



**engage:BDR Limited**  
**ACN 621 160 585**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Tuesday, 25 May 2021**

Time of Meeting:  
**11.00am (AEST)**

Location of Meeting:  
**William Buck**  
**Level 20**  
**181 William Street**  
**Melbourne Vic 3000**

Consistent with the Australian Securities & Investments Commission's (ASIC) announcement regarding its 'no-action' position on electronic notice of meetings, including supplementary notices (*ASIC Media Release 21-061MR – published on 29 March 2021*), the Notice of Annual General Meeting and Explanatory Memorandum (NOM) will be circulated electronically to Shareholders who have nominated electronic addresses. For those without nominated electronic addresses, a hard copy notice of how to access the NOM will be sent by post. **No hard copy** of the NOM will be circulated. The NOM is available on the Australian Stock Exchange Announcement platform and on the Company's website (<https://engagebdr.com/asx-announcements/>)

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay*

# engage:BDR Limited

ACN 621 160 585

Registered office: Scottish House, Level 4, 90 William Street, Melbourne, Victoria, 3000

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of engage:BDR Limited (the "Company") will be held at the offices of William Buck, Level 20, 181 William Street, Melbourne, Victoria, 3000 at 11.00am (AEST) on Tuesday, 25 May 2021 ("Annual General Meeting", "AGM" or "Meeting").

## AGENDA

The Explanatory Statement and Proxy Form, which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

### ORDINARY BUSINESS:

#### Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors, for the financial year ended 31 December 2020.

*Note: Exception for Resolution 1. There is no requirement for Shareholders to approve the Financial Report, Directors' Report and the Auditors' Report. Accordingly, no resolution will be put to Shareholders on this item of business.*

#### Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

*"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial period ended 31 December 2020 be adopted."*

*Note: In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remunerations policies.*

#### Resolution 2: Re-election of Mr Thomas Anderson as a Director of the Company

To consider and, if thought fit, to pass the following ordinary resolution:

*"That Mr Thomas Anderson, being a Director who retires by rotation pursuant to ASX Listing Rule 14.4, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

*There are no voting exclusions on this Resolution.*

#### Resolution 3: Renewal of engage:BDR Options and Performance Rights Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That the Company's employee share scheme known as the "engage:BDR Options and Performance Rights Plan" (**Plan**), a summary of which is included in the Explanatory Statement, be approved for all purposes under the Corporations Act and Listing Rules, including:*

- (a) approval of the issue of securities under the Plan for the purposes of Listing Rule 7.2 exception 13(b);*

- (b) approval for the Company to take security over its own shares under the Plan for the purposes of section 259B(2) of the Corporations Act;
- (c) approval for the Company or any of its subsidiaries giving financial assistance (as defined in the Corporations Act) under the Plan for the purposes of section 260C(4) of the Corporations Act; and
- (d) approval for the giving of all benefits to current or future Key Management Personnel of the Company or persons who hold a managerial or executive office in the Company or a related body corporate, in connection with the person ceasing to hold an office or position of employment in the Company or a related body corporate for the purposes of sections 200B and 200E of the Corporations Act,

as described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

## **SPECIAL BUSINESS**

### **Resolution 4: Approval of 10% Placement Facility**

To consider and, if thought fit, pass the following resolution as a special resolution:

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the AGM, at an issue price of not less than that determined pursuant to ASX Listing Rule 7.1A.3 and on the terms and conditions in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”*

**By order of the Board:**



Melanie Leydin  
**Company Secretary**  
Dated: 9 April 2021

## Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting on Sunday, 23 May 2021. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting. On a poll, members have one vote for every fully paid ordinary share held.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each Shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a Shareholder of the Company.
  - d. If a Shareholder is a company it must execute under its common seal or otherwise in accordance with its Constitution.
  - e. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
  - f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's Constitution and Corporations Act.
  - h. To be effective, proxy forms must be received by the Company no later than 48 hours before the commencement of the Annual General Meeting, this is no later than **11.00am (AEST) on Sunday, 23 May 2021**. Any proxy received after that time will not be valid for the scheduled meeting.

