



Share Purchase Plan Offer Booklet

Felix Group Holdings Ltd
ACN 159 858 509

You should read this SPP Offer Booklet in full

This SPP Offer Booklet contains important information. You should read this SPP Offer Booklet in full and seek advice from your stockbroker, accountant or other professional adviser if you have any questions about your investment in the Company. If you have any questions in relation to how to participate in the SPP after reading this SPP Offer Booklet, please contact the Registry on 1300 918 654 (callers within Australia) and +61 3 9415 4833 (callers outside Australia).

This SPP Offer Booklet does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

Not for release to US wire services or distribution in the United States

This SPP Offer Booklet does not constitute an offer of securities in any place outside Australia or New Zealand. In particular, this SPP Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, any SPP Shares (as defined below) in the United States or in any jurisdiction in which such an offer would be illegal. SPP Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. You must not send copies of this SPP Offer Booklet or any other material relating to the SPP to any person in the United States or elsewhere outside Australia and New Zealand.

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Letter from the Chairman

Dear fellow Shareholder,

On behalf of the Directors of Felix Group Holdings Ltd (**Company** or **Felix**), I am pleased to offer you the opportunity to participate in the partially underwritten share purchase plan (**SPP**) which was announced on Monday, 7 August 2023. The SPP allows Eligible Shareholders the opportunity to each subscribe to apply for up to \$30,000 worth of new, fully paid ordinary shares in the Company (subject to discretionary scale back) (**SPP Shares**), without incurring brokerage or other transaction costs, on the terms set out in this SPP Offer Booklet (**SPP Offer**).

The SPP Offer is underwritten up to the \$0.5 million by Taylor Collison Limited (**Underwritten Amount**).

The SPP is part of a wider capital raising being undertaken by Felix. The intention to launch the SPP Offer was announced on Monday, 7 August 2023, after the announcement of Felix's two tranche share placement to Institutional Investors (**Placement**).

Directors, Michael Bushby, Joycelyn Morton and Rob Phillpot, will take up their full entitlement under the SPP

Directors, George Rolleston, Mike Davis and Michael Trusler will also participate in the tranche 2 of the Placement, which will be subject to shareholder approval.

Use of proceeds

Proceeds raised from the Placement and SPP will be used for investment in sales and marketing to support the growing Tier 1 Contractor pipeline, balance sheet flexibility and offer costs.

Further details are contained in the ASX Announcements dated Monday, 7 August 2023.

SPP Offer Details

The SPP provides you with the opportunity to increase your holding of fully paid ordinary shares in the Company at the same issue price paid by Institutional Investors under the Placement, being \$0.08 per SPP Share. The issue price represents a 19.97% discount to the volume weighted average market price of Shares on the ASX during the five trading days on which sales in shares were recorded immediately prior to the announcement date of the SPP on Monday, 7 August 2023 (\$0.099).

You may apply for a parcel of SPP Shares valued at \$1,000, \$2,000, \$5,000 and thereafter in \$5,000 increments, up to a maximum of \$30,000 (in aggregate) (subject to discretionary scale back by the Company). Participation in the SPP is optional and open to Eligible Shareholders, being holders of fully paid ordinary shares in the Company at 7:00pm (AEST) on Friday, 4 August 2023 (**Record Date**) and whose address on the Register is in Australia or New Zealand. The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of certain Eligible Beneficiaries on the terms and conditions set out in this SPP Offer Booklet. Your right to participate in the SPP is not transferable. All SPP Shares will rank equally with existing Shares in the Company.

The terms and conditions of the SPP are provided in this SPP Offer Booklet. The SPP is underwritten to the Underwritten Amount of \$0.5 million and aims to raise approximately \$1.0 million. If applications for more than this amount are received, the Company may in its discretion accept oversubscriptions above this amount, subject to compliance with the ASX Listing Rules and *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*. The Company may also in its discretion undertake a scale back of applications for SPP Shares. Therefore, you may receive less than the parcel of SPP Shares for which you have applied. Should this happen, the balance of any Application Money that is not applied to acquire SPP Shares will be refunded to you, without interest.

I urge you to read these materials in their entirety and seek your own financial, taxation and other professional advice in relation to the SPP, before you decide whether to participate.

The SPP Offer will open at 9:00am (AEST) on Wednesday, 9 August 2023 and is expected to close at 5.00pm (AEST) on Friday, 25 August 2023.

To apply for SPP Shares, you must make a payment directly via BPAY® (New Zealand Shareholders who are unable to pay by BPAY® may pay by EFT).

If you have any questions in relation to how to participate in the SPP, please contact the Registry on 1300 918 654 (callers within Australia) and +61 3 9415 4833 (callers outside Australia) or consult your financial or other professional adviser.

On behalf of the Board of the Company, thank you for your ongoing support.

Yours sincerely

Michael Bushby
Chairman
Felix Group Holdings Ltd

Important information

Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

This SPP Offer Booklet is dated Wednesday, 9 August 2023. Capitalised terms used in this SPP Offer Booklet have the meaning given to them in section 4 of this SPP Offer Booklet.

The offer of SPP Shares under the SPP is made in accordance with the *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* which grants relief from the requirement to issue a disclosure document for the SPP.

This SPP Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision, nor does it contain all the information which would be required to be disclosed in a prospectus or other disclosure document prepared in accordance with the requirements of the Corporations Act. The information in this SPP Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This SPP Offer Booklet should be read in its entirety before you decide to participate in the SPP Offer. In particular you should consider the risk factors that could affect the performance of the Company or the value of an investment in Company. Please refer to the "Key risks" section of the Investor Presentation (see **Annexure A** of this SPP Offer Booklet). This SPP Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. By paying for your SPP Shares through BPAY®¹ (New Zealand Shareholders who are unable to pay by BPAY® may pay by EFT) in accordance with the instructions on the Application Form, you will be deemed to have acknowledged that you have read this SPP Offer Booklet and you have acted in accordance with and agree to the terms of the SPP Offer detailed in this SPP Offer Booklet.

Jurisdictions

Participation in the SPP is optional and open to Shareholders who are holders on the Record Date of Shares and whose registered address is in Australia or New Zealand.

The laws of some countries prohibit or make impracticable participation in the SPP by Shareholders who are not residents in Australia or New Zealand.

Accordingly, the Company has determined that it is not practical for Shareholders who are not residents in Australia or New Zealand to participate in the SPP. The SPP does not constitute an offer of Shares for sale in any jurisdiction other than Australia or New Zealand.

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

This SPP Offer Booklet, the Investor Presentation and the Application Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction in which, or to any person to whom it would not be lawful to make such an offer. No action has been taken to register or qualify the SPP Offer or the SPP Shares, or otherwise permit the offering of the SPP Shares, in any jurisdiction other than Australia. Return of the personalised Application Form will be taken by the Company to constitute a representation by you that there has been no breach of any such laws. Eligible Shareholders who are nominees or custodians should see section 2.4.

The distribution of this document (including in electronic format) outside Australia and New Zealand may be restricted by law. If you come into possession of this SPP Offer Booklet, you must observe such restrictions. In particular, this document or any copy of it must not be distributed in the United States. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This SPP Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013*. This SPP Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that

a product disclosure statement under New Zealand law is required to contain.

United States

Neither this SPP Offer Booklet, the personalised Application Form accompanying it, or the Investor Presentation constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This SPP Offer Booklet (or any part of it) may not be released to US wire services or distributed in the United States.

The SPP Shares have not been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the SPP may not be offered or sold to persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent that such person holds shares for the account or benefit of a person in the United States). The SPP Shares may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

Definitions, currency and time

Defined terms used in this SPP Offer Booklet are contained in Section 4 of this SPP Offer Booklet. All references to time are to Sydney, Australia time, unless otherwise indicated.

Foreign exchange

All references to '\$' are AUD unless otherwise noted.

Taxation

There will be tax implications associated with participating in the SPP Offer and receiving SPP Shares. Neither the Company nor any of its officers or employees, nor its taxation and other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences. The Company recommends that you consult your professional tax adviser in connection with the SPP Offer.

¹ ® registered to BPAY® Pty Ltd ABN 69 079137 518.

Privacy

The Company collects information about each Applicant provided on an Applicant's personalised Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting your personalised Application Form, you will be providing personal information to the Company (directly or through its Share Registry). The Company collects, holds and will use that information to assess your Application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to its Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through its Share Registry.

Governing law

This SPP Offer Booklet, the SPP Offer and the contracts formed on acceptance of the Applications are governed by the law of Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Queensland, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the SPP Offer which is not contained in this SPP Offer Booklet. Any information or representation in connection with the SPP Offer not contained in the SPP Offer Booklet may not be relied upon as having been authorised by the Company, its related bodies corporate or any of their respective directors, officers, employees, agents, advisers or representatives. Except as required by law, and only to the extent so required, none of the Company, its related bodies corporate or any of their respective directors, officers, employees, agents, advisers or representatives, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this SPP Offer Booklet.

Past performance

Investors should note that any past performance information given in this SPP Offer Booklet is provided for

illustrative purposes only and should not be relied upon as, and is not, an indication of the Company's future performance, including future share price performance.

Future performance and forward-looking statements

This SPP Offer Booklet contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management.

Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Such forward-looking statements include statements regarding the timetable, conduct and outcome of the SPP Offer and the use of proceeds thereof, statements about the plans, objectives and strategies of the management of the Company, statements about the industry and the markets in which the Company operates and statements about the future performance of the Company's businesses. Indications of, and guidance or outlook on, future earnings or financial position or performance, future earnings and distributions are also forward-looking statements.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate.

Any such statements, opinions and estimates in this SPP Offer Booklet speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this SPP Offer Booklet are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also assume the success of the Company's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond the Company's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Refer to the "Key risks" in the Investor

Presentation for a non-exhaustive summary of certain acquisition, business, general and Offer risk factors that may affect the Company. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of the Australian and global economic environment and capital market conditions and other risk factors set out in the Investor Presentation. Investors should consider the forward-looking statements contained in this SPP Offer Booklet in light of those risks and disclosures. The forward-looking statements are based on information available to the Company as at the date of this SPP Offer Booklet. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this SPP Offer Booklet will actually occur. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Except as required by law or regulation (including the Listing Rules), The Company disclaims any obligation or undertaking to update forward-looking statements in this SPP Offer Booklet to reflect any changes in expectations in relation to any forward-looking statement or change in events, circumstances or conditions on which any statement is based.

