

30 May 2023

TASK Group – Buy-Back of Unmarketable Parcels of Shares

Auckland, New Zealand, May 30, 2023 - TASK Group Holdings Limited (ASX/NZX: TSK) (**TASK** or the **Company**) announces that it intends to make an offer to acquire all shares in the Company that are held by shareholders (**Eligible Shareholders**) who hold less than A\$500 worth of shares in the company (an **Unmarketable Parcel**), based on the closing price on 23 May 2023 (**Record Date**) of A\$ 0.45 per share. The offer is made in accordance with clause 9.8 of the Company's constitution and section 60(1)(b)(ii) of the *Companies Act 1993* (New Zealand), by way of on off-market minimum holding share buy-back (**Buy-Back**).

The Buy-Back allows Eligible Shareholders to sell their shares back to the Company at A\$0.4156 per share (**Buy-Back Price**), being the greater of the Volume Weighted Average Price (**VWAP**) for the 20-day and 5-day trading period on the ASX preceding the Record Date.

The Company has decided to undertake the Buy-Back to assist Eligible Shareholders to sell and realise their shares without incurring brokerage fees or other expenses. The Company will pay for all costs related to the Buy Back (excluding tax consequences arising from the Buy-Back, which remain the responsibility of the Eligible Shareholder) and expect the Buy-Back to simplify the company register and reducing the administrative costs associated with managing a large number of shareholders with very small holdings. The cost of the Buy-Back is expected to be less than A\$160,000.

Eligible Shareholders will receive the **attached** letter and may opt out of the Buy-Back by completing a Share Retention Form in accordance with instructions on that form before 5.00pm (AEST/NZST) on 11 July 2023 (**Closing Date**). As an alternative to opting out, the Company will not buy back the shares if Eligible Shareholders either increase their holding above the A\$500 value in aggregate or consolidate separate holdings into a single holding that is above A\$500 by the Closing Date.

All shares acquired in the Buy-Back will be cancelled upon acquisition.

Key dates for the Buy-Back

Action	Date
Record Date Buy-Back	23 May 2023
Announcement of Buy-Back offer and	30 May 2023

Action	Date
Dispatch of Letter and Share Retention Form to Eligible Shareholders	
Closing Date for receipt of Share Retention Forms	11 July 2023
Announcement of outcome of Buy-Back and Cancellation of Buy-Back shares	18 July 2023
Remittance of proceeds to Eligible Shareholders who participated in Buy-Back	21 July 2023

ENDS

Approved for release by the Board of TASK Group Holdings Limited.

For more information, visit <https://TASKsoftware.com> or contact:

For investors

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CEO

daniel@tasksoftware.com

Bill Crichton
Chairman

bill@crichtonlimited.com.au

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About TASK Group

TASK Group is a leading provider of technology solutions enabling its global hospitality clients to maximise their customer relationships in an increasingly digital world.

TASK's end-to-end cloud-based platform helps clients to improve customer experiences across every transactional touchpoint, including digital customer-facing services, back-of-house and enterprise operations. The Group's ecosystem combines transaction services, personalisation, offer management and BI technology to help clients generate operational efficiencies, drive valuable data insights about their consumer base, activate new promotions and build brand loyalty.



30 May 2023

Dear Shareholder

BUY-BACK OF UNMARKETABLE PARCELS OF SHARES IN TASK GROUP HOLDINGS LIMITED

This letter contains important information about your shareholding in TASK Group Holdings Limited NZCN 244518 / ARBN 605 696 820 (ASX / NZX: TSK) (the **Company**).

The Company is writing to advise all shareholders (**Minority Members**) who, as at 7.00 pm (AEST) on 23 May 2023 (the **Record Date**) hold less than a 'marketable parcel' of shares, being shares with a value less than A\$500.00 (an **Unmarketable Parcel**), that in accordance with clause 9.8 of the Company's constitution it is proposing a sale of all Unmarketable Parcels by way of an off-market minimum holding share buy-back by the Company (the **Buy Back**).

Our records indicate that you are the holder of an Unmarketable Parcel as at the Record Date and as such your holding has been included in the Buy Back.

If you wish to retain your shares in the Company, you must complete the enclosed Share Retention Form in accordance with the instructions on that form, and return it by no later than 5.00 pm (AEST / NZST) on 11 July 2023 (the **Closing Date**), or increase the value of your holding in the Company by the Closing Date to more than A\$500.00. If you do not do so, your shares will be bought back by the Company and you will be sent payment for your shares in accordance with the terms of the Buy Back.

