



# SHARE PURCHASE PLAN

Offer Terms and Conditions

Offer Closes Monday 6 April 2020 at 5.00pm AEST



The Citadel Group Limited  
ACN: 127 151 026

2020



## 1 SHARE PURCHASE PLAN

As announced to ASX on 18 February 2020, Eligible Shareholders have the opportunity to participate in the Share Purchase Plan offer (**SPP**) by applying for up to \$30,000 of fully paid ordinary shares in The Citadel Group Limited (**CGL**) (**New Shares**) without incurring brokerage or transaction costs.

New Shares issued under the SPP will be issued on 8 April 2020 and will rank equally with existing fully paid ordinary shares in The Citadel Group Limited (**CGL Shares**) and carry the same voting rights and other entitlements. The New Shares are expected to commence quotation on ASX on 8 April 2020.

Further details of the SPP are set out in the attached documents.

**This is an important document that requires your attention.**

In particular, if you participate in the SPP, you are accepting the risk that the market price of CGL Shares may change between the date on which you make your application and the Allotment Date.

CGL recommends that you seek independent advice from your financial or other professional advisors regarding your participation in the SPP.

### Key SPP dates\*

Details	Date
Record Date	7.00pm (AEDT) on 17 February 2020
Announcement Date	18 February 2020
Dispatch of Offer Documents to Eligible Shareholders and Opening Date	26 February 2020
Closing Date	5:00pm (AEST) on 6 April 2020
Announcement of results of SP	7 April 2020
Allotment Date	8 April 2020

\* CGL reserves the right to vary any of the above indicative dates other than the Record Date.



## IMPORTANT NOTICE

This Booklet contains important information. You should read it carefully and in its entirety.

The offer of New Shares under the SPP is made in accordance with Australian Securities and Investments Commission (**ASIC**) (Share and Interest Purchase Plans) Instrument 2019/547 (Australia), which grants relief from the requirement to issue a disclosure document for the SPP. This Booklet is not a prospectus under Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**).

If you have any questions in relation to how to participate in the SPP after reading this Booklet, please contact Link Market Services Pty Ltd on 1800 645 237 (From outside Australia: +61 1800 645 237 ) or email any questions to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au).

This Booklet does not constitute or provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs. If you are in any doubt about whether to participate in the SPP, you should seek advice from your financial, taxation or other professional advisor before participating.

### New Zealand

The New Shares under the SPP are not being offered or sold to the public in New Zealand other than to existing shareholders of CGL with registered addresses in New Zealand to whom the offer of New Shares under the SPP is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has not been registered, filed or approved by any New Zealand regulatory authority. This document 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

In particular, the New Shares referred to in this document have not been, and will not be registered under the United States Securities Act, 1933 as amended (**US Securities Act**), and may not be offered or sold in the United States or to or for the account or benefit of 'US Persons' (as defined in Regulation S under the **US Securities Act**) in the absence of registration or an available exemption from registration.



26 February 2020

Dear Shareholder

### **Invitation to participate in Share Purchase Plan**

The Citadel Group Limited (**CGL**) is pleased to present to Eligible Shareholders the opportunity to increase their investment in CGL through an offer of fully paid ordinary shares under this Share Purchase Plan (**SPP**).

As announced on 19 February 2020, CGL has successfully raised approximately \$34 million from an unconditional placement of shares to professional, institutional and sophisticated investors and secured firm commitments for a conditional placement of approximately \$93 million (**Placement**).

The funds raised under the Placement will be used by CGL to, amongst other things, partially fund its acquisition of Wellbeing Software Group Limited (**Wellbeing**). Further details in relation to CGL's proposed acquisition of Wellbeing are contained in CGL's Investor Presentation and announcement released to ASX on 18 February 2020. The proceeds of the SPP will be used for CGL's general working capital purposes.

The SPP is conducted in accordance with ASX Listing Rules 7.2 (exception 5) and 10.12 (exception 4), and as such, does not require shareholder approval.

### **The Offer**

The SPP is offered exclusively to all shareholders who were recorded on CGL's share register at 7:00pm (AEDT) on 17 February 2020 with an address on the share register in Australia or New Zealand (each an **Eligible Shareholder**).