Disclaimer

To the maximum extent permitted by law, the Company and the Lead Manager expressly exclude and disclaim all liability (including, without limitation, any liability arising from fault or negligence on the part of any person) and any direct, indirect, consequential or contingent loss, damage, expense or cost whatsoever incurred by you as a result of your participation in or failure to participate in the SPP Offer and the information in this SPP Offer Booklet being inaccurate or due to information being omitted from this SPP Offer Booklet and make no representation or warranty, express or implied, as to whether you or your related parties should participate in the SPP Offer nor do they make any representations or warranties, express or implied, as to the fairness, currency, accuracy, reliability or completeness of the information in this SPP Offer Booklet.

Risks

An investment in SPP Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible delays in repayment and loss of income and principal invested. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

Shareholders should refer to the "Key risks" section of the Investor Presentation included in Annexure A of this SPP Offer Booklet for a summary of general and specific risk factors that may affect the Company.

Trading SPP Shares

To the maximum extent permitted by law, the Company, and its affiliates and related bodies corporate, and each of their respective directors, officers, partners, employees, consultants, advisers and agents will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade SPP Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or its Share Registry or otherwise, or who otherwise trade or purport to trade SPP Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

No SPP Offer entitlement trading

The SPP Offer entitlement is non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

The information in this SPP Offer Booklet remains subject to change without notice.

This document has been authorised for release to ASX by the Company Board of Directors.

1 Key SPP information

1.1 Key dates for the SPP

Record Date	7:00 p.m. (AEST) on Friday, 4 August 2023
Opening Date	9:00 a.m. (AEST) on Wednesday, 9 August 2023
Closing Date	5:00 p.m. (AEST) on Friday, 25 August 2023
SPP results announcement	Thursday, 31 August 2023
Issue Date - of SPP Shares	Friday, 1 September 2023
SPP Shares commence trading on the ASX	Monday, 4 September 2023

*Please note, the dates set out above are indicative only and are subject to change without notice to you. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the SPP.

1.2 Key SPP information

You should read this section in conjunction with the terms and conditions of the SPP set out in section 2, below.

What is the SPP?	<p>The SPP is an opportunity for Eligible Shareholders to each subscribe for up to \$30,000 worth of SPP Shares without brokerage or other transaction costs.</p> <p>Eligible Shareholders may each apply for SPP Shares in parcels valued at \$1,000, \$2,000, \$5,000 and thereafter in \$5,000 increments up to maximum of \$30,000 (in aggregate) (subject to discretionary scale-back).</p>
What are funds in the SPP to be used for?	<p>Felix will use the proceeds raised from the Placement and SPP to fund:</p> <ul style="list-style-type: none"> investment in sales and marketing to support the growing Tier 1 Contractor pipeline; and balance sheet flexibility.
Is participation in the SPP compulsory?	<p>No. Participation in the SPP is entirely voluntary.</p> <p>Before you decide whether to participate in the SPP, the Company recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.</p> <p>If you do not wish to participate in the SPP, do nothing.</p>
What is the Issue Price of the SPP Shares?	<p>SPP Shares will be offered at \$0.08 per SPP Share, being the same price paid by Institutional Investors under the Placement announced on Monday, 7 August 2023.</p> <p>For the purposes of paragraph 7(e)(i) of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i>, the Issue Price was calculated by reference to the issue price to be paid by Institutional Investors under the Placement.</p> <p>For the purposes of ASX Listing Rule 7.2 (exception 5), the Issue Price (\$0.08) represents a 19.97% discount to the VWAP of Shares on the ASX during the five trading days on which sales in Shares were recorded immediately prior to the announcement date of the SPP Offer.</p> <p>There is a risk that the market price of Shares may rise or fall between the date of this SPP Offer Booklet and the time of issue of the SPP Shares under the SPP Offer. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this SPP Offer Booklet or the time of issue.</p> <p>Your Application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.</p>

<p>Who is eligible to participate in the SPP?</p>	<p>An Eligible Shareholder, being a registered holder of Shares on the Record Date with a registered address in either Australia or New Zealand is eligible to participate in the SPP, unless such Shareholder is a nominee or custodian acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand (in which case such Shareholder will not be eligible to participate in respect of the SPP Shares held for the account or benefit of that person).</p> <p>The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of Eligible Beneficiaries on the terms and conditions provided in this SPP Offer Booklet.</p>
<p>Can my SPP Offer be transferred to a third party?</p>	<p>No. The SPP Offer is non-renounceable and cannot be transferred.</p>
<p>How much can I invest under the SPP?</p>	<p>Eligible Shareholders may apply for SPP Shares in parcels of Shares with a dollar value of \$1,000, \$2,000, \$5,000 and thereafter in \$5,000 increments to a maximum of \$30,000 (in aggregate) (subject to discretionary scale back by the Company).</p> <p>Subject to the ASX Listing Rules, the Company, in its absolute discretion, may accept oversubscriptions above the targeted amount (\$1.0million) or may scale-back applications for SPP Shares. If a scale-back takes place, you may receive less than the parcel of SPP Shares for which you applied.</p> <p>By applying for the SPP Shares you certify that the value of these SPP Shares and any other Shares issued to you, or a Custodian on your behalf, under any similar arrangement in the 12 months before the application do not exceed \$30,000.</p>
<p>Why can I only subscribe for up to \$30,000 worth of SPP Shares?</p>	<p><i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> restricts the value of SPP Shares that can be issued to you or a Custodian on your behalf under any similar arrangement to \$30,000 per Eligible Shareholder in any 12 consecutive months.</p>
<p>What if there is a Shortfall under the SPP?</p>	<p>If there is a Shortfall in the subscription for SPP Shares under the SPP, the Directors of the Company reserve the right to issue the SPP Shares that comprise of the Shortfall to Institutional Investors at their absolute discretion, to the extent that any such placement of SPP Shares under the Shortfall can be made by the Company having regard to the ASX Listing Rules and the Corporations Act.</p>
<p>How do I apply for SPP Shares?</p>	<p>If you wish to participate in the SPP, you need to:</p> <p>For Australian Shareholders - Pay via BPAY®</p> <p>To pay via BPAY® you will need to:</p> <ul style="list-style-type: none"> • be an account holder with an Australian financial institution; • use the personalised reference number shown on your Application Form which is required to identify your shareholding; and • ensure that your payment is received by the Registry before the Closing Date. Shareholders should be aware that their own financial institution may implement an earlier cut-off time for processing BPAY® payments. <p>If you are paying via BPAY®, there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.</p> <p>For New Zealand Shareholders - Pay via EFT</p> <p>New Zealand based Shareholders without an Australian Bank account will not be able to pay via BPAY® and will instead need to make payment via EFT. New Zealand based Shareholders should request EFT details through the offer information line.</p> <p>If you are paying via EFT, there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.</p> <p>All Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicant's</p>

	<p>responsibility to ensure funds are submitted correctly by the closing date and time.</p> <p>Eligible Shareholders may not pay via cheque and must not forward cash by mail. Receipts for payment will not be issued.</p>
What are the key dates for the SPP?	<p>The key dates for the SPP are set out in section 1.1, above.</p> <p>Please note, the dates set out above are indicative only. The Company reserves the right to vary the dates and times set out above, subject to the Corporations Act and other applicable requirements without notice to you. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the SPP.</p>
What are the rights attached to SPP Shares issued under the SPP?	<p>SPP Shares will rank equally with other Shares as at the Issue Date.</p>
What do I do if I am a Custodian?	<p>The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares on behalf of certain Eligible Beneficiaries and on the instructions of a Downstream Custodian. The SPP is being offered to Custodians as the registered Shareholder. Custodians are not required to participate on behalf of their Eligible Beneficiaries.</p> <p>Custodians may choose whether or not to extend the SPP to their Eligible Beneficiaries.</p> <p>If you wish to apply as a Custodian under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (as required under the terms of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i>) before your Application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.</p> <p>By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit.</p> <p>Custodians are not permitted to participate in the SPP on behalf of, and must not distribute this SPP Offer Booklet or any documents (including the Application Form) relating to this SPP to, any person in the United States or elsewhere outside Australia and New Zealand.</p>
Where can I get more information on the SPP?	<p>If you have any questions in relation to how to participate in the SPP, please contact the Registry on 1300 918 654 (callers within Australia) and +61 3 9415 4833 (callers outside Australia), or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in the Company through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.</p>
What costs are associated with the SPP?	<p>There are no brokerage, commissions or other transaction costs payable by Eligible Shareholders in relation to the application for, and the issue of, SPP Shares.</p>

2 Terms and conditions of the SPP

2.1 General

Important Notice: If you participate in the SPP by making a payment by BPAY® (or via EFT for New Zealand Shareholders), you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you make a payment by BPAY® (or via EFT for New Zealand Shareholders) and the Issue Date. This means that, up to and/or after the Issue Date, you may be able to buy Shares on the ASX at a lower price or higher price (depending on the market price of Shares on the relevant day) than the Issue Price.

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the SPP Offer will also be bound by the Constitution.

The key dates set out in section 1.1, above, and the key SPP information set out in section 1.2, above, form part of these terms and conditions. Capitalised terms have the meaning provided in the glossary set out in section 4, below, unless the context requires otherwise.

2.2 SPP Offer

The Company offers each Eligible Shareholder the opportunity to purchase a parcel of SPP Shares valued at \$1,000, \$2,000, \$5,000 and thereafter in \$5,000 increments, up to a maximum of \$30,000 (in aggregate) under the SPP subject to and in accordance with these terms and conditions.

The SPP Offer will open on the Opening Date and close on the Closing Date.

If you choose not to participate in the SPP, your right to participate lapses on the Closing Date (or such other date as the Company determines).

The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.

The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.

All references to “\$” or “dollars” in these terms and conditions are references to Australian dollars unless otherwise indicated.

2.3 Eligible Shareholders

You are eligible to participate in the SPP Offer if you:

- (a) were registered on the Register as a Shareholder on the Record Date; and
- (b) have a registered address in either Australia or New Zealand at that time; and
- (c) are not in the United States, and are not acting for the account or benefit of a person in the United States. If you are acting for the account or benefit of a person in the United States, you will not be eligible to participate in respect of the SPP Shares held for the account or benefit of that person.

The SPP Offer is not made to Shareholders with a registered address outside of Australia or New Zealand.

