



ASX Announcement

27 October 2023

CLEANSING NOTICE - 708AA(12) and 708A(9) of the Corporations Act 2001 (Cth)

SenSen Networks Limited (ASX: SNS) ("**SenSen**" or the "**Company**") gives this notice under section 708AA(12) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and section 708A(9) of the Corporations Act.

On Wednesday, 11 October 2023, SenSen announced the launch of a A\$2.09 million entitlement offer of new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.04 per New Share (**Entitlement Offer**).

The Entitlement Offer is comprised of a fully underwritten¹ 1 – for – 13 pro rata traditional non-renounceable entitlement offer of New Shares to raise gross proceeds of approximately A\$2.09 million.

Further, SenSen on Tuesday, 10 October 2023 SenSen issued 522,673 ordinary shares under its Salary Sacrifice Plan as announced to the market on Friday, 28 April 2023 (**Share Issue**).

The purpose of this notice is to inform shareholders of changes to the Company's circumstances since its previous notice dated Wednesday, 11 October 2023 and issued under sections 708AA(2)(f) and 708A(5)(e) of the Corporations Act.

SenSen notes that in respect of the excluded information notice lodged on the ASX on 11 October 2023, that the Contract remains subject to finalisation. Once finalised, it will immediately announce the Contract to the market and will name the counterparty, as required under ASX Listing Rule 3.1.

Settlement of Proceedings with Angel

As detailed in the ASX Announcement of 27 October 2023, the Federal Court of Australia proceedings and the Republic of the Philippines Regional Trial Court proceedings commenced by Angel Group Co., Ltd and its related companies (**Angel**), whereby it was alleged that SenSen had infringed Angel's patents (**Proceedings**), have been settled on a without admissions basis.

In addition to the above, SenSen and Angel have entered into a placement agreement (**Placement Agreement**) pursuant to which Angel has subscribed for 45 million ordinary shares in SenSen (**Placement Shares**) for A\$0.04 per Subscription Share to raise a total of A\$1.8 million. The Subscription Shares will be issued once the Proceedings have been dismissed.

Refer to the ASX Announcement dated Friday, 27 October 2023 for further detail.

Cleansing Notice – Entitlement Offer

In respect of the Entitlement Offer, the Company gives notice as required under section 708AA(2)(f) of the Corporations Act as follows:

- 1 the Company will be issuing the New Shares under the Entitlement Offer without disclosure to eligible shareholders under Part 6D.2 of the Corporations Act;

¹ Refer to the Appendix 3B and Offer Booklet for a description of the terms and conditions of the underwriting arrangement.

2 this notice is given under section 708AA(12) of the Corporations Act, updating its previous section
708AA(2)(f) notice dated Wednesday, 11 October 2023;

3 as at the date of this notice, the Company has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- (b) sections 674 and 674A of the Corporations Act;

4 as at the date of this notice, there is no "excluded information" as defined in sections 708AA(8) or
708AA(9) of the Corporations Act that has not already been disclosed to investors generally; and

5 the potential effect that the Entitlement Offer will have on the control of the Company, and the
consequences of that effect, will depend on a number of factors including the number of New Shares
taken up by each eligible shareholder. However, the Company notes the following:

Structure of the Entitlement Offer and Underwriting

- (a) The number of New Shares which will be issued under the Entitlement Offer is approximately
52.4 million New Shares (subject to rounding of fractional entitlements) to raise approximately
A\$2.09 million, equating to approximately 7.7% of all the issued shares in the Company
following completion of the Entitlement Offer.
- (b) The Entitlement Offer will be conducted in one part only as a traditional entitlement offer.
- (c) The Company will not offer a shortfall oversubscription facility as part of Entitlement Offer.
- (d) The Entitlement Offer is fully underwritten by Ankla Pty. Ltd, an entity within the Mizikovsky
Group, SenSen's largest shareholder (**Underwriter**).
- (e) The key terms of the underwriting agreement between the Company and the Underwriter in
connection with the Entitlement Offer (**Underwriting Agreement**) is set out in the Offer Booklet
released to the ASX on Thursday, 19 October 2023. In summary, subject to any termination
rights in the Underwriting Agreement, entitlements to New Shares for which valid applications
are not received before the Entitlement Offer closes will be taken up by the Underwriter.
Information is also contained in the Appendix 3B lodged on 11 October 2023.
- (f) As at the date of this notice, the Underwriter (with its associated entities) is the Company's
largest shareholder and directly or indirectly holds a relevant interest in 13.7% of the issued
shares of the Company. These holdings are held as follows:

Underwriter	Registered holders	Class and number of securities	Percentage of votes
Ankla Pty. Ltd.	Ankla Pty. Ltd. L Mizikovsky & M Mizikovsky Skylevi Pty Ltd Rainrose Pty Ltd Sunstar Australia Pty Ltd Winothai Family Acc Super Sin Chareon Pty Ltd (Mizikovsky Group)	Total of 93,441,413 ordinary shares (held via the Mizikovsky Group)	13.7%

Impact of the Entitlement Offer and Underwriting on Control of the Company

- (g) The Company intends to market the Entitlement Offer to existing shareholders to reduce as far
as possible the requirement of the Underwriter to underwrite the Entitlement Offer.
- (h) The number of New Shares that will be required to be taken up by the Underwriter, and
therefore the increase in the Underwriter relevant interest in the voting shares of the Company
as a result of the Entitlement Offer, will depend on how many New Shares are taken up under
the Entitlement Offer by persons other than the Underwriter and their associates.

- (i) However, the number of voting shares in which the Underwriter has a relevant interest may not exceed 20% of the issued shares of the Company. The table below sets out the Underwriter's relevant interests in the Company following completion of the Entitlement Offer under several scenarios.

Given the Directors and members of the management team that hold Shares in SenSen intend to take up their full Entitlement, this is detailed at 100%, 75%, 50% and 30% take-up.

Event	No, Shares in which the Underwriter hold a relevant interest ^{1,2,4 & 5}	Voting power of Underwriter ^{1,2,4}
100% take up by eligible shareholders (other than the Underwriter and its associates) ³	100,629,214	13.7%
75% take up by eligible shareholders (other than the Underwriter and its associates) ³	113,739,731	15.5%
50% take up by eligible shareholders (other than the Underwriter and its associates) ³	126,850,247	17.3%
30% take up by eligible shareholders (other than the Underwriter and its associates) ³	137,338,660	18.7%

Notes:

- Assumes the Underwriting Agreement is not terminated prior to settlement of any aspect of the Entitlement Offer, and the Underwriter complies with its obligations under the Underwriting Agreement.
- The interest of the Underwriter in each line assumes that entities associated with the Underwriter (i.e. entities within the Mizikovsky Group) take up their full Entitlement.
- Calculated on the basis of 1 New Share per 13 existing shares held at the Record Date of 7pm (Melbourne time) on Monday, 16 October 2023.
- Subject to rounding.
- Given the SenSen Directors have confirmed they intend on taking up their entire Entitlement, that will account for approximately 22%. In the event only 22% of Shareholders take up their Entitlement, the maximum voting power of the Underwriter and its associates will be 19.3%.

- (j) SenSen has no options or other forms of security on issue. The Company notes however that in November 2023, it will issue Shares as deferred consideration to shareholders of Scancam Industries Pty Ltd (**Deferred Shares**)². Further, at the 2023 annual general meeting, the Company will be seeking Shareholder approval for the issue of Shares and performance rights under the incentive arrangements and salary sacrifice plan of the Company (**2023 AGM Securities**)³. The issue of all Shares and performance rights to Directors will be subject to Shareholder approval. Detail of the Deferred Shares and the 2023 AGM Securities will be contained in the Offer Booklet.

Impact of the Placement Agreement on the Company

As announced on Friday, 27 October 2023, it is anticipated that the Placement Shares will be issued to Angel before completion of the Entitlement Offer. On this basis, the following table shows the capital structure of the Company before and after completion of the Entitlement Offer and assuming the issue of the Deferred Shares, Placement Shares and the 2023 AGM Securities.

Shares and other securities	Number	%
Current issued Shares and other securities		
Shares on issue at the date of this notice	681,746,854 Shares	100%
Other securities on issue at the date of this notice	Nil	0%
Maximum number of Shares and other securities on issue following the Entitlement Offer		
Maximum number of Shares on issue following the Entitlement Offer ⁴	734,188,920 Shares (approximately)	92.2%
Shares to be issued as Deferred Shares to shareholders of Scancam Industries Pty Ltd (noting that the Deferred Shares will likely be issued before the completion of the Entitlement Offer)	17,036,806 Shares (approximately)	2.2%

² Refer to the ASX Announcement of 26 May 2021 for details of the acquisition of Scancam Industries Pty Ltd. It is anticipated that approximately 17,036,806 Shares will be issued to shareholders of Scancam Industries Pty Ltd.