FAQs (Frequently Asked Questions) are set out for your convenience in Schedule 1 of this letter.

If you wish to retain your shares in the Company, please notify us of your intention by following the opt-out procedure set out below.

Ability to opt-out

If you wish to retain your shares in the Company, you must complete the Share Retention Form included as Schedule 2 to this notice in accordance with the instructions on that form.

Your completed Share Retention Form must be received by our Share Registry by no later than 5.00 pm (AEST / NZST) on the Closing Date.

If your completed Share Retention Form is not received by our Share Registry by 5.00 pm (AEST / NZST) on the Closing Date, and your shareholding remains less than a marketable parcel (being shares with a value less than A\$500.00), your shares will be bought back by the Company in accordance with the terms of the Buy Back.

Why is the Company implementing the Buy Back?

The cost of brokerage can be disproportionately high relative to the value of small shareholdings, making it difficult for Minority Members to sell their shares. The Buy Back will provide an opportunity for Minority Members to dispose of their shares without incurring any brokerage fees or other expenses. It will also assist the Company in simplifying the company register and reducing administration and Share Registry costs associated with managing a large number of shareholders holding an Unmarketable Parcel.

Authority to implement Buy Back

Under clause 9.8 of the Company's constitution and ASX Listing Rule 15.13, the Company may notify shareholders who hold less than A\$500.00 worth of shares in the Company that it intends to sell their Unmarketable Parcel. This letter, and the 'Share Retention Form' which accompanies this letter, satisfy the notice requirements under clause 9.8 of the Company's Constitution.

However, shareholders who hold Unmarketable Parcels have the opportunity to inform the Company's Share Registry that they wish to retain their shareholding and do not want their shares to be sold by completing and returning the 'Share Retention Form'. If a shareholder notifies the Company's Share Registry prior to 5.00 pm (AEST / NZST) on the Closing Date, their shares will not be bought back by the Company.

Details of Buy Back

The Company will purchase the Unmarketable Parcels from Minority Members at A\$0.4156 per share (the **Buy Back Price**), being the greater of the volume weighted average price (the **VWAP**) for the 5-day or 20-day trading period on the ASX preceding the Record Date.

Based on the closing price of A\$0.45 per share as at the Record Date, an Unmarketable Parcel is any shareholding of less than 1,112 shares in the Company.

As at the Record Date, the Company had approximately 542 shareholders (out of a total of 3,526 shareholders), representing a total of 347,838 shares, who held an Unmarketable Parcel. The aggregate value of shares held by the Minority Members is A\$156,527.10 based on the closing price of A\$0.45 per share as at the Record Date.

The Company will pay for all costs related to the Buy Back (excluding tax consequences from the Buy Back which will remain the responsibility of Minority Members who participate in the Buy Back). This notice represents an offer for the purposes of section 61 of the *Companies Act 1993*.

Change in value of your holding

If the market value of your shares in the Company increases before the Closing Date, due to an increase in the share price, so that your shares that were previously identified by the Company as constituting an Unmarketable Parcel become a 'marketable parcel' (i.e., their value becomes equal to or greater than A\$500.00) the Company will not sell your shares.

Additional options

As an alternative to opting-out using the 'Share Retention Form', the Company will not buy back your shares if:

- you increase your holding of shares in the Company to a number of shares constituting a 'marketable parcel' (being more than A\$500.00 worth of shares); or
- you hold multiple shareholdings that together constitute a parcel of at least A\$500 worth of shares in the Company, and you arrange to have those holdings merged into one shareholding that is noted on the Company's share register as a 'marketable parcel', by 5.00 pm (AEST / NZST) on the Closing Date.

If you choose to acquire additional shares or merge multiple shareholdings as outlined above, you should allow reasonable time for these actions to be effected on the Company's share register by 5.00 pm (AEST / NZST) on the Closing Date.

If you sell your shares in the Company prior to 5.00 pm (AEST / NZST) on the Closing Date, no further action will be taken.