The SPP provides Eligible Shareholders with an opportunity to buy a parcel of shares in CGL with no brokerage or transaction costs, irrespective of their existing shareholdings, up to a maximum of \$30,000.

The offer price is \$4.65 per share (**Offer Price**), which is the same as the issue price under the Placement.

The minimum application amount is \$1,000 and the maximum application amount is \$30,000. The Offer Price represents a:

- 12.1% discount to the Volume Weighted Average Price of \$5.29 during the 10 trading day period leading up to the Announcement Date; and
- 21.2% discount to close at 17 February 2020 (being the last trading day before details of the SPP were announced) of \$5.90.

If the total value of applications received under the SPP is greater than \$10 million, CGL will scale back the number of New Shares that will be allotted under the SPP and you may be allocated fewer New Shares than the number for which you applied. In such a case, you will receive a proportionate refund of your application monies.

Participation in the SPP is optional and the right to participate is not transferrable. The offer to participate in the SPP closes at 5:00pm (AEST) on 6 April 2020.

Full details on the SPP and how to participate are contained in the attached documents.

In order to apply for a parcel of shares, please read the attached documents carefully and follow the instructions on the enclosed personalised application form.



Citadel appreciates your continued support of our company.

Yours sincerely

**Peter Leahy**  
Chairman

## 2 FREQUENTLY ASKED QUESTIONS

### **What is the Share Purchase Plan?**

The Share Purchase Plan (or SPP) provides Eligible Shareholders with an opportunity to purchase additional fully paid ordinary shares in CGL (New Shares) at the same price offered to institutional investors under CGL's recent placement, without brokerage or transaction costs.

All New Shares issued under the SPP will rank equally with existing ordinary shares in CGL (CGL Shares), including with respect to voting rights and other entitlements.

### **Am I an Eligible Shareholder?**

You are an Eligible Shareholder if, at 7:00pm (AEDT) on 17 February 2020 (Record Date), you were registered as a holder of CGL Shares with an address on the share register in Australia or New Zealand.

### **What is the Offer Price of the New Shares?**

The offer price is \$4.65 per New Share (Offer Price). The Offer Price represents a:

- 12.1% discount to the Volume Weighted Average Price of \$5.29 during the 10 trading day period leading up to the Announcement Date; and
- 21.2% discount to close at 17 February 2020 (being the last trading day before details of the SPP were announced) of \$5.90.

The market price of CGL's shares may rise or fall between the date of this offer and the date on which the New Shares are allotted under the SPP.

The Offer Price may therefore be higher, equal to or lower than the price at which CGL Shares are trading on the ASX at the time the New Shares are allotted under the SPP.

### **How many New Shares can I apply for under the SPP?**

Each Eligible Shareholder is entitled to apply for a parcel of New Shares valued at either \$1,000 (215 Shares), \$2,000 (430 Shares), \$5,000 (1,075 Shares), \$10,000 (2,150 Shares), \$15,000 (3,225 Shares), \$20,000 (4,301 Shares), \$25,000 (5,376 Shares) or \$30,000 (6,451 Shares) regardless of the number of CGL Shares that the Eligible Shareholder owns as at the Record Date.

If CGL receives an amount that does not equal one of the amounts specified above, CGL may either:

- a) reject the Application and refund in full the Application money (without interest) to the Eligible Shareholder; or
- b) apply the dollar amount of the payment to the highest designated parcel that is less than the amount of the payment and refund the excess Application money (without interest) to the Eligible Shareholder.

If an Eligible Shareholder holds shares in more than one capacity (e.g. as both a joint holder and a sole holder), then the maximum amount that Eligible Shareholder can apply for under the SPP in all capacities is an aggregate of \$30,000.

By applying for New Shares under the SPP, you will have agreed to be bound by the terms and conditions of the SPP set out in the attached terms and conditions and the personalised application form (Application Form).

### **Can I transfer my rights under the SPP?**

The offer made under the SPP is non-renounceable and therefore you cannot transfer your right to apply for New Shares under the SPP to another person.