## 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## 5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

## 6. Voting Exclusion Statement:

### Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this Resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on this Resolution, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

### Resolution 2

There are no voting exclusions on this resolution.

### Resolution 3

The Company will disregard any votes cast in favour of this Resolution by a person who is eligible to participate in the Plan or any associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

As this Resolution may be considered to relate to the remuneration of a member of the KMP for the Company, the Company will disregard all votes cast on this Resolution by a member of the KMP or a Closely Related Party of a KMP, who has been appointed as a proxy unless:

- (a) the proxy is appointed by writing that specifies how the proxy is to vote on that Resolution; or
- (b) if the proxy is the Chair and the appointment of the Chair as a proxy does not specify the way the proxy is to vote on that Resolution but it expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is party of a consolidated entity, for the entity.

Given the Directors are eligible to participate in the Employee Incentive Plan, the Directors will not be voting on this Resolution.

#### **Resolution 4**

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement on this Resolution is not currently required by Listing Rule 7.3A.7.

#### **7. Special Resolution**

Resolution 4 is proposed as a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

#### **8. Enquiries**

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

# EXPLANATORY STATEMENT

## Introduction

This Explanatory Statement (**Statement**) is included in and forms part of the Notice of Meeting. The purpose of this Explanatory Statement is to provide Shareholders with information they require in order to make an informed decision on the Resolution.

If you are in doubt as to how to vote, you should seek advice from your accountant, solicitor, tax advisor or other professional adviser prior to voting. It is important that you read this Explanatory Statement in its entirety for a detailed explanation of the Resolution.

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

## Receipt and consideration of Accounts & Reports

A copy of the annual report for the financial year ending 31 December 2020 which incorporates the Company's Financial Report and the Directors' Report (including the Remuneration Report and the Auditors' Report) (**Annual Report**) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: <https://engagebdr.com/> or via the Company's announcement platform on ASX (ASX: EN1). Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the Annual Report and the management of the company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

## Resolution 1: Adoption of Remuneration Report

### **Background**

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's December 2020 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

### **Board Recommendation**

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of Annual General Meeting), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that Shareholders vote in favour of this Resolution to adopt the Remuneration Report.

## ***Voting Exclusions***

Refer to Note 6 for voting exclusions on this Resolution.

### **Resolution 2: Re-election of Mr Thomas Anderson**

#### ***Background***

ASX Listing Rule 14.4 states that a Director of an entity must not hold office (without re-election) past the third Annual General Meeting following the Director's appointment. In accordance with ASX Listing Rule 14.4, Mr Thomas Anderson retires by rotation and, being eligible, offers himself for re-election.

Tom Anderson was appointed to the Board of the Company as a Non-Executive Director to provide the Company with the benefit of his wide ranging expertise in social media and innovative product design and to assist to steer the Company's future growth strategy.

Prior to joining the Company, Tom founded and served as President of MySpace, simultaneously inventing "social media" while revolutionizing the music industry. After its launch in 2003, MySpace became the #1 most visited site on the web quickly, surpassing companies such as Google, Yahoo and Amazon. At its peak, Nielsen Net Ratings reported that MySpace captured more than 10% of all minutes spent online.

By the time Anderson left the company in 2009, he had amassed more than 350 million friends on MySpace, making him the first and still ultimately the biggest "influencer" of all time. His MySpace profile photo, which he never changed and still uses to this day is estimated to have been viewed more times than any single photograph in history.

Before retiring in 2009, TIME Magazine included Tom among its list of the 100 most influential people in the world, and Barbara Walters named him one of her 10 Most Fascinating People.

Prior to his entrepreneurial and creative pursuits, Tom graduated with the Departmental Citation in English and Rhetoric at the University of California at Berkeley and later completed a Masters in Film & Critical Studies at UCLA.

#### ***Board recommendation***

The Board (with Mr Anderson abstaining) recommend that Shareholders vote in favour of this Resolution.