Key Dates for the Buy Back

Date	Action
Tuesday, 23 May 2023	Record Date for fixing shareholders with an Unmarketable Parcel and the Buy Back Price.
Tuesday, 30 May 2023	Announcement of Buy Back offer. Dispatch of Shareholder Letters and Share Retention Forms to Minority Members.
Tuesday, 11 July 2023	Closing Date for receipt of Share Retention Forms and period to opt out of Buy Back.
Tuesday, 18 July 2023	Shares sold through Buy Back will be cancelled and announcement of outcome of Buy Back will be released to the ASX and NZX.
Friday, 21 July 2023	Minority Members whose shares are bought back under the Buy Back will have proceeds remitted to them and will be sent documentation advising them of the number of shares sold and the amount of proceeds remitted. Proceeds will be remitted to the bank account that the Minority Member has registered with the Share Registry as at the Closing Date. If no bank account is registered, proceeds will be remitted by cheque mailed to the address that the shareholder has registered with the Share Registry. Please note that if your registered address is in New Zealand, payment will be made via direct credit only and payment will be withheld until bank account details have been provided.

The Company may modify these dates or suspend or terminate the Buy Back at any time and without consultation. Any modification, suspension or termination will be notified by written notice to the ASX.

Important Notes

This letter provides information about the Buy Back and the choices that are available to you. The directors of the Company wish to remind you that as a valued shareholder, the Company will not buy back your shares if you wish to retain your shareholding.

The term "Unmarketable Parcel" refers to a shareholding that is "less than a marketable parcel" as defined under the ASX Listing Rules. It is not intended and should not be interpreted to mean that those shares are unable to be sold independent of the Buy Back.

No director has any interest in the shares which are the subject of the Buy Back.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Bill Crichton', with a stylized flourish at the end.

Bill Crichton

Chairman

TASK.

Schedule 1 – Frequently Asked Questions

Who is eligible to participate in this Buy Back?

Shareholders in the Company are eligible to participate in this Buy Back if they held shareholdings in the Company valued at less than A\$500.00 as at the Record Date.

If my shares are bought back through the Buy-Back, how much will I receive per share?

If your Unmarketable Parcel is bought back through the Buy Back, you will receive the Buy Back Price of A\$0.4156 per share, being the greater of the volume weighted average price (the **VWAP**) for the 5-day or 20-day trading period on the ASX preceding the Record Date.

What do I need to do to sell my shares?

Nothing. Your Unmarketable Parcel will be bought back through the Buy Back unless you return a Share Retention Form or increase your shareholding to more than A\$500.00 on the Closing Date.

If my shares are bought back through the Buy Back, how much money will I receive?

The total price that you will receive for an Unmarketable Parcel if it is bought back through this Buy Back will be the number of shares in that Unmarketable Parcel multiplied by A\$0.4156 per share.

Do I need to pay anything if I participate in the Buy Back?

The Company will pay all costs and expenses arising in connection with the Buy-Back. Any tax consequences from the Buy Back will be your responsibility.

If my shares are bought back through the Buy Back, when and how will I receive the proceeds?

If your Unmarketable Parcel is bought back through the Buy Back, it is anticipated the proceeds will be remitted to you on 21 July 2023, by payment into your nominated bank account or by cheque to your registered postal address for your shareholding. **Please note that if your registered address is in New Zealand, payment will be made via direct credit only and payment will be withheld until bank account details have been provided.**

Proceeds will be remitted to you in Australian dollars or, if you have provided the Share Registry with a New Zealand dollar bank account, in New Zealand dollars. If you receive payment in New Zealand dollars, your Australian dollar proceeds will be converted to New Zealand dollars at the prevailing foreign exchange market rate available at the time of conversion.

The payment advice will display the number of shares bought back and the proceeds remitted to you. This documentation will be sent by mail to the address held on the Company's register or by email if you have previously nominated to receive communication electronically.

If your bank account details have been recorded on the Company's register, payment will be made to you by direct credit to the bank account details recorded on the Company's register.

You can update your bank account details by the Closing Date by visiting www.investorcentre.com/au and using your member login. This also applies if you are an issuer sponsored shareholder and need to update your address. If you have a CHESS sponsored holding and need to update your address, you will need to contact your controlling participant. If you do not have an Investor Centre member login, you can update your bank account details by visiting www.computershare.com.au/easyupdate/TSK

What are the tax consequences of having my shares sold through the Buy Back?

The tax outcomes of participating in the Buy Back will vary depending on your circumstances.