2.4 Joint holders/Custodians

If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.

Subject to these terms and conditions, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Shares.

Custodians and nominees may only participate in the SPP Offer on behalf of beneficial shareholders who are resident in Australia or New Zealand.

2.5 Applications for SPP

Eligible Shareholders may apply for a parcel of SPP Shares valued at \$1,000, \$2,000, \$5,000 and thereafter in \$5,000 increments, up to a maximum of \$30,000 (in aggregate) (subject to discretionary scale-back by the Company as described in clause 2.10 of this section 2).

No brokerage or other transaction costs will apply to the acquisition of SPP Shares.

Eligible Shareholders who wish to apply for SPP Shares must either:

- (a) For Australian Shareholders - make a payment via BPAY® in accordance with the instructions on the Application Form so that it is received prior to the Closing Date; or
- (b) For New Zealand Shareholders – request EFT details through the offer information line to make a payment via EFT if unable to pay via BPAY® so that it is received prior to the Closing Date.

Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$30,000.

If you wish to subscribe for SPP Shares as a Custodian for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*) before your Application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. Contact the Registry on 1300 918 654 (callers within Australia) and +61 3 9415 4833 (callers outside Australia) to receive the Custodian Certificate.

The Company, its officers and agents, may accept or reject your Application for SPP Shares at its discretion in whole or in part including, without limitation, if:

- (a) your Application does not comply with these terms and conditions;
- (b) it appears you are not an Eligible Shareholder;
- (c) your BPAY® payment (or EFT payment for New Zealand shareholders) is not received by the Registry by the Closing Date;
- (d) if you apply on behalf of an Eligible Beneficiary but do not provide a signed Custodian Certificate;
- (e) if you apply on behalf of an Eligible Beneficiary but provide an incomplete or incorrectly completed Custodian Certificate;
- (f) it appears that you are applying to purchase more than \$30,000 worth of SPP Shares and Shares in aggregate (including as a result of Shares you hold directly, jointly or through a custodian or nominee arrangement) in the 12 month period prior to making the Application; or
- (g) payment of the Application Money is not submitted in Australian currency.

If the Company rejects your Application in whole or in part, the Company will (in its sole discretion):

- (a) refund the amount of your Application Money applied to payment for SPP Shares; or

- (b) allot to you the number of SPP Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your Application Money and refund to you the excess amount of your Application Money.

If you are entitled to a refund of all or any of your Application Money, the refund will be paid to you, without interest, as soon as is practicable, by direct credit or cheque to your address shown on the Register, in accordance with the requirements of the Corporations Act.

2.6 Issue Price

The Issue Price will be \$0.08 per SPP Share being the same price to be paid by Institutional Investors under the Placement announced on Monday, 7 August 2023.

For the purposes of paragraph 7(e)(i) of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, the Issue Price was calculated by reference to the issue price to be paid by Institutional Investors under the Placement.

For the purposes of ASX Listing Rule 7.2 (exception 5), the Issue Price (\$0.08) represents a 19.97% discount to the volume weighted average market price of Shares on the ASX during the five trading days on which trades in the Shares were made immediately prior to the announcement date of the SPP Offer.

In accordance with the requirements of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, the Company confirms that the Issue Price is lower than the market price of the Company's Shares during a "specified period" (being the five trading days immediately prior to the announcement date of the SPP Offer). The market price of the Shares in the Company may rise or fall between the date of the SPP Offer and the date that any Shares are allotted to you as a result of your acceptance of the SPP Offer.

You acknowledge that the market price of Shares may rise or fall between the date of this SPP Offer and the issue date of the SPP Shares under the SPP, and that the effect of this is that the issue price you pay for the SPP Shares may exceed the market price of Shares on the issue date.

The current Share price can be obtained from the ASX.

You agree to pay the Issue Price per SPP Share for the number of SPP Shares you have applied for or, if there is a scale-back, the number of SPP Shares calculated under clause 2.10 of this section 2.

2.7 Number of SPP Shares to be issued

If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your Application is accepted, the Company will divide the value of your Application Money by the Issue Price in order to determine the number of SPP Shares that, subject to scale-back, will be issued to you.

If this calculation produces a fractional number, the number of SPP Shares issued will be rounded down to the nearest whole SPP Share (refer to clause 2.10 for more information on rounding).

OPTION	DOLLAR VALUE OF SPP SHARES	NUMBER OF SHARES
1	\$1,000	12,500
2	\$2,000	25,000
3	\$5,000	62,500
4	\$10,000	125,000
5	\$15,000	187,500
6	\$20,000	250,000

7	\$25,000	312,500
8	\$30,000	375,000

2.8 Issue

SPP Shares will be issued on the Issue Date.

SPP Shares will rank equally with existing Shares as at the Issue Date.

The Company will apply to the ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on or shortly after the Issue Date.

2.9 Acknowledgements

By making a payment via BPAY® (or EFT for New Zealand Shareholders), you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form (if applicable) and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your Application are true and complete and not misleading;
- (c) agree that your Application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any Application Money held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (f) acknowledge that the Company, its officers and agents are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) acknowledge that the market price of Shares may rise or fall between the date of this SPP Offer and the issue date of the SPP Shares under the SPP, and that the effect of this is that the issue price you pay for the SPP Shares may exceed the market price of Shares on the issue date;
- (h) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a person in the United States (in the event that you are acting for the account or benefit of a person in the United States, you are not applying for, or acquiring, any SPP Shares for the account or benefit of that person);
 - (ii) the SPP Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable United States state securities laws;
 - (iii) you have not, and will not, send this SPP Offer Booklet or any materials relating to the SPP to any person in the United States or elsewhere outside Australia and New Zealand;
 - (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the

sale has been pre-arranged with, or that the purchaser is, a person in the United States; and

- (v) if you are acting as a nominee or Custodian, each Eligible Beneficiary on whose behalf you are applying for and acquiring SPP Shares is a resident in Australia or New Zealand and is not in the United States, and you have not sent this SPP Offer Booklet, or any materials relating to the SPP, to any person outside Australia and New Zealand;
- (i) if you are applying on your own behalf (and not as a Custodian) you acknowledge and agree that:
 - (i) you are not applying for SPP Shares with Application Money of more than \$30,000 under the SPP (including by instructing a Custodian to acquire SPP Shares on your behalf under the SPP);
 - (ii) the total of Application Money for the following does not exceed \$30,000:
 - (A) the SPP Shares the subject of the Application;
 - (B) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the Application;
 - (C) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (D) any other Shares issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;
 - (iii) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, you acknowledge and agree that:
 - (A) you are a Custodian (as that term is defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*);
 - (B) you held Shares on behalf of the Eligible Beneficiary or Downstream Custodian as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this SPP Offer Booklet;
 - (C) you are not applying for SPP Shares on behalf of any Eligible Beneficiary or Downstream Custodian with Application Money of more than \$30,000 under the SPP and similar arrangement in the 12 months before this Application; and
 - (D) the information in the Custodian Certificate submitted with your Application is true, correct and not misleading;
 - (iv) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register; and
 - (v) agree to be bound by the Constitution (as amended and as it may be amended from time to time in the future);
- (j) acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice; and
- (k) you authorise the Company, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions.

2.10 Scale-back

As the SPP is underwritten to the Underwritten Amount of \$0.5 million, the SPP may raise more or less than the targeted amount (\$1.0 million). In the event that subscriptions for more than \$1.0 million are received for the SPP, the Company may in its discretion accept oversubscriptions above this amount, subject to compliance with the ASX Listing Rules and *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*. Alternatively, the Company may decide in its absolute discretion to conduct a scale-back of applications.

Any scale-back may be applied to the extent and in the manner the Directors' see fit, which may include taking into account a number of factors, such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings, the date on which the application was made and the total applications received from Eligible Shareholders.

If there is a scale-back you may receive less than the parcel of SPP Shares for which you have applied. If a scale-back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be allotted will be rounded down to the nearest whole number of SPP Shares. Unless the Company exercises its right to scale-back Applications or refunds amounts by reason of not receiving one of the amounts designated on the Application Form (in which case, it will return any excess Application Money to you by cheque), the Company will retain any excess Application Money that is less than \$5.00 as it is not practical to refund any amount of less than \$5.00 to Shareholders.

Any Application Money received that are to be refunded, must be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

2.11 Shortfall

The offer under the SPP is underwritten to the Underwritten Amount of \$0.5 million. To the extent that there is a shortfall in the subscription for SPP Shares under the SPP (**Shortfall**) below \$0.5 million, then the amount up to \$0.5 million will be taken up under the terms of the Underwriting Agreement and any sub-underwriting arrangements. Refer to Section 3.1 for details.

The Directors of the Company reserve the right to issue the SPP Shares that comprises of the Shortfall above the Underwritten Amount to Institutional Investors at their absolute discretion, to the extent that any such placement of SPP Shares under the Shortfall can be made by the Company having regard to the ASX Listing Rules and the Corporations Act.

2.12 Variation and termination

The Company reserves the right at any time to:

- (a) amend or vary these terms and conditions;
- (b) waive strict compliance with any provision of these terms and conditions;
- (c) withdraw the SPP Offer or suspend or terminate the SPP;
- (d) accept late Applications under the Offer (subject to compliance with the Corporations Act and the ASX Listing Rules);
- (e) vary the timetable for the SPP, including the Closing Date; and
- (f) not accept an Application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries or Downstream Custodian).

In the event that the SPP is withdrawn or terminated, all Application Money will be refunded as soon as practicable in accordance with the requirements of the Corporations Act. No interest will be paid on any money returned to you.

3 Additional information

3.1 Underwriting

The SPP Offer is fully underwritten by Taylor Collison Limited ACN 008 172 450 (**Underwriter**) to the value of \$0.5 million (**Underwritten Amount**).

In the event that Felix does not raise the Underwritten Amount from Eligible Shareholders under the Plan, then the resultant shortfall between the amount raised and the Underwritten Amount will, subject to the terms of the underwriting agreement between Felix and the Underwriter, be subscribed for (or the Underwriter will procure the subscription of), or will pay (or the Underwriters will procure payment of) an amount equal to the SPP shortfall by the Underwriters.

The Underwriter will be paid a selling, management and underwriting fee of 6% of the amount calculated as the number of Shares issued under the SPP Offer plus the Shares to be issued as part of any shortfall under the SPP Offer multiplied by the issue price.