³ It is anticipated that under the incentive arrangements of the Company, approximately 25,077,526 Shares and 18 performance rights (converting into Shares) will be issued, with the Shares (including on conversion of the performance rights) proposed to be issued over a period between 30 November 2023 to 31 July 2026.

⁴ A small number of additional New Shares may be issued due to rounding of individual entitlements.

Placement Shares to be issued to Angel (noting that the Placement Shares will likely be issued before the completion of the Entitlement Offer)	45,000,000 Shares	5.6%
Other securities on issue immediately following the Entitlement Offer	Nil	0%
TOTAL	796,225,726 Shares	100%
Maximum number of Shares on issue following the Entitlement Offer and assuming the issue of the 2023 AGM Securities		
Maximum number of Shares on issue immediately following the Entitlement Offer ⁵ , the issue of Deferred Shares and the issue of the Placement Shares	796,225,726 Shares (approximately)	96.9%
Securities proposed to be issued following the 2023 annual general meeting:	25,077,526 Shares (approximately)	3.1%
<ul style="list-style-type: none"> • 17,317,441 Shares to be issued to employees (other than Directors) under the SenSen Incentive Plan and Salary Sacrifice Plan to be issued over the period from 30 November 2023 to 30 June 2024; • 4,146,079 Shares to be issued to Directors under the SenSen Incentive Plan; • 3,614,006 Shares issued to be issued to Directors under the SenSen Salary Sacrifice Plan for the period to be issued over the period from 1 May 2023 to 30 June 2024; and • 18 Performance Rights to be issued to Directors under the SenSen Incentive Plan for performance over the period from 1 July 2023 to 31 July 2026. Assuming all hurdles are met over that period and a volume weighted average price of \$0.045, the 18 Performance Rights will be converted into 38,618,013 Shares (approximately) and issued over the period between 30 June 2024 to 31 July 2026. 	18 Performance Rights	(excluding any conversion of the Performance Rights)
TOTAL	821,303,252 Shares 18 Performance Rights	100%

Cleansing Notice – Share Issue

In respect of the Share Issue, the Company gives notice as required under section 708A(5)(e) of the Corporations Act as follows:

- 1 the Company issued the Shares under its salary sacrifice plan without disclosure to eligible shareholders under Part 6D.2 of the Corporations Act;
- 2 this notice is given under section 708A(9) of the Corporations Act, updating its previous section 708A(5)(e) notice dated Wednesday, 11 October 2023;
- 3 as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of and section 674A the Corporations Act; and
- 4 as at the date of this notice, there is no "excluded information" as defined in section 708A(7) or section 708A(8) of the Corporations Act that has not already been disclosed to investors generally.

This release is approved by the Board of SenSen.

For further information, please contact:

David Smith
Executive Director and Company Secretary
Email: info@sensen.ai

About SenSen Networks Limited

An innovator in smart urban management solutions, SenSen leads the way in AI technology with the pioneering Live Awareness AI Platform. This revolutionary system analyzes data from cameras and sensors in real-world spaces, seamlessly integrating it with contextually significant digital enterprise data for a safer and more efficient global landscape.

⁵ A small number of additional New Shares may be issued due to rounding of individual entitlements.

SenSen's solutions are alleviating traffic congestion, enhancing road and personal safety, and elevating urban life in prominent cities like Chicago, Las Vegas, Vancouver, Calgary, Singapore, Adelaide, and Brisbane. Additionally, the company's AI-driven technology is generating substantial annual savings for major fuel retail brands, including AMPOL, Chevron, Liberty, and Woolworths.

For more information on SenSen's innovative live awareness AI solutions, please visit www.sensen.ai.

Disclaimer

Forward looking statements

This document contains certain "forward-looking statements". 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. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this document are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of SenSen, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of SenSen's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of SenSen, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. The forward-looking statements are based on information available to SenSen as at the date of this document. Except as required by law or regulation (including the ASX Listing Rules), none of SenSen, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Not an offer in the United States

This document has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this document have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "US Securities Act") or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this document may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States