If you are in the business of trading shares or hold the shares as revenue assets, you may have an assessable gain or loss on sale on revenue account. Otherwise, it is the Company's view that proceeds will be entirely treated as a return of capital (where no component of the proceeds constitutes a dividend), with the share buy-back under the Buy Back resulting in a Capital Gains Tax (CGT) event.

If you are an Australian resident shareholder, you will need to calculate a capital gain or capital loss. Details of the CGT event is required to be disclosed in your income tax return, regardless of whether you are required to pay tax on the event.

If you are not an Australian or New Zealand resident, you may have a tax liability in your country of residence.

It is strongly recommended that you consult with your taxation professional regarding your particular circumstances.

Can I sell some but not all of my shares through the Buy Back?

No, you may not sell part of an Unmarketable Parcel through the Buy Back. If you choose to participate in this Buy Back (by not completing the Share Retention Form), your entire Unmarketable Parcel will be bought back by the Company.

If I buy more shares, will my shareholding be bought back?

Your Unmarketable Parcel will not be bought back if you acquire additional shares in the Company so that your shareholding is noted on the Company's share register as being greater than A\$500.00 as at the Closing Date.

Any additional shares acquired must be registered by the Closing Date, under the same name and address and with the same holder number as set out in the accompanying Share Retention Form.

What do I do if I have multiple Unmarketable Parcels?

If there is more than one Unmarketable Parcel registered under your name, you will receive this letter and a personalised Share Retention Form for each of your Unmarketable Parcels. If you would like to keep one or more of your Unmarketable Parcels, you may take one of the following actions:

- complete the enclosed Share Retention Form in Schedule 2 for each of the Unmarketable Parcels that you would like to keep and return it in accordance with the instructions on the form; or
- acquire additional shares in the Company on-market so that each of the Unmarketable Parcels that you would like to keep is noted on the Company's share register as being greater than A\$500 as at the Closing Date; or
- if the Unmarketable Parcels that you hold together constitute a parcel of more than A\$500, arrange to have those holdings consolidated into one shareholding that is noted on the Company's share register as at the Closing Date.

Who do I contact if I have further questions?

If you have any further questions about the information contained in this letter or about the Buy Back, you may contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30 am and 5.00 pm (Australian Eastern Standard Time).



Task Group Holdings Limited
ARBN 605 696 820

**Return your Form to the Company's
share registry:**



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

Phone:



(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Schedule 2 – Share Retention Form



If you wish to retain your shares, your form must be received by 5:00pm (AEST/NZST) on Tuesday, 11 July 2023

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Task Group Holdings Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Task Group Holdings Limited, do not complete or return this form. If you have more than one shareholding on Task Group Holdings Limited's register and you do not wish to sell your shares under the off-market minimum holding share buy-back (**Buy-Back**), you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your controlling participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (**POA**), you must attach an original certified copy of the POA to this form.

Companies: If executed by a company, the form must be signed in accordance with the company's constitution and the *Companies Act 1993*.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign, and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.


Turn over to complete the form →

Task Group Holdings Limited

Schedule 2 – Share Retention Form

STEP 1

Shareholding Details

 For your security keep your SRN/
HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 7:00pm (AEST) on
Tuesday, 23 May 2023:

STEP 2

Signature of Shareholder(s)

This section must be completed.

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Buy-Back.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3

Contact Details

Contact
Name

Contact
Daytime
Telephone

Date / /

Email

Address

Please ensure you return your completed form to the address overleaf, or alternatively, email a copy of your completed form to **corpactprocessing@computershare.com.au**. Please ensure only one form is attached per e-mail and please do not use this e-mail address for any other purpose.

If you are a New Zealand resident and do not wish to send an e-mail, you can also return your completed form to:

Computershare Investor Services Pty Limited
Private Bag 92119
Victoria Street West
Auckland 1142
New Zealand

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (**CIS**), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the *Companies Act 1993* and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com.au>.



TASK Group Holdings Limited
(the Company)

**Disclosure Document Relating to Acquisition of the Company's
Unmarketable Parcels**

(Sections 61(5) and 62 Companies Act 1993)

To: All shareholders of the Company

This document is provided to all shareholders in accordance with the requirements set out in sections 61(5) and 62 of the New Zealand Companies Act 1993. It sets out details of the intention of the Company to offer to acquire certain shares in the Company from shareholders (**Minority Members**) who, as at 23 May 2023 (the **Record Date**), hold less than A\$500.00 worth of shares (an **Unmarketable Parcel**) (the **Buy Back**).