Given the issuance of Shares to the underwriter of a share purchase plan is not covered by ASX Listing Rule 7.2 (Exception 5), any Shares the subject of the shortfall under the Plan will only be issued by Felix to the Underwriters:

- (a) if Felix has sufficient ASX Listing Rule 7.1 and/or ASX Listing Rule 7.1A placement capacity; or
- (b) following receipt of Shareholder approval at the general meeting of Felix at which Shareholders approve the making of the issue of Shares the subject of the Plan shortfall to the Underwriter.

The underwriting agreement between the Underwriter and Felix contains customary conditions, warranties and undertakings and is subject to various customary termination events exercisable by either party.

3.2 Termination events

- (a) The Underwriter may, at any time before 4pm on the SPP settlement date or such other time as specified below, by notice in writing to the Company, specifying the relevant event, terminate its further obligations under the Underwriting Agreement (without cost or liability to itself) if any of the following events occur:
 - (i) **(Certificate and new circumstances certificate)** a certificate or new circumstances certificate which is required to be furnished by the company under the underwriting agreement is not furnished by the time specified or any statement in a certificate or new circumstances certificate is untrue, inaccurate, incomplete or misleading or deceptive in any material respect;
 - (ii) **(unable to issue SPP Shares)** the Company is prevented from issuing the SPP Shares within the time required, Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government agency;
 - (iii) **(Offer Documents to comply)** any aspect of the SPP Offer does not comply in any material respect with the Corporations Act or the Listing Rules or any other applicable law;
 - (iv) **(corrective notice)** the Company becomes required to give or gives a correcting notice under subsection 708A(9)(c) or section 8(6) of the Instrument;
 - (v) **(withdrawal)** the Company withdraws the SPP Offer Booklet or the SPP Offer;
 - (vi) **(market fall)** the S&P/ASX 200 Index falls by 10% or more below the level of the S&P/ASX 200 Index on the Business Day immediately preceding the date

of the Underwriting Agreement at the close of trading on any day in the period between (and including) the date of the Underwriting Agreement and the Business Day immediately prior to the SPP Offer settlement date;

- (vii) **(ASIC action):**
 - (A) ASIC applies for or issues an order under sections 739, 1324B or 1325 in relation to the Offer or the Offer Documents or gives notice of an intention to prosecute the Company or any of its directors and any such intention, application or notice becomes public or is not withdrawn within 2 Business Days after it is made, or where it is made less than 2 Business Days before the SPP Offer Settlement Date, it is not withdrawn before the SPP Offer Settlement Date;
 - (B) ASIC holds a hearing under section 739(2);
 - (C) an application is made by ASIC for an order under Part 9.5 in relation to the Offer or the Offer Documents and such application becomes public or is not withdrawn within 2 Business Days after it is made or where it is made less than 1 Business Day before the SPP Offer Settlement Date, it has not been withdrawn by the SPP Offer Settlement Date;
 - (D) any person who has previously consented to the inclusion of its name in the SPP Offer Booklet (other than the Underwriter) withdraws that consent; or
 - (E) any person gives a notice under section 730 in relation to the SPP Offer Booklet (other than the Underwriter); or
 - (F) ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Offer or the Offer Documents and such investigation or hearing becomes public or is not withdrawn within 2 Business Days after it is commenced or where it is commenced within 1 Business Day before the SPP Offer Settlement Date, it has not been withdrawn before the SPP Offer Settlement Date;
- (viii) **(regulatory action)** there is an application to a government agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy, or a government agency commences any investigation or hearing or announces its intention to do so, in each case in connection with the SPP Offer (or any part of it) or any agreement entered into in respect of the SPP Offer (or any part of it);
- (ix) **(listing)** ASX announces that the Company will be removed from the official list or that any Shares will be delisted or suspended from quotation by ASX;
- (x) **(offences by Directors)** any of the following occurs:
 - (A) a Director of the Company is charged with an indictable offence;
 - (B) any SPP commences any public action against a Director of the Company or announces that it intends to take any such action; or
 - (C) any Director of the Company is disqualified from managing a corporation under the Corporations Act.
- (xi) **(insolvency)** the Company or a group entity is insolvent or there is an act or omission which may result in the company or a group member becoming insolvent;

- (xii) **(capital structure)** the Company alters its capital structure or constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed);
 - (xiii) **(ASX approval)** unconditional approval (or conditional approval, provided such condition would not, in the reasonable opinion of the Underwriter, have a material adverse effect on the success or settlement of either component of the Offer) by the ASX for official quotation of:
 - (A) the Placement shares, is refused, or is not granted, by the Placement Settlement Date, or withdrawn on or before the Placement Settlement Date or ASX makes an official statement to any person or indicates to the Company or the Underwriter in writing that official quotation of the Placement shares will not be granted; and
 - (B) the SPP Shares, is refused, or is not granted, by the SPP Offer issue date, or withdrawn on or before the SPP Offer issue date or ASX makes an official statement to any person or indicates to the Company or the Underwriter in writing that official quotation of the SPP Shares will not be granted;
 - (xiv) **(litigation)** except as disclosed prior to the date of the Underwriting Agreement, proceedings are commenced or threatened or the Underwriter becomes aware of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia in relation to the SPP Offer and those proceedings or intention to commence proceedings have not been not withdrawn, discontinued or terminated within 2 Business Days or by 5pm on the Business Day prior to the SPP Offer settlement date (whichever is earlier); and
 - (xv) **(Timetable)** any event specified in the timetable is delayed for more than 3 Business Days without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed).
- (b) Subject to materiality, the Underwriter may, at any time before 4pm on the SPP Offer settlement date or such other time as specified below, by notice in writing to the Company, specifying the relevant event, terminate its further obligations under the Underwriting Agreement (without cost or liability to itself) if any of the following events occur:
- (i) **(disclosures in Public Information)** the public information includes:
 - (A) a statement which is or becomes misleading or deceptive or likely to mislead or deceive; or
 - (B) any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions;
 - (ii) **(disclosures)** any information supplied by or on behalf of the Company to the Underwriter is or becomes misleading or deceptive, including by way of omission;
 - (iii) **(hostilities)** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, New Zealand, the United Kingdom, Russia, United Arab Emirates, North Korea, South Korea, the People's Republic of China, Japan, Singapore or a member state of the European Union or the declaration by any of these countries of a national emergency or war or a major terrorist act is perpetrated anywhere in the world;
 - (iv) **(change of law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of

Australia, or any Federal or State authority of Australia adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Offer, capital issues or stock markets or adversely affects the Group or investors in it;

- (v) **(compliance with regulatory requirements)** a contravention by the Company or a Group Member of the Corporations Act, the Constitution, the Listing Rules or any other applicable law;
- (vi) **(breach)** the Company fails to perform or observe any of its obligations under the Underwriting Agreement;
- (vii) **(misrepresentation)** a representation or warranty made or given by the Company under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- (viii) **(market or trading disruption)** there is:
 - (A) a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America, a member state of the European Union, or the international financial markets or any change in national or international political, financial or economic conditions;
 - (B) a general moratorium on commercial banking activities is declared by the relevant central banking authority in any of the countries referred to in clause 3.2(b)(iii) or
 - (C) any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America a member state of the European Union, or the international financial markets or any change in national or international political, financial or economic conditions;
- (ix) **(change in management)** a change in the senior management of the Company or in the board of directors of the Company is announced or occurs without the Underwriter's prior written consent;
- (x) **(new circumstances)** in the reasonable opinion of the Underwriter, a new circumstance arises that would have been required to be disclosed in the SPP Offer Booklet had it arisen before it was lodged with ASX.

3.3 Responsibility for this SPP Offer Booklet

This SPP Offer Booklet (including the enclosed Investor Presentation and attached Application Form) has been prepared by the Company. No party other than the Company has authorised or caused the issue of this SPP Offer Booklet, or takes any responsibility for, or makes or gives any statements, representations or undertakings in this SPP Offer Booklet.

3.4 Date of this SPP Offer Booklet

This SPP Offer Booklet is dated Wednesday, 9 August 2023. Subject to the following paragraph, statements in this SPP Offer Booklet are made only as of the date of this SPP Offer Booklet unless otherwise stated and the information in this SPP Offer Booklet remains subject to change without notice. The Company is not responsible for updating this SPP Offer Booklet. The Investor Presentation set out in **Annexure A** of this SPP Offer Booklet is current as at the date on which it was released. There may be additional announcements that are made by the Company (including after the date of this SPP Offer Booklet) that may be relevant to your consideration of whether to take up the SPP Offer. Therefore, it is prudent that you

check whether any further announcements have been made by the Company before submitting an Application. That information is available to the public from ASX and can be accessed at www.asx.com.au.

3.5 Ranking of SPP Shares

The SPP Shares issued under the SPP Offer will be fully paid and rank equally with existing Shares with effect from their date of issue. The rights attaching to the SPP Shares are set out in the Company's constitution and are regulated by the Corporations Act, Listing Rules and general law.

3.6 Allotment, quotation and trading

The Company will apply for quotation of the SPP Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the SPP Shares, the Company will repay all Application Monies (without interest). Subject to ASX approval being granted, it is expected that the SPP Shares allotted under the SPP Offer will commence trading on a normal basis on Monday, 4 September 2023. Application Monies will be held by the Company on trust for Applicants until the SPP Shares are allotted. No interest will be paid on Application Monies, and any interest earned on Application Monies will be for the benefit of the Company and will be retained by the Company irrespective of whether SPP Shares are issued. It is the responsibility of Applicants to determine the number of SPP Shares allotted and issued to them prior to trading in such Shares. The sale by an Applicant of SPP Shares prior to receiving their holding statement is at the Applicant's own risk. The Company and the Share Registry and their advisers disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade SPP Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise.

3.7 Dispute resolution

The Company may settle, in any manner it deems, any difficulties, anomalies or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any Application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.

The powers of the Company under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors.

3.8 Continuous disclosure

The Company is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports. The Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of the Company Shares. That information is available to the public from ASX and can be accessed at www.asx.com.au. Some documents are required to be lodged with ASIC in relation to the Company. These documents may be obtained from, or inspected at, an ASIC office.

3.9 No cooling off rights

Cooling off rights do not apply to an investment in SPP Shares. You cannot withdraw your Application once it has been made or accepted.

