN	Sudan
SEN	Senegal
SGP	Singapore
SGS	Sth Georgia & Sth Sandwich Isl
SHN	St Helena
SJM	Svalbard & Jan Mayen
SLB	Solomon Islands
SCG	Serbia & Outlying
SLE	Sierra Leone
SLV	El Salvador
SMR	San Marino
SOM	Somalia
SPM	St Pierre And Miquelon
SRB	Serbia
STP	Sao Tome And Principe
SUR	Suriname
SVK	Slovakia
SVN	Slovenia
SWE	Sweden
SWZ	Swaziland
SYC	Seychelles
SYR	Syrian Arab Republic
TCA	Turks & Caicos Islands
CD	Chad
TGO	Togo
THA	Thailand
TJK	Tajikistan
TKL	Tokelau
TKM	Turkmenistan
TLS	Timor-Leste
TMP	East Timor
TON	Tonga
TTO	Trinidad & Tobago
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
TWN	Taiwan
TZA	Tanzania United Republic of
UGA	Uganda
UKR	Ukraine
UMI	United States Minor
URY	Uruguay
USA	United States of America
UZB	Uzbekistan
VNM	Vietnam
VUT	Vanuatu
WLF	Wallis & Futuna
WSM	Samoa
YEM	Yemen
YMD	Yemen Democratic
YUG	Yugoslavia Socialist Fed Rep
ZAF	South Africa
ZAR	Zaire
ZMB	Zambia
ZWE	Zimbabwe

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your proxy to be effective it must be completed, signed and lodged with the Share Registry **before 10:45am (AEST) on Sunday 4 September 2022.**

📄 TO LODGE YOUR PROXY ONLINE

📱 BY SMARTPHONE

STEP 1: VISIT <https://www.votingonline.com.au/mydsm2022>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC)



Scan QR Code using smartphone
QR Reader App

COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meetings as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meetings as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meetings, the Chair of the Meetings will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meetings and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the Extraordinary General Meeting, therefore by **10:45am (AEST) on Sunday 4 September 2022.** Any Proxy Form received after that time will not be valid for the scheduled meetings.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/mydsm2022>
- ✉ **By email** proxy@boardroomlimited.com.au
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meetings If you wish to attend the meetings, please bring this form with you to assist registration.

Access your Notices of Scheme Meeting and Extraordinary General Meeting

To view or download the full Notices of Meetings and Scheme Booklet which sets out the details of all resolutions being put to the Meetings please visit the ASX website (ASX:MYD) at <https://www2.asx.com.au/markets/company/myd>.

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

This Proxy Form should be read in conjunction with the Scheme Booklet dated 2 August 2022 issued by MyDeal.com.au Limited. Words and expressions used in this Proxy Form have the same meaning given to them in the Scheme Booklet.

PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a member/s of **MyDeal.com.au Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meetings** (mark box)

OR if you are **NOT** appointing the Chair of the Meetings as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meetings as my/our proxy at the Scheme Meeting of the Company to be held at 10.30am (AEST) on Tuesday 6 September 2022 and followed by the Extraordinary General Meeting of the Company to be held at 10.45am (AEST) on Tuesday 6 September 2022 or as soon after that time as the Scheme Meeting has concluded or been adjourned (the **Meetings**) and at any postponement or adjournment of the Meetings to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meetings will vote all undirected proxies in favour of all Items of business.

The Meetings will be held as hybrid events. You can participate by attending in person at Maddocks, Level 25, Tower Two, 727 Collins Street, Melbourne 3008 or logging in online at <https://web.lumiagm.com/363261076>.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

**Resolution 1
Scheme
Meeting**

That pursuant to, and in accordance with, section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between the Company and the holders of its fully paid ordinary shares, the terms of which are contained in and more precisely described in the Scheme Booklet, of which the notice convening this meeting forms part, is agreed to (with or without modification or conditions as approved by the Supreme Court of New South Wales) and, subject to approval of the scheme of arrangement by the Court, the Board is authorised to agree to, and implement, the scheme of arrangement with any such alternations or conditions as are thought fit by the Court.

For **Against** **Abstain***

☐☐☐**Resolution 2
Extraordinary
General
Meeting**

That, for the purposes of item 7 of section 611 of the Corporations Act and for all other purposes, approval is given for the acquisition by Woolworths Group of a relevant interest in the Excluded Shares, on the terms and conditions of the Put and Call Options described in the Scheme Booklet accompanying this Notice of Meeting.

☐☐☐**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022

Corporate Directory

Directors

Paul Greenberg
Sean Senvirtne
Chris Tait
James Joughin

Company Secretary

Vanessa Chidrawi

Registered Office

Level 1
446 Collins Street
Melbourne Vic 3000

Corporate Advisers

RBC Capital Markets | Technology Group Investment Banking
Level 47, 2 Park Street, Sydney NSW 2000
T: + 61 2 9033 3089 | M: + 61 428 298 190

Legal Advisers

Maddocks

Sydney

Angel Place, Level 27
123 Pitt Street, Sydney NSW 2000

Melbourne

Collins Square | Tower Two, Level 25
727 Collins Street, Melbourne VIC 3008
www.maddocks.com.au

Share Registry

Boardroom Pty Limited
Grosvenor Place
Level 12
225 George Street
Sydney NSW 2000

Securities Exchange Listing

Australian Securities Exchange
ASX Code (ordinary shares): MYD

Website

www.mydeal.com.au

Shareholder Information

Shareholder Information:
1300 737 760 (in Australia)
(+61) 2 9290 9600 (outside Australia)