### **Resolution 3: Renewal of engage:BDR Options and Performance Rights Plan**

#### ***Background***

The Company refreshed its Options and Performance Rights Plan (**Plan**) on 18 March 2020. The Board is committed to incentivising and retaining the Company's Directors, employees and consultants in a manner which promotes alignment of their interests with shareholder interests. Additionally, the Board considers equity-based compensation an integral component of the Company's remuneration platform as it allows it to be fiscally prudent by conserving cash resources while still enabling it to offer market-competitive remuneration arrangements.

The Plan is regarded as an employee incentive scheme for the purposes of Exception 13 of Listing Rule 7.2. A copy of the Plan will be provided without charge to Shareholders on request.

The Plan is intended to enable participants to share in any increase in the Company's value (as measured by the share price) beyond the date of allocation of the Options. A summary of the Plan is set out in Annexure A of this Explanatory Statement.

Shareholder approval of the Plan and any securities to be issued pursuant to the Plan is sought pursuant to Listing Rule 7.2, Exception 13(b). Further details relating to Listing Rules requirements are set out below.

Any issue of securities under the Plan to Directors, or their associates, will still require approval by Shareholders under Listing Rule 10.14.

As at the date of this Notice, the Company will be able to rely on the relief granted by ASIC Class Order [CO 14/1000] (**Class Order**) so that the Company is not required to issue a prospectus or disclosure document in relation to the issue of securities under the Plan. Under ASIC Class Order [CO 14/1000] (**Class Order**), the Company must not make an offer of under the Plan if the total of:

- (a) the number of Shares which are the subject of the offer; and

- (b) the number of underlying Shares issued or that may be issued as a result of any other offers made under the Plan, or similar offers under a predecessor or other employee incentive plan, made at any time during the previous 3-year period in reliance of Class Order relief granted by ASIC would exceed 5% of the number of Shares on issue in the Company at the time of the relevant offer.

### **ASX Listing Rules**

Listing Rule 7.1 provides generally that a company may not issue shares or securities convertible into shares equal to more than 15% of the company's issued share capital in any consecutive 12 month period without obtaining prior shareholder approval, unless the issue fits into one of the exceptions contained in Listing Rule 7.2. Listing Rule 7.2 Exception 13(b) of the Listing Rules effectively provides that securities issued pursuant to an employee incentive scheme are not included in the 15% Placement Capacity provided the members have approved issue of equity securities to be issued under the Plan within the previous 3 years.

Accordingly, Shareholder approval is sought pursuant to this Resolution in order for the Company to continue to be able to issue securities pursuant to the Plan and have those securities qualify under Listing Rule 7.2 exception 13(b) for a further 3 years from the date of approval.

The Board intends that the issue of securities under the Plan continues to not be included when undertaking the calculation of the 15% limit pursuant to Listing Rule 7.1. Accordingly, the Company is seeking Shareholder re-approval of the Plan in order that the issue of securities pursuant to the Plan will continue to qualify as an exception to Listing Rule 7.1 under Exception 13(b) to Listing Rule 7.2.

If this Resolution is not passed, any issue of securities under the Plan will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue over any 12 month period without the approval of Shareholders.

### **Information required for Listing Rule 7.2, Exception 13(b)**

Listing Rule 7.2, Exception 13(b) requires the following information to be provided to Shareholders:

#### Securities already issued under the Plan since the Prior Approval

Since the previous approval of the Plan on 18 March 2020, the Company has issued 17,100,000 Options and 107,500,000 Performance Rights under the Plan. 82,000,000 Performance Rights issued under the Plan have been converted into fully paid ordinary shares following achievement of performance hurdles. Currently, there are 17,100,000 Options and 25,500,000 Performance Rights on issue pursuant to the Plan.

#### Maximum number of Equity Securities to be issued under the Plan

Approval of Shareholders is sought to issue up to 244 million Equity Securities under the Plan (Options or Performance Rights each conditionally entitling the applicable holder to one Share upon exercise or achievement of the applicable vesting conditions). Any additional issues of securities under the Plan above that number would require further Shareholder approval, unless the total number of securities proposed to be issued does not exceed 5% of the then issued Shares of the Company.