3.10 Not financial product or investment advice

This SPP Offer Booklet and the accompanying Application Form is for information purposes only and is not a prospectus, disclosure document or other offering document under the Corporations Act or any other law and has not been lodged with ASIC. It is also not financial

product or investment advice or a recommendation to acquire SPP Shares and has been prepared without taking into account your objectives, financial circumstances or particular needs.

This SPP Offer Booklet should not be considered to be comprehensive and does not purport to contain all the information that you may require to make a decision about whether to submit your Application Form and invest in SPP Shares. This SPP Offer Booklet should be read in conjunction with the Company's other periodic statements and continuous disclosure announcements lodged with ASX which are available at www.asx.com.au.

Before making an investment decision, you should consider the appropriateness of the information in this SPP Offer Booklet having regard to your own objectives, financial situation and needs and seek legal and taxation advice appropriate to your jurisdiction. If you have any questions about whether you should participate in the SPP Offer, you should seek professional financial advice before making any investment decision. The Company is not licensed to provide financial product advice in respect of the SPP Shares.

3.11 Financial data

All dollar values are in Australian dollars (\$A).

3.12 Governing law

These terms and conditions are governed by the laws in force in Queensland.

Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of Queensland.

By accepting the SPP Offer, you agree to submit to the non-exclusive jurisdiction of the courts in Queensland.

Other terms and conditions, rights and obligations of SPP Shares are contained in the Constitution of the Company.

The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

4 Glossary

In this SPP Offer Booklet, the following capitalised terms have the following meanings (unless the context requires otherwise):

Application	Your application for SPP Shares under this SPP.
Application Form	Your personalised application form enclosed with this SPP Offer Booklet.
Application Money	The money received from each Eligible Shareholder.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the market operated by it as the context requires.
ASX Listing Rules	The official listing rules of ASX, as amended or replaced from time to time.
Beneficiary	Either or both of the following: <ul style="list-style-type: none"> one or more persons on whose behalf a Custodian holds Shares; and/or another custodian (a Downstream Custodian) on whose behalf a Custodian holds Shares where the Downstream Custodian holds the beneficial interests in the Shares on behalf of one or more persons.
Closing Date	The date detailed in Section 1.1 of this SPP Offer Booklet.
Company	Felix Group Holdings Ltd ACN 159 858 509.
Constitution	The constitution of the Company as amended or replaced from time to time.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Custodian	A custodian as defined in clause 4 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Custodian Certificate	A certificate complying with clause 8(3) of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Director	A director of the Company.
Downstream Custodian	A downstream custodian as defined in clause 8 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Eligible Beneficiary	A Beneficiary of a Custodian with a registered address in either Australia or New Zealand as at the Record Date, provided that such Beneficiary is resident in Australia or New Zealand.
Eligible Shareholder	A Shareholder who is a registered holder of Shares on the Record Date with a registered address in either Australia or New Zealand unless such Shareholder is a custodian or nominee acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand (in which case such Shareholder will not be eligible to participate in respect of the SPP Shares held for the account or benefit of that person).
Institutional Investor	A person to whom an offer of shares may be made: <ul style="list-style-type: none"> if in Australia, to sophisticated investors pursuant to s 708(8) of the Corporations Act and professional investors pursuant to s 708(11) of the Corporations Acts. if in Hong Kong, to a “professional investor” as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong; if in New Zealand, to a wholesale investor within the meaning of Schedule 1 of the Financial Markets Conduct Act 2013.

Issue Date	The date detailed in Section 1.1 of this SPP Offer Booklet.
Issue Price	\$0.08, being the price per SPP Share.
Investor Presentation	The presentation to investors released to the ASX on Monday, 7 August 2023, incorporated in Annexure A of this SPP Offer Booklet.
Lead Manager	Taylor Collison Limited.
Offer Period	The period commencing on the Opening Date and ending on the Closing Date.
Opening Date	The date detailed in Section 1.1 of this SPP Offer Booklet.
Placement	The placement of new Shares announced on Monday, 7 August 2023.
Record Date	The date detailed in Section 1.1 of this SPP Offer Booklet.
Register or Registry	Computershare Investor Services Pty Limited.
Share	A fully paid ordinary share in the Company.
Shareholder	A registered holder of a Share.
Shortfall	Has the meaning in Section 2.11 of this SPP Offer Booklet.
SPP	The share purchase plan offer made to Eligible Shareholders under this SPP Offer Booklet.
SPP Offer	The offer for Eligible Shareholders to purchase up to \$30,000 worth of SPP Shares under the SPP on the terms set out in this SPP Offer Booklet.
SPP Offer Booklet	This SPP Offer Booklet is dated Wednesday, 9 August 2023.
SPP Shares	The new Shares offered under the SPP at the Issue Price.
Underwriter	Taylor Collison Limited.
Underwritten Amount	\$0.5 million.
US Securities Act	The United States Securities Act 1933, as amended or replaced from time to time.

5 Corporate Directory

Company

Felix Group Holdings Ltd
Unit 1F, 24 Macquarie St.
Teneriffe, QLD 4005

Registry

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford, VIC 3067

Auditor

Grant Thornton Audit Pty Ltd
Level 18, 145 Ann Street St
Brisbane City, QLD 4000

Legal Adviser

Thomson Geer
Level 28, 1 Eagle Street
Brisbane, QLD 4000

Lead Manager and Underwriter

Taylor Collison Limited
Level 4, 151 Macquarie Street
Sydney, NSW 2000

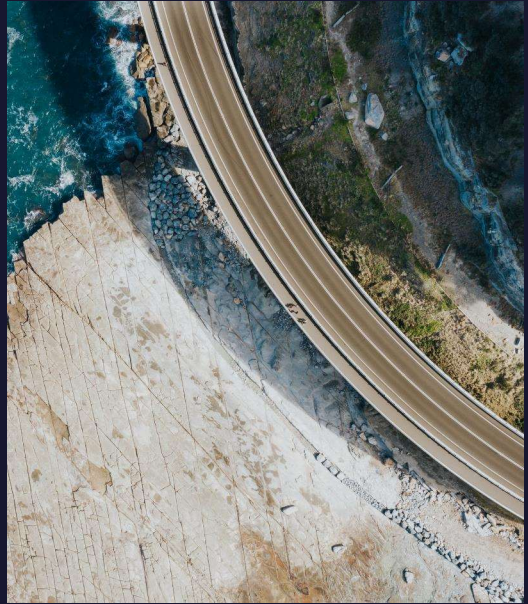
Annexure A – Investor Presentation



Investor presentation

7 August 2023

Not for release to US wire services or distribution in the United States



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This Presentation has been prepared and is issued by Felix Group Holdings Limited ACN 159 858 509 ("Felix" or the "Company") and is dated 7 August 2023 in relation to a placement comprising Felix' proposed institutional placement to eligible institutional investors in certain permitted jurisdictions ("Placement") of new fully paid ordinary shares in Felix ("New Shares") to raise approximately A\$1.0 million and a share purchase plan ("SPP") to raise approximately A\$1.0 million. The Placement is being made without disclosure to investors under section 708A of the Corporations Act 2001 (Cth) ("Corporations Act"). The SPP is being made without disclosure under in accordance with the ASIC Corporations (Share and Interest Purchase Plans) Instrument 2015/2647 which grants relief from the requirement to issue a disclosure document for an SPP.

Summary information

This Presentation contains summary information about the Company and its activities current as at 7 August 2023. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all information that a prospective investor may require in evaluating a possible investment in the Company or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. The historical information in this Presentation is, or is based on, information that has been released to the ASX. This Presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au. Any market and industry data that may be used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of the Company, its representatives or advisers have independently verified that market or industry data provided by third parties or industry or general publications.

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. The Company reserves the right to withdraw the Placement or vary the timetable for the Placement without notice.

Not an offer

This Presentation is not an offer or invitation to acquire New Shares or any other financial products and is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This Presentation is not and should not be considered an offer or an invitation to acquire the New Shares or any other financial products and does not and will not form any part of any contract for the acquisition of the New Shares.

Not financial product advice

This Presentation does not constitute financial product or investment advice or any recommendation to acquire New Shares or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and obtain legal and taxation advice appropriate to their jurisdiction. Felix is not licensed to provide financial product advice in respect of the New Shares or any other financial products. Cooling off rights do not apply to the acquisition of New Shares under the Placement.

Investment risk

An investment in the New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Felix including loss of income and principal invested. The Company does not guarantee any particular rate of return or performance or any particular tax treatment. Persons should have regard to the Risk factors outlined in the Presentation.



Financial data

All dollar values are in Australian dollars (A\$ or AUD) unless otherwise stated. Prospective investors should also be aware that the pro forma financial information included in this Presentation is for illustrative purposes only.

Prospective investors should be aware that certain financial data included in this presentation is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. Non-IFRS measures in this presentation include the pro-forma financial information, EBITDA and EBIT. While the Company believes that this non-IFRS financial information provides useful information to users in measuring the financial position and conditions of the Company, the non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should it be construed as an alternative to other financial measures determined to accordance with Australian Accounting Standards. Prospective investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios included in this Presentation.

Effect of rounding

A number of figures, amounts, percentages, estimates and calculations of value in this Presentation are subject to the effect of rounding.

Past performance

Investors should note that past performance and pro forma financial information given in this Presentation is given for illustrative purposes only and should not be relied on as (and is not) an indication of Felix' views on its future financial performance or condition. Prospective investors should note that past performance, including past share price performance, of Felix cannot be relied on as an indicator of (and provides no guidance as to) future performance including future share price performance. The historical information in relation to Felix included in this Presentation is, or is based on, information that has previously been released to the market.

Future performance

This Presentation contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management.

The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Any indications of, and guidance on, future operating performance, earnings, financial position and performance or production are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future operations, earnings, estimates or production targets (if any), are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. This Presentation contains statements that are subject to risk factors associated with Felix' business activities. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Felix or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Presentation will actually occur. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Any forward-looking statements in this Presentation speak only as of the date of this Presentation. Subject to any continuing obligations under applicable law or regulation (including the listing rules of ASX), Felix disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this presentation to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

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Acknowledgements:

You acknowledge and agree that:

- each of Felix and the Lead Manager and each of their respective affiliates, officers, employees, agents and advisers disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- the Lead Manager may have interests in the securities of Felix, including by providing investment banking and debt services to Felix. Further, it may act as market maker or buy or sell securities or associated derivatives of Felix as principal or agent; and
- the Lead Manager will receive fees for acting in its capacity as lead manager to the Placement.