### **How do I apply for New Shares under the SPP?**

If you wish to participate in the SPP, you must follow the instructions set out in the Application Form and send this form, together with a cheque or money order payable to "The Citadel Group Limited" to:

#### **By Mail**

The Citadel Group Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

#### **By Hand**

The Citadel Group Limited  
C/-Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

You may also pay by BPAY® provided that you are not a "Custodian" (as defined in ASIC (Share and Interest Purchase Plans) Instrument 2019/547 (Australia). In order to pay by BPAY®, you must have an Australian bank account enabled for this purpose. BPAY® customers must use the customer reference number shown on the Application Form which is required to identify your individual holding. If you make a BPAY® payment, you are not required to return your Application Form.

You should ensure that the Application Form and payment (if payment is not made by BPAY®) are received by no later than 5:00pm (AEST) on 6 April 2020.

You should allow sufficient time for mail deliveries.

An application cannot be withdrawn or revoked once the completed Application Form and payment has been sent to CGL (or BPAY® payment made).

### **How much is CGL seeking to raise?**

There is no minimum amount that CGL is seeking to raise under the SPP. However, if the total value of applications received is more than \$10 million, CGL will undertake a scale back (see below). No Eligible Shareholder will be entitled to apply for more than \$30,000 worth of New Shares.

### **Will I receive the full amount that I apply for?**

If the total value of applications received under the SPP is greater than \$10 million, CGL will scale back the number of New Shares that will be allotted under the SPP and you may be allocated fewer New Shares than the number for which you applied. In such a case, you will receive a proportionate refund of your application monies.

If there is a scale back, CGL may in its absolute discretion determine the manner in which it applies the scale back. CGL will announce any scale back to ASX.

### **How long does the SPP remain open?**

The SPP opens on 26 February 2020 and is expected to close on 6 April 2020.

If you wish to participate, you should ensure that the Application Form and payment (if payment is not made by BPAY®) are received by the Share Registry, by no later than 5:00pm (AEST) on 6 April 2020.

### **Is participation in the SPP mandatory?**

Participation in the SPP is voluntary. Before participating in the SPP and applying for New Shares, CGL recommends that you seek independent advice from your financial or other professional advisors.

### **Is the SPP underwritten?**

No. The SPP is not underwritten.



**Further assistance**

If you have any questions in relation to the SPP, please contact your financial or other professional advisors.

If you require any information on how to complete the Application Form, please contact Link Market Services Pty Ltd on 1800 645 237 (From outside Australia: +61 1800 645 237 ) or email any questions to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au).

### 3 TERMS AND CONDITIONS

#### Purpose

The purpose of the Share Purchase Plan (**SPP**) is to offer existing shareholders of The Citadel Group Limited ACN 127 151 026 (**CGL**) the opportunity to acquire additional fully paid ordinary shares in CGL (**New Shares**) up to a maximum value of \$30,000 at the same price offered to institutional investors under CGL's recent placement, without the need to pay brokerage or transaction costs and without the need for CGL to issue a prospectus.

This document sets out the terms and conditions of the offer under the SPP.

#### Shareholder eligibility to participate

Participation in the SPP is only open to each person registered as a holder of ordinary shares in CGL (**CGL Shares**) at 7:00pm (AEDT) on 17 February 2020 (**Record Date**), who has an address on the share register in Australia or New Zealand (each an **Eligible Shareholder**).

Due to foreign security laws, it is not practical for shareholders who are resident in countries other than Australia and New Zealand to participate in the SPP.

Participation in the SPP is optional and is subject to these terms and conditions. Offers made under the SPP are non-renounceable meaning that Eligible Shareholders may not transfer their rights to New Shares offered under the SPP.

Joint shareholders are taken to be a single registered holding for the purpose of the SPP, and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP, those joint holders may only apply for an aggregate maximum parcel of shares (ie \$30,000) between any joint or individual holdings.