#### Summary of Terms and Conditions of the Plan

Refer to Annexure A of this Explanatory Statement for a summary of the terms and conditions of the Plan.

### **Corporations Act provisions**

#### Section 260C(4) of the Corporations Act

If the Company elects to offer a participant the ability to participate in the cashless exercise facility (**Facility**) under the Plan, the Company may be considered to be providing financial assistance to the participant as the Company as, under the Facility, the Company may financially assist Plan participants to acquire shares in the Company.

Under section 260A of the Corporations Act, the Company is prohibited from financially assisting in the acquisition of Shares except in certain limited circumstances or if an exemption from this prohibition applies. However, there is an exemption from the prohibition against financial assistance in section 260C(4) of the Corporations Act for financial assistance provided under an employee share scheme, where the employee share scheme has been approved by shareholders in a general meeting.

Accordingly, the Company is also seeking approval of the Plan for the purposes of section 260C(4) of the Corporations Act.



## **Directors Recommendations**

As the Directors of the Company are excluded from voting on this Resolution pursuant to the Listing Rules, they make no recommendation to the Shareholders in respect of the Plan.

## **Voting Exclusions**

Refer to Note 6 for voting exclusions on this Resolution.

## **Resolution 4: Approval of 10% Placement Facility**

### **Background**

Listing Rule 7.1A enables an eligible entity to issue equity securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% Placement Capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that, as at date of the special resolution, is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of this Resolution will be to allow the Company to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below) and the Company will be able to issue Equity Securities from the 10% Placement Facility, as noted below, without any further shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **Description of Listing Rule 7.1A**

#### *(a) Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

#### *(b) Equity Securities*

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company and must be issued for cash consideration.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Fully Paid Ordinary Shares.

#### *(c) Formula for calculating 10% Placement Facility*

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue at the commencement of the "relevant period" (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

- 1) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- 2) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
  - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- 3) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
  - (i) the agreement was entered into before the commencement of the relevant period; or
  - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- 4) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
- 5) plus the number of partly paid shares that became fully paid in the relevant period;
- 6) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

*(d) Listing Rule 7.1 and Listing Rule 7.1A*

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

*(e) Minimum Issue Price*

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

*(f) 10% Placement Period*

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

### **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 25 May 2021, and expires on the first to occur of the following:
- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 25 May 2022;
  - (ii) the time and date of the Company's next annual general meeting;
  - (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
  - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
- (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
  - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Listed Options, only if the Listed Options are exercised). Shareholders may also be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 8 April 2021 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.003 50% decrease in Current Share Price	\$0.006 Current Share Price	\$0.012 100% increase in Current Share Price
<b>Current Variable A</b> 2,448,571,469 Shares	<b>10% Voting Dilution</b>	244,857,147 Shares		
	<b>Funds raised</b>	\$734,571	\$1,469,143	\$2,938,286
<b>50% increase in current Variable A</b> 3,672,857,204 Shares	<b>10% Voting Dilution</b>	367,285,720 Shares		
	<b>Funds raised</b>	\$1,101,857	\$2,203,714	\$4,407,429
<b>100% increase in current Variable A</b> 4,897,142,938 Shares	<b>10% Voting Dilution</b>	489,714,294 Shares		
	<b>Funds raised</b>	\$1,469,143	\$2,938,286	\$5,876,572