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Executive summary

Pathway to cash flow breakeven accelerating as sales conversion improves and pipeline continue to build

Introduction to Felix

- Felix operates a **cloud-based enterprise Software as a Service (SaaS) platform and marketplace** that connects Contractors and third-party vendors in construction and related sectors to manage **mission-critical procurement processes, compliance and ESG requirements**.
- Felix digitises, automates and streamlines the vendor management and procurement lifecycle** in a comprehensive, modular platform that is purpose-built for capital asset sectors with high-risk and diverse supply chains.
- Demonstrated traction with **top tier Australian Contractor** customers including CIMIC Group, NRW Holdings (ASX:NWH), Pilbara Minerals (ASX:PLS), Laing O'Rourke, GPT Group (ASX:GPT), Monadelphous (ASX:MND) and Altrad and is **utilised on many of Australia's largest infrastructure projects**.

Growth & operating leverage

- Sales momentum accelerating. Large domestic pipeline of Contractors** underpinned by Tier 1 customers.
- Growing international customer pipeline** with 19 opportunities across key global markets of JAPAC, EMEA and North America of which Felix has been named as preferred bidder on two opportunities with InEight, Felix's global strategic partner.
- Revenue momentum and cost base expected to drive lower cash burn over the next 12 months with sustainable cash flow breakeven expected from Q1 FY25.**

Quarterly highlights

- Total \$836k of new ARR won in Q4 FY23 and early July CY23 driven by:**
 - Three new Contractors added in Q4 FY23** contributing \$334k ARR in aggregate, including a leading ASX-listed lithium mining company.
 - Additional two new Contractors signed in early July CY23**, contributing \$359k ARR in aggregate.
 - Record eight expansion deals signed in Q4 FY23**, representing double the number signed in Q3 FY23, and contributing \$143k ARR in aggregate.

Capital raising and timing

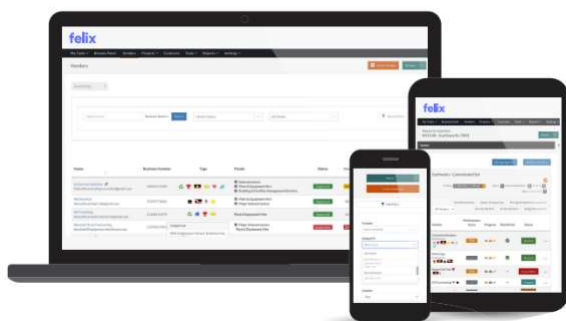
- Capital raising to consist of a **Two Tranche Placement** raising approximately \$3.0m at a price of \$0.08 per share.
- Placement price of \$0.08 represents a 18.4% discount to the last close price of \$0.098 and a 39.0% discount to the 15-day VWAP of \$0.133.
- Board members and related parties have committed to apply for \$1.45 million in Tranche Two**, subject to obtaining shareholder approval at the General Meeting.
- In conjunction with the Placement, the Offeror conduct a **Share Purchase Plan ("SPP") seeking to raise up to \$1.0 million** (together the Placement and SPP being the "Capital Raising"). The **Lead Manager** has entered into an agreement with the Company to **underwrite \$500,000 worth of SPP Securities**.

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Felix snapshot

Leading enterprise platform for capital asset sectors to manage their high-risk and diverse supply chains



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Established procurement management platform connecting Contractors and Vendors, digitising and automating complex supply chains



Trusted by Tier 1 Contractors to manage risk, meet ESG targets, increase productivity and minimise spend leakage across the procurement cycle



Rapidly growing Vendor Marketplace for Contractors and Vendors to find, manage and engage, accelerated by network effects as Felix scales



Strategic partnership with InEight, a global leader in construction management technology, providing capital-light entry into targeted international markets



Structural tailwinds including government infrastructure spending, tightening legislative & compliance environments and ESG requirements supporting long-term growth

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Felix update

Accelerating sales momentum and international pipeline provides shorter path to cashflow break even



Accelerating sales momentum

- **11 new Contractors signed in FY23**, including Tier 1 customers NRW Holdings (ASX: NWH), Pilbara Minerals (ASX: PLS) and Laing O'Rourke Australia all with further ARR upside on initial use case
- **Three new Tier 1 Contractors signed in July CY23** highlighting sales momentum
- **20 expansion deals signed in FY23**, including a record eight signed in Q4 FY23, demonstrating Felix's ability to unlock additional revenue across its existing customer base and successfully execute on its "land and expand" strategy
- **Strong traction in adjacent natural resources sector**, an industry with acute supply chain, ESG and legislative requirements, with a number of new contractor wins including a large ASX-listed gold miner



ARR expansion

- **Group Contracted ARR of \$6.0m to end FY23**, driven by strong conversion of Contractor pipeline and expansion deals
- **Contractor MRR of \$304k for the closing month of Q4 FY23**, increasing 65% on the prior corresponding period
- **Contractor ARR retention greater than 100%**, supported by increased penetration of existing customer base
- **July CY23 Contractor ARR of \$4.4m, increasing ~56% on pcip**



International opportunity

- **Strong and growing international customer pipeline** with 19 opportunities across key global markets of JAPAC, EMEA and North America of which Felix has been named as preferred bidder on 2 opportunities
- **Opportunistic international expansion opportunity** with InEight partnership providing access to large global Contractors at limited sales & marketing cost to Felix
- Long lead times on international opportunities are now being realised with pipeline conversion expected in the short term



FY24 strategic focus

- **Conversion of strong and growing advanced pipeline** while leveraging existing cost base to **accelerate towards breakeven**
- **Execute on FY24 budget with strong focus on fiscal discipline** with cost base expected to be in line with FY23
- **Calibrated expenditure in areas that maximise growth**

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Value catalysts

Accelerate Tier 1 Contractor growth

Strong momentum with large Tier 1 contracts wins in Q4 FY23 and early July CY23. Significant pipeline growth of domestic and international prospects with Felix named as preferred bidder for 2 large global Contractors, in addition to numerous other Tier 1 domestic Contractors providing near-term ARR growth opportunities

Unlock expansion revenue

Significant near-term ARR expansion upside across existing cohort of 45 Contractors through contracted usage ratchets as customers ramp their usage of Felix. Further module uptake and upselling into global parent companies provide additional growth opportunities.

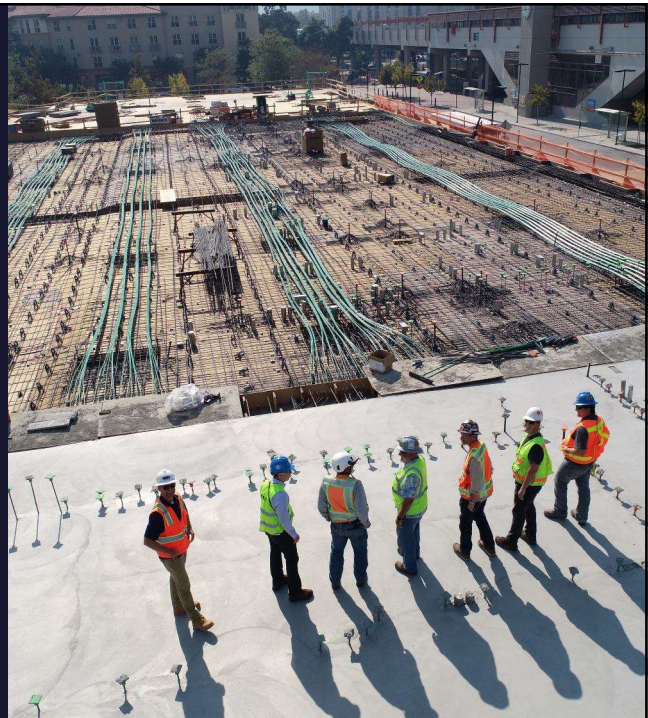
Disciplined FY24 budget

Cost base provides platform to scale and convert pipeline leading to inflexion point in Felix's financial profile

Progress towards positive operating financial performance

Operating leverage driving lower cash burn over the next 12 months which is expected to deliver sustainable cash flow breakeven from Q1 FY25

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Highly strategic leading Contractors

11 new customers signed and 20 expansion deals in FY23 with further revenue upside from expanded usage, module uptake and penetration of divisions



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Penetration of adjacent sectors

Strong track-record in existing high value sectors, supported by industry tailwinds, fueling growth opportunity

Continued focus on and traction across initial target sectors



Government & Infrastructure

LAING O'ROURKE

Feb 2022



Engineering & Construction

BMD

Jan 2023

Cornerstone customer wins and early traction in adjacent sectors highlight broad applicability of Felix



Energy & Utilities

SOUTHERN PORTS AUTHORITY

Nov 2021



Diversified Real Estate

GPT
The GPT Group

Jan 2022



Commercial Construction

SARAH

Sep 2022



Natural resources

Pilbara Minerals
NRW Holdings

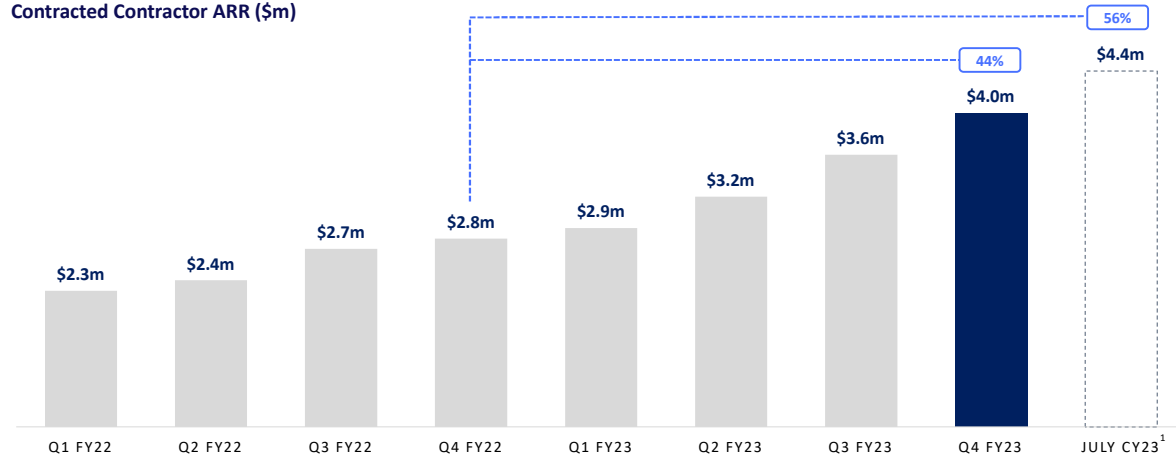
Jul 2023

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Growing sales momentum

Strong Contractor ARR growth in FY23 and accelerating momentum in FY24 provides strong foundation for growth