If an Eligible Shareholder is a "Custodian" (as defined in ASIC's (Share and Interest Purchase Plans) Instrument 2019/547 (Australia), (**Custodian**) and is the registered holder of shares on behalf of one or more persons who have a registered address in either Australia or New Zealand and who is not in the United States and is not acting for the account or benefit of a person in the United States (each an **Eligible Beneficiary**), the offer is made to that Eligible Shareholder and it has the discretion whether to extend the offer to the Eligible Beneficiaries. Custodians must complete and submit a certificate that certifies the matters required by paragraph 8(3) of ASIC's (Share and Interest Purchase Plans) Instrument 2019/547 (Australia), (**Custodian Certificate**) when making an application on behalf of Eligible Beneficiaries. To request a Custodian Certificate or further information about the Custodian application process, a Custodian should contact CGL's share registry. Applications received from Custodians must be accompanied by a duly completed and signed Custodian Certificate. Applications that are not accompanied by a duly completed Custodian Certificate will be rejected.

If an Eligible Shareholder holds CGL Shares as a trustee or nominee for another person, but is not a Custodian, that Eligible Shareholder cannot participate for the beneficiaries of that trust in the manner described above. In this case, the rules for multiple single holders apply.

By electing to participate in the SPP, an Eligible Shareholder is deemed to have certified that the aggregated maximum amount subscribed for under the SPP does not exceed \$30,000. Furthermore, Eligible Shareholders are deemed to have confirmed, in relation to all New Shares applied for by them under the SPP, that they do not make an application for any other person in circumstances which might involve any breach of securities law of any jurisdiction other than Australia and New Zealand and have agreed to be bound by CGL's constitution in respect of all the New Shares issued to them under the SPP.

## Issue Price

The price of shares to be issued under the SPP will be \$4.65 per New Share (**Offer Price**).

The market price of shares in CGL may rise or fall between the date of this offer and the date that New Shares are issued to Eligible Shareholders. This means that the Offer Price may be higher, equal or lower than the price of the CGL Shares traded on ASX at the time the New Shares applied for under the SPP are issued and allotted.

## Application and notices

At the discretion of the directors of CGL, Eligible Shareholders will be sent a letter of offer, terms and conditions and an Application Form, inviting them to subscribe for New Shares under the SPP.

Eligible Shareholders may apply to purchase a parcel of New Shares under the SPP valued at either \$1,000, \$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000.

Eligible Shareholders who wish to participate in the SPP must complete the attached personalised application form (**Application Form**) and provide payment (or make payment by BPAY®) in accordance with the instructions set out on the Application Form.

Applications for New Shares under the SPP offer will not be accepted unless received by the Share Registry by no later than 5:00pm (AEST) on 6 April 2020 (**Closing Date**).

CGL has a broad discretion to accept or reject your application to purchase New Shares under the SPP, including (without limitation) if: your Application Form is incorrectly completed or incomplete or otherwise determined by CGL to be invalid; the cheque or money order that you enclose with the Application Form is not made out for the exact value of the parcel of Shares that you have selected on the Application Form, is dishonoured or has not been completed correctly; or CGL believes that you are not an Eligible Shareholder.

Any applications for less than \$1,000 will be returned.

Oversubscriptions or refunds of other application monies will be returned without interest by cheque to the applicant's address on CGL's register.

## Acknowledgements

By returning an Application Form and providing payment or making a payment by BPAY®, you:

- a) are deemed to have accepted the SPP offer and you irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form 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) agree that your application is only effective when received by the Share Registry and not when it is posted;
- e) warrant that you are an Eligible Shareholder and eligible to lawfully participate in the SPP and apply for the New Shares, in each case in accordance with these terms and conditions as well as any applicable laws;