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - No Options are exercised into Shares before the date of the issue of the Equity Securities;
  - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
  - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - The Current Share Price is \$0.006 (0.6 cent), being the closing price of the Shares on ASX on 8 April 2021.
- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) Information about equity securities issued under Rule 7.1A.2 in the 12 month period preceding the date of the Meeting:
- (i) the total number of equity securities issued or agreed to be issued under rule 7.1A.2 in that 12 month period: 296,994,221 fully paid ordinary shares;
  - (ii) percentage they represent of the total number of equity securities on issue at the commencement of that 12 month period: 29.08%;
  - (iii) in relation to the issue made on 14 August 2020:
    - a. the securities were issued to professional and sophisticated investors, as arranged by the manager of the relevant capital raising;
    - b. the securities issued were 142,638,654 fully paid ordinary shares;
    - c. the issue price was \$0.0073 (0.73 cents) per share, which was a 8.75% discount to the closing market price on the date of the agreement to issue the Shares;
    - d. Cash consideration from issue
      - i. Total cash consideration received: \$909,862;
      - ii. Amount of that cash which has been spent: \$909,862, which was utilised to retire amortising Convertible notes held with Alto Opportunity Master Fund SPC – Segregated Master Portfolio B;
      - iii. Intended use for the remaining amount of that cash: N/A;

- (iv) in relation to the issue made on 1 December 2020:
  - a. the securities were issued to professional and sophisticated investors, as arranged by the manager of the relevant capital raising;
  - b. the securities issued were 172,355,567 fully paid ordinary shares;
  - c. the issue price was \$0.0055 (0.55 cents) per share, which was a 8.4% discount to the closing market price on the date of the agreement to issue the Shares;
  - d. Cash consideration from issue
    - i. Total cash consideration received: \$947,956;
    - ii. Amount of that cash which has been spent: \$947,956, which was utilised to drive growth in CTV (Connected TV) Advertising and working capital;
    - iii. Intended use for the remaining amount of that cash: N/A;
- (v) the Company has not agreed to issue any Equity Securities under Rule 7.1A.2 other than those referred to above; and
- (vi) the Company has not agreed, before the 12 month period referred to in the preceding paragraph, to issue any Equity Securities under Rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

### ***Directors Recommendations***

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

### ***Voting Exclusions***

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“**\$**” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 4;

“**Annual General Meeting**”, “**AGM**” or “**Meeting**” means annual general meeting of the Company;

“**Annual Report**” means the Company’s annual report for the year ended 31 December 2020 containing the Financial Report, the Directors’ Report and the Auditor’s Report;

“**Associate**” has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Listing Rules**” or “**Listing Rules**” means the Listing Rules of the ASX, as amended from time to time;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chair**” means the person appointed to chair the AGM convened by the Notice;

“**Class Order**” ASIC Class Order [CO 14/1000];

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means engage:BDR Limited ACN 621 160 585;

“**Constitution**” means the constitution of the Company, as amended from time to time

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” or “**Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Option**” means an option issued by the Company which, upon exercise, entitles its holder to be issued one Share;

“**Plan**” means the proposed Engage Options and Performance Rights Plan, a summary of the terms of which is set out in Annexure A and fully copy of which can be obtained from the Company’s website at <https://engagebdr.com/board-management-and-corporate-governance/> under the Investors tab

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of engage:BDR Limited for the financial year ended 31 December 2020 and which is set out in the 2020 Annual Report;

“**Resolution**” means a resolution referred to in the Notice;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Statement**” or “**Explanatory Statement**” means the explanatory statement which accompanies and forms part of the Notice;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.

## **Annexure A**

### **Summary of Terms and Conditions of the engage:BDR Options and Performance Rights Plan**

A summary of material terms of the Plan is set out as follows. A fully copy of the Plan terms can also be obtained from the Company's website at <https://engagebdr.com/board-management-and-corporate-governance/> under the Investors tab.

- the Plan sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver";
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the Plan exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the Plan, must not, at any time, exceed the greater of the last specific number approved by shareholders under the ASX Listing Rules or 5% of the total number of Company Shares then on issue. Shares issued under the Plan will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;
- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the Plan, including the power to amend the rules under which the Plan is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.



EN1

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**

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



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11.00 AM (AEST) on Sunday, 23 May 2021.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.



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



IND

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of engage:BDR Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of engage:BDR Limited to be held at the offices of William Buck, Level 20, 181 William Street, Melbourne, VIC 3000 on Tuesday, 25 May 2021 at 11.00 AM (AEST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Thomas Anderson as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Renewal of engage:BDR Options and Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

### Update your communication details (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