Contracted Contractor ARR (\$m)



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Pipeline opportunity

- 19 large global Contractor opportunities across deep addressable markets – JAPAC, EMEA and North America
- Average ARR of international opportunities of \$192k, significantly higher than current average Contractor ARR of \$94k
- Named preferred bidder on two opportunities which, if signed, are expected to be amongst Felix's largest contracts
- Opportunistic international expansion opportunity with InEight partnership providing access to large global Contractors at limited sales & marketing cost to Felix
- Size and scale of international Contractors requires longer sales cycles however provides opportunity to reshape Felix's financial profile
- Further international expansion opportunities via upselling into international divisions of existing customer base
- Investment to date into infrastructure and security posture provides platform to scale and expand international Tier 1 customer base

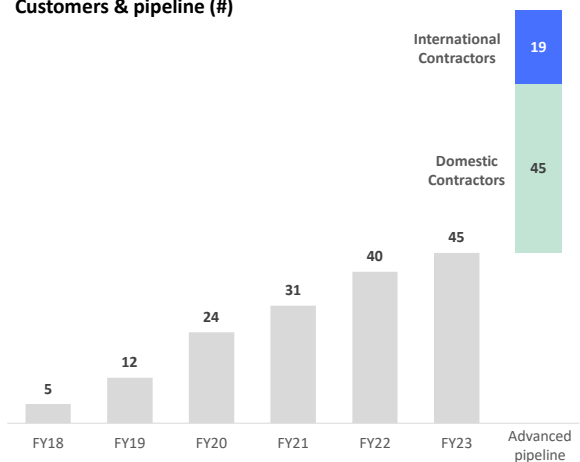
Contractor average ARR:

IPO – Jan-21	Jun-23	International pipeline
\$60k	\$94k	\$192k

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Strong and growing pipeline of domestic and international customers with material increase in potential contract value

Customers & pipeline (#)



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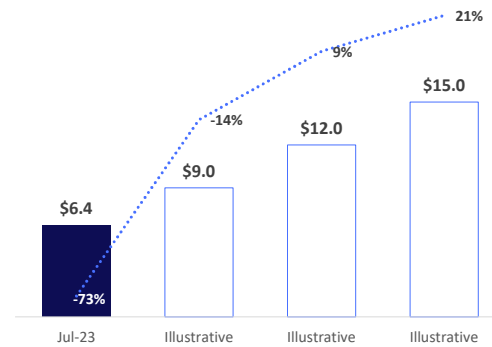
Operating leverage

- Strong and growing international pipeline and proven traction with Tier 1 Contractors expected to drive significant operating leverage in FY24 and beyond
- Existing cost base right-sized to support Contractor growth and pipeline conversion
- Investment in security posture and platform infrastructure to date positions Felix for international scale
- FY24 budget expected to be in line with FY23 to maximise operating leverage and support global Tier 1 Contractors
- Flexibility to adjust budget in-line with various growth scenarios
- Vendor Marketplace already operating at cashflow breakeven
- Operating leverage driving lower cash burn over the next 12 months which is expected to deliver sustainable monthly cash flow breakeven in H2 CY24

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Cost base provides platform to scale and convert pipeline leading to inflexion point in Felix's financial profile

Illustrative EBITDA margin and Group ARR scenarios¹



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Capital raising details

Offer size and structure

- Two Tranche Placement** to sophisticated and professional investors to raise gross proceeds of approximately **\$3.0 million** of new ordinary shares ("Securities") utilising the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 ("Placement").
 - Tranche One** to raise **\$1.4 million** and issue 17.4 million New Shares in accordance with FLX's ASX Listing Rule 7.1 capacity.
 - Tranche Two** to raise **\$1.6 million** and issue 20.1 million New Shares subject to shareholder approval to be obtained at a general meeting to be held in late September ("General Meeting").
- Taylor Collison Limited is the sole Lead Manager to the Placement.
- In conjunction with the Placement, the Offeror is conducting a **Share Purchase Plan ("SPP") seeking to raise up to \$1.0 million** (together the Placement and SPP being the "Capital Raising"). The SPP will be offered at the same Offer Price as the Placement and will enable existing eligible shareholders to apply for up to \$30,000 worth of Securities.
- The **Lead Manager** has entered into an agreement with the Company to **underwrite \$500,000 worth of SPP Securities**.

Board participation

- Board members and related parties have committed to apply for \$1.45m in Tranche Two**, subject to obtaining shareholder approval at the General Meeting.
- Directors not participating in Tranche Two have committed to taking up their full SPP entitlements.

Offer price

- New share under the Placement will be issued at a price of \$0.08 per New Share representing a:
 - 18.4% discount to the last traded price on Wednesday 2 August 2023 A\$0.098 per share.
 - 19.97% discount to Volume Weighted Average Price ("VWAP"), calculated over the last five days on which sales in Felix shares were recorded immediately prior to the date of the announcement of the Placement, of A\$0.099 per share.
 - 39.9% discount to the 15-day VWAP of A\$0.133 per share.

Ranking

- The New Shares subject to the Placement are fully paid shares in Felix and will rank pari passu with existing fully paid ordinary shares from allotment.

Use of funds

- Felix expects to use the proceeds of the Placement and SPP for:
 - Strategic investment in sales & marketing to support growing Tier 1 Contractor pipeline.
 - Balance sheet flexibility.

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Indicative Offer Timetable

SUMMARY OF KEY DATES	DATE
Trading halt announcement and Placement bookbuild	9am Thursday, 3 August 2023
SPP Record Date	Friday, 4 August 2023
FLX announces results of Placement, SPP offer and re-commences trading on ASX	Monday, 7 August 2023
Despatch SPP offer booklet & SPP offer opens	9am Wednesday, 9 August 2023
Settlement of Placement Securities issued under Tranche One	Friday, 11 August 2023
Allotment of and commencement of trading of Placement Securities issued under Tranche One	Monday, 14 August 2023
SPP offer closes	5pm Friday, 25 August 2023
Issue of SPP Securities	Friday, 1 September 2023
Quotation of SPP Securities	Monday, 4 September 2023
Settlement of New Shares issued under Tranche Two ¹	Late September 2023
Allotment of and commencement of trading of New Shares issued under Tranche Two ¹	Late September 2023



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Corporate Overview

Share price performance (last 6 months)



Substantial shareholders

David Williams	14.4%
Thorney Investment Group	9.1%
Salter Brothers Emerging Companies	9.0%
George Rolleston (NED)	6.9%
Mike Davis (Co-Founder and CEO) and Michael Trusler (Co-Founder and NED)	6.4%
InEight (Strategic partner)	4.9%

Financial information

Share price (2-Aug-2023)	\$0.098
52-week trading range (low / high)	\$0.098 / \$0.22
Shares on issue	156.8m
Market capitalisation* (2-August 2023)	\$15.4m
Cash* (30-Jun-23)	\$2.8m
Debt (30-Jun-23)	N/A
Enterprise value*	\$12.6m



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Board and Management



Michael Bushby
Chairman

- 30 years' experience in Government including former Chief Executive of Roads & Traffic Authority in NSW
- Senior experience in the transport infrastructure sector
- Previous Chairman of transport technology company EROAD Ltd (NZX:ERD) and previous Board member and President of Roads Australia



Mike Davis
CEO, Managing Director & Co-Founder

- Co-Founder of Felix
- Over 15 years' experience in running technology companies, including founding and leading global e-commerce business Canvas & Canvas



Rob Phillpot
Non-Executive Director

- Global Construction Tech leader with over 20 years' experience
- Co-founded global leading collaboration platform Aconex (ASX:ACX), which was acquired by Oracle in the largest tech acquisition in Australian history at the time



Joycelyn Morton
Non-Executive Director

- Extensive corporate experience in Australia and internationally across a variety of industries
- Currently serves as a non-executive director of Argo Global Listed Infrastructure (ASX:ALI), and Gelion Plc (AIM:GELN)



George Rolleston
Non-Executive Director

- Over 15 years' transactional and advisory experience across a range of industries
- Sits on a number of boards in industries ranging from tourism, finance, software and medical technology, including MHM Automation Ltd (NZX:MHM)



Michael Trusler
Non-Executive Director & Co-Founder

- Co-Founder of Felix
- Over 5 years' of experience as a civil engineer with MCG Group, Leighton and Inten Constructions
- Holds a Bachelors' degree in Engineering



James Frayne
Chief Financial Officer & Company Secretary

- Over 10 years' experience managing and leading finance functions
- Holds a Bachelor's Degree in Business and an MBA from QUT
- Member of the Institute of Chartered Accountants Australia and New Zealand



Dan Wilson
Chief Revenue Officer & Co-Founder

- Co-Founder of Felix
- Over 15 years' leading and managing sales teams
- Previous experience in commercial real estate



Steve O'Keeffe
Chief Technology Officer

- 15 years' experience with enterprise software systems in mining, construction and services sectors
- Extensive experience in the configuration and implementation of third-party ERP software platforms, before moving to roles overseeing development and commercialisation of software

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Key risks

Short operating history and history of operating losses

Given Felix was formed in August 2012 and launched its initial Marketplace platform in May 2013, there are uncertainties surrounding future revenue growth, demand for products and business prospects. Further, the Group is not yet cash flow positive and its' limited financial and operating history is insufficient to provide certainty or assurance that the Group has capability to achieve growth and its objectives.

Therefore, investing in the Group is speculative and the Directors perceive that investment in the Shares should be regarded as high risk. Additionally, although the Group has experienced positive revenue growth since inception, it has incurred net losses every year since and has yet to generate an operating profit. There is a risk the Group may not achieve profitability in the future.

Personnel

Organisational culture and people are a key strength of the Group. Accordingly, the performance and retention of the Group's senior executives is central to its ongoing financial performance. The loss of any of the Group's key personnel may have an adverse financial impact on the Group.