- f) acknowledge that no interest will be paid on any application monies held pending the issue of New Shares or subsequently refunded to you for any reason;
- g) acknowledge that CGL and its officers and agents are not liable for any consequence of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- h) agree to pay the Offer Price per New Share up to the maximum of:
  - a. the value you have selected on the Application Form; or
  - b. the maximum value of your BPAY® payment or cheque;
- i) acknowledge and agree that:
  - a. you are not in the United States and are not acting for the account or benefit of a person in the United States;
  - b. the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred without registration under the US Securities Act unless the New Shares are offered, sold or otherwise transferred in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act, and the securities laws of any state or other jurisdiction in the United States;
  - c. you have not, and will not, send this Booklet or any materials relating to the SPP to any person in the United States or to any person located in any other country outside Australia and New Zealand;
  - d. if in the future you decide to sell or otherwise transfer the New 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
  - e. if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is a resident in Australia or New Zealand, and you have not sent this Booklet, or any materials relating to the SPP, to any person outside Australia and New Zealand;
- j) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
  - a. you are not applying for New Shares with an application price of more than \$30,000 under the SPP (including by instructing a Custodian to acquire New Shares on your behalf under the SPP);
  - b. the total of the application price for the following does not exceed \$30,000:
    - i. the New Shares the subject of the application;
    - ii. any other CGL Shares issued to you under a SPP or any similar arrangement in the 12 months before the application;
    - iii. any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
    - iv. any other CGL 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 CGL Shares on your behalf under an arrangement similar to the SPP,



even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;

- k) if you are a Custodian and are applying for New Shares on behalf of an Eligible Beneficiary on whose behalf you hold CGL Shares, acknowledge and agree that:
- a. you are a Custodian (as that term is defined in ASIC (Share and Interest Purchase Plans) Instrument 2019/547 (Australia);
  - b. you held CGL Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for New Shares on their behalf under the SPP and that the Eligible Beneficiary has been given a copy of this Booklet;
  - c. you are not applying for New Shares on behalf of any Eligible Beneficiary with an application price of more than \$30,000 under the SPP;
  - d. your application will not be accepted unless you duly complete and submit a Custodian Certificate; and
  - e. the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- l) accept the risk associated with any refund that may be dispatched to you by cheque to your address shown on CGL's share register;
- m) are responsible for any dishonour fees or other costs CGL may incur in presenting a cheque for payment which is dishonoured;
- n) agree to be bound by the constitution of CGL (as it may be amended from time to time in the future);
- o) acknowledge that none of CGL, its officers, advisors 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;
- p) acknowledge that CGL may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- q) authorise CGL, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

### Scale back

If the total value of applications received under the SPP is greater than \$10 million, CGL will scale back the number of New Shares that will be allotted under the SPP. If there is a scale back, CGL may in its absolute discretion determine the manner in which it applies the scale back. Any scale back will be announced on 8 April 2020 (**Allotment Date**).

Accordingly, if CGL undertakes a scale back you may not receive the full amount or any of the New Shares for which you have applied. If this is the case, the difference between the application monies received, and the number of New Shares issued to you multiplied by the Offer Price, will be refunded to you (without interest) by cheque forwarded to your address on the CGL's register. If the scale back produces a fractional number of Shares when applied to a parcel of Shares, the number of Shares allocated will be rounded down to the nearest whole number of Shares.

### **New Shares issued under the SPP**

New Shares issued under the SPP will rank equally in all respects with all other CGL Shares from the Allotment Date.

### **Modification and termination of the SPP**

CGL may modify or terminate the SPP at any time.

CGL will notify ASX of any modification to, or termination of the SPP. The omission to give notice of any modification to, or termination of, the SPP or the failure of ASX to receive such notice will not invalidate that modification or termination.

### **Dispute resolution**

CGL may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application, and the decision of CGL will be conclusive and binding on all participants and other persons to whom the determination relates.

CGL reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of CGL under these conditions may be exercised by the directors of CGL or any delegate of the directors of CGL.

### **ASIC and ASX Relief**

This offer of New Shares under the SPP is made in accordance with the relief granted under ASIC (Share and Interest Purchase Plans) Instrument 2019/547 (Australia). This financial instrument grants relief from the requirement to prepare a prospectus for the offer of New Shares under the SPP.

### **Contact Details**

If Eligible Shareholders have any questions regarding the SPP or how to deal with this offer, they should contact their professional advisors or stockbrokers.

If Eligible Shareholders require information on how to complete the Application Form, they may contact Link Market Services Pty Ltd on 1800 645 237 (From outside Australia: +61 1800 645 237 ) or email any questions to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au).





# The Citadel Group Limited

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