Pursuant to clause 9.8 of the Company's constitution, the Company is entitled to sell the Unmarketable Parcels of a Minority Member provided that the following conditions are met:

- (a) the Company must give to the Minority Member written notice that the Company intends to invoke the power of sale (the **Notice Date**);
- (b) the Company must give the Minority Member six weeks' notice from the Notice Date in which to advise the Company that the Minority Member wishes to retain its shareholding; and
- (c) if the Minority Member advises the Company that the Minority Member wishes to retain its shareholding, the Company must not sell the Minority Member's shares.

Clause 5.1 of the Company's constitution expressly permits the Company to acquire its own shares.

Minority Members who are included in the Buy Back will receive a separate notice of the Company's intention to acquire the Unmarketable Parcels.

The directors of the Company have authorised the Company making an offer to acquire such shares.

By a resolution dated 24 May 2023, the board of directors of the Company has resolved that the Company make an offer to acquire all Unmarketable Parcels from Minority Members.

Board Resolution

The full text of the board resolution is set out below.

- 1. The Company send to each shareholder a disclosure document, in the form attached, as required by section 61(5) of the Companies Act 1993.
- 2. The Company send to each Minority Member written notice that the Company intends to invoke the power of sale under clause 9.8 of the Constitution.
- 3. Not less than six weeks after the Notice Date, the Company make an offer to acquire the Unmarketable Parcels from Minority Members who have not advised prior to six weeks from the Notice Date that they wish to retain their shareholding, at A\$0.4156 per share.
- 4. The acquisition of the shares is in the best interests of the Company.
- 5. The acquisition of the shares is of benefit to the shareholders to whom the offer is not made.

6. The terms of the offer and the consideration offered for the shares are fair and reasonable to:
 - (a) the Company; and
 - (b) the shareholders to whom the offer is not made.
7. The board is not aware of any information that will not be disclosed to shareholders:
 - (a) which is material to an assessment of the value of the shares; and
 - (b) as a result of which the terms of the offer and consideration for the shares are unfair to shareholders accepting the offer.
8. The reasons for the board's conclusions are:
 - (a) there are 542 Minority Members on the Company's register, holding only 0.1% of the Company's total shares on issue;
 - (b) the Buy Back will simplify the Company's register and make it easier to manage; and
 - (c) the cost of brokerage can be disproportionately high relative to the value of small shareholdings, making it difficult for Minority Members to sell their shares and the Buy Back will provide an exit opportunity for these shareholders.
9. Pursuant to section 52 of the Companies Act 1993, the board authorises a distribution to each shareholder having their Unmarketable Parcel bought back in the amount of the consideration payable to that shareholder for the shares acquired from that shareholder.
10. Having regard to:
 - (a) the most recent financial statements and management accounts of the Company; and
 - (b) all other circumstances that the directors know affect, or may affect, the value of the Company's assets and the value of the Company's liabilities, including its contingent liabilities,

the board is satisfied that the Company will, immediately after the shares are acquired, satisfy the solvency test set out in section 4 of the Companies Act 1993 (as modified by section 52(4) of the Companies Act 1993), on the grounds that:

 - (c) the Company will be able to pay its debts as they become due in the normal course of business; and
 - (d) the value of the Company's assets will be greater than the value of its liabilities including contingent liabilities.
11. Pursuant to section 66(1) of the Companies Act 1993 the Unmarketable Parcels will be immediately cancelled on acquisition.

Important Notes

1. No director has any interest in the shares which are the subject of the acquisition.
2. Section 61(8) of the Companies Act 1993 confers on shareholders and the Company certain rights to apply to the court to restrain the proposed acquisition.
3. The term "Unmarketable Parcel" refers to a shareholding that is "less than a marketable parcel" as defined under the ASX Listing Rules. It is not intended and should not be interpreted to mean that those shares are unable to be sold independent of the Buy Back.

4. The offer by the Company to acquire the shares from Minority Members must be made not less than 10 working days and not more than 12 months after this disclosure document has been sent to each shareholder.

Dated 30 May 2023

Signed for and on behalf of TASK Group Holdings Limited by:



Bill Crichton

Chairman