The Group is also dependent on its ability to recruit and retain suitably skilled and qualified personnel for the ongoing implementation of business growth initiatives and strategies. If the Group were unable to recruit such personnel or were unable to retain them and the Group was not able to recruit suitable replacements in a timely manner, this could have a material adverse effect on the Group's business and its ability to execute its growth strategy.

Additionally, if key personnel left the business to work for a competitor, this could adversely impact the Group.

Reputation and relationships

The Group's success is dependent on maintaining the quality of its services and a positive reputation and relationship with customers and end users, Shareholders, and to a lesser extent, third parties to grow and retain its customer and user base.

Unforeseen issues, accidents or events involving the Group which, for example, cause concern over the reliability of the Group's software, adverse customer or user experience or inappropriate employee, management or Director behaviour, could jeopardise Felix's reputation and its relationship with third parties, damage its brand or otherwise cause harm to the Group and its business dealings and impact future earnings and growth prospects.

Reliance on third party IT service provider - AWS

AWS, a division of Amazon.com, Inc. (NASDAQ:AMZN), provides the Group's cloud hosting infrastructure. The Group's business is heavily dependent on the continuity of this service. While AWS is a well-established and credible cloud hosting service provider, if AWS suffered an extended outage, the Group's operations would be significantly and adversely impacted. This may impact the Group's reputation for reliability and result in customers cancelling their subscriptions, adversely impacting the Group's financial performance and growth prospects.

Software, technology and system related risk

The Group relies on the internet, its information and communication networks and systems to process, transmit and store electronic and financial information, to manage a variety of business processes and activities which include client documents, customer and regulator communication, financial management and reporting, database management and compliance with regulatory, legal and tax requirements. If access to the internet, its networks and systems is disrupted or restricted for Felix users, it would adversely impact the Group's ability to provide continuity of service impacting its operations, brand and reputation which may cause customers to cancel agreements or impact the Group's ability to secure new customers.

Increased cyber security threats and computer crime pose a potential risk to the security of the Group's information technology systems and databases, as well as the confidentiality, integrity and availability of the data stored on those systems. The loss, theft, or corruption of, or any unauthorised third party access to, the Group's data could render the Group's services unavailable for a period while the data is restored and otherwise adversely impact the Group's operations, the value of the Group's assets, its competitive position, reputation and financial performance. There is also a risk of unauthorised disclosure of users' data with associated reputational damage, claims by users, regulatory action and fines. Although the Group employs strategies and protections in an attempt to minimise security breaches and to protect data, these strategies and protections might not be entirely successful.

In that event, disruption to the Group's services could adversely impact on the Group's revenue, reputation and profitability. Additionally, the loss of client data could have a severe impact on the Group's products and services and, reputation.

The Group may be affected by malicious third-party applications that interfere with, or exploit, security flaws in its or its third-party provider's software, infrastructure or services. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a customer's, the Group's or a third-party provider's computer systems or disrupt or shut down the Group's operating system. If the Group's efforts to combat these applications are unsuccessful, or if its software or infrastructure has actual or perceived vulnerabilities, the Group's business reputation and brand may be harmed, which may result in a material adverse effect on the Group's operations and financial position.

Additionally, any failure, unscheduled down-time or cyber-attack of the software, services or technology that underpins the Group's platform may cause the Group's failure to meet contractual and service level obligations, unauthorised system use, data loss or integrity issues, integration issues with other systems and third parties, increased costs and damage to its brand and reputation.

Under the Notifiable Data Breach (NDB) Scheme under the Privacy Act 1988 (Cth) (Privacy Act), Felix is obliged to report data breaches to, among others, its customers. Under the Privacy Act, Felix may be subject to financial penalties and other enforcement action if such a breach is not reported.

Intellectual property infringement claims

A key component of the Group's business model is dependent on its ability to offer new and existing customers and users proprietary digital software solutions and technology that provide the requisite functionality, advantages over alternative solutions and value for money. If the Group fails to update its solutions to meet evolving customer and user needs, there is a risk it may lead to performance issues, a decrease in client satisfaction and potentially a loss of customers and users.

If a third-party accuses the Group of infringing its intellectual property rights or if they commence litigation against the Group for the infringement of patent or other intellectual property rights, the Group may incur significant costs in defending such action. Costs incurred in defending such action may include diversion of management's and technical personnel's time. Further, parties making claims against the Group may be able to obtain injunctive or other equitable relief that could prevent the Group from promoting its products. In the event of a successful claim of infringement, the Group may be required to pay damages and obtain one or more licences from the prevailing third-party.

If the Group is unable to obtain these licences on reasonable terms at a reasonable cost, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products.

The Group does not believe that its activities infringe any third-party's intellectual property rights. To date, no third-party has asserted this. However, in the future the Group may be subjected to infringement claims or litigation arising out of patents and pending applications of its competitors, or additional proceedings initiated by third-parties or intellectual property authorities re-examining the patentability of licensed or owned patents. The defence and prosecution of intellectual property claims and litigation, and related legal and administrative proceedings are costly and time-consuming to pursue and their outcome is uncertain. If the Group infringes the rights of third-parties, the Group could be prevented from operating its software platform and be forced to defend against litigation and pay damages.

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Key risks (cont'd)

Group's protection of its intellectual property rights

The Group's current methods to protect its intellectual rights may not prevent the misappropriation or development of similar products by others. Competitors may gain access to the Group's technology which could harm its business, operations and financial performance.

No assurance can be given that the value of the Group's intellectual property rights will be completely protected or that the Group will be able to maintain its competitive position by the legal protection afforded by a combination of copyright, trade secrecy laws, patent laws, confidentiality and other intellectual property rights. There can be no assurance that third parties or employees will not breach confidentiality agreements, infringe or misappropriate the Group's intellectual property or will not be able to produce a non-infringing competitive product or service. Furthermore, no assurance can be given that third parties will not challenge the ownership by, or the rights of, the Group to its intellectual property rights, or that if the Group is required to obtain a licence from a third-party as a result of any infringement dispute, the Group will be able to obtain such licences.

R&D tax incentives audit risk

The Group has claimed research and development (R&D) tax incentives totalling \$1,021,000 over the last 3 years for expenditure incurred. Under the R&D incentive framework, both the ATO and AusIndustry are entitled to audit the expenditure incurred to ensure it has been incurred per the requirements of Division 355 of the Income Tax Assessment Act 1997 (ITA). To this extent, there is a risk that some or all of the R&D tax incentives received by the Group may need to be repaid (including penalties) if audits of the claims were conducted and the relevant regulatory authority formed the view that the requirements of Division 355 had not been met in full or in part.

Changes to law or regulations may impact business operations

Changes to law or regulations may impact business operations Felix and its customers will be subject to local laws and regulations in each jurisdiction for provision of its services. Changes to existing laws and regulations (including their introduction) may adversely impact the Group's business in that jurisdiction.

Expansion and foreign operations

The Group currently operates in Australia but plans to expand its operations to overseas markets after it has established sufficient critical scale in the Australian market. There is no guarantee that the Group's product offering will be successful or will be able to generate material revenues outside of Australia. The Group's success will depend on a number of factors such as the operations and product offerings of existing and new competitors in these markets, new customers' willingness to pay for the Group's services and the state of the local economy and appetite for new technology adoption.

Businesses that operate across multiple jurisdictions face additional complexities due to specific business requirements in each jurisdiction.

The Group will be exposed to a range of multi-jurisdictional risks in any new country within which it chooses to establish operations. These risks relate to use of data, labour practices, consumer preferences, difficulty in enforcing contracts, changes to or uncertainty in relevant legal and regulatory regimes (including in relation to taxation, foreign investment and practices of government and regulatory authorities) as well as other issues.

The Group's financial statements are prepared and presented in Australian dollars (AUD) and the majority of its costs are currently in AUD. If the Group were to offer a paid subscription-based service priced in a foreign currency, it would be exposed to movements in foreign exchange rates which may adversely impact the Group's profitability.

General risks and macroeconomic risks

Changes in general economic conditions, introduction of tax reform, new legislation, employment rates, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Group's activities, as well as on its ability to fund those activities.

Deterioration in the general economic conditions, including factors that impact negatively on disposable income of consumers, could affect customer expenditure, including on 'productivity software' which may adversely affect the Group's profitability.

Market conditions

Share market conditions may affect the value of the Group's quoted securities regardless of the Group's operating performance. Share market conditions are affected by factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates, inflation rates, exchange rates and commodity prices;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and listed SaaS companies in particular. Neither the Company nor the Directors warrant the future performance of the Group nor any return on an investment in the Company and give no assurance that the price of the Shares will increase following quotation on the ASX, even if the Group's earnings meet or exceed forecasts.

Access to equity and debt funding

Volatility in financial markets could have a material adverse effect on the Group's ability to raise further capital. The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally.

In addition, any deterioration in global financial markets could impact risk appetite among lending institutions which may impact the Company's ability to enter into loan facilities. The Directors can give no assurance that future funds can be raised by the Company on favourable terms, or at all.

If the Company is unable to obtain additional funding as needed, or is unable to do so on acceptable terms, it may be required to reduce the scope of its operations and scale back its growth plans as the case may be which could adversely affect its business, financial position, operating performance and future growth prospects.

Shareholder dilution

In the future, the Group may elect or be required to engage in various types of capital raisings, including the issue of Shares or other securities. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period without Shareholder approval (other than where exceptions apply), Shareholders at the time may be diluted as a result of such capital raisings if they do not participate pro rata.

Litigation risk

Felix offers products and services to its user base which in certain circumstances may give rise to potential legal action by users.

The Group has agreements with employees, contractors, customers, suppliers and other entities. There is a risk the Group may be subject to litigation and other claims and disputes in the course of doing business, including contractual disputes and indemnity claims, misleading and deceptive conduct claims, intellectual property disputes and employment related claims.

There is also a risk the Group may be subject to regulatory investigations and sanctions or fines by governmental agencies in the event of non-compliance with relevant statutory or regulatory requirements. Such litigation, claims, disputes or investigations, including the costs of settling claims or paying sanctions or fines, and any associated operational impacts, may be costly and damaging to the Group's reputation and business relationships, any of which could have a material adverse effect on the Group's financial performance, position or industry standing.



International offer restrictions

International offer restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below:

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

