



Announcement Summary

Entity name

READCLOUD LIMITED

Announcement Type

New announcement

Date of this announcement

27/7/2023

The Proposed issue is:

☒ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	10C Investor Options	12,183,728
RCL	ORDINARY FULLY PAID	24,367,457

Ex date

2/8/2023

+Record date

3/8/2023

Offer closing date

28/8/2023

Issue date

1/9/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

READCLOUD LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

136815891

1.3 ASX issuer code

RCL

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

27/7/2023

1.6 The Proposed issue is:☒ A standard +pro rata issue (non-renounceable or renounceable)**1.6a The proposed standard +pro rata issue is:**☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

RCL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

RCL : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

5



What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

24,367,457

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.06000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Eligible Share Holders may subscribe for additional New Shares, in excess of their entitlement, from any Shortfall Shares which may arise. Allocation of any Shortfall Shares to Eligible Share Holders who have submitted applications under the Shortfall Offer will be considered and determined by the Directors at their discretion in consultation with the Lead Manager. The aggregate over-subscriptions shall not exceed the number of Shortfall Shares.

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class



Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

10C Investor Options

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

12,183,728

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Eligible Share Holders may subscribe for additional New Shares, in excess of their entitlement, from any Shortfall Shares which may arise. Allocation of any Shortfall Shares to Eligible Share Holders who have submitted applications under the



Shortfall Offer will be considered and determined by the Directors at their discretion in consultation with the Lead Manager. The aggregate over-subscriptions shall not exceed the number of Shortfall Shares.

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement.

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1000

Expiry date

1/3/2025

Details of the type of +security that will be issued if the option is exercised

RCL : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:RCL)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Material terms of the Options proposed to be issued are included in the Entitlement Offer Prospectus for the Company's pro rata Rights Issue, which is lodged as a separate announcement at or about the same time as the lodgement of this Appendix 3B

Part 3C - Timetable

3C.1 +Record date

3/8/2023

3C.2 Ex date

2/8/2023



3C.4 Record date

3/8/2023

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

7/8/2023

3C.6 Offer closing date

28/8/2023

3C.7 Last day to extend the offer closing date

23/8/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

29/8/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

1/9/2023

3C.12 Date trading starts on a normal T+2 basis

4/9/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

6/9/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

Canaccord Genuity (Australia) Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management fee equal to 2% of the Entitlement Offer Proceeds received by the Company under the Rights Offer.

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Canaccord Genuity (Australia) Limited

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The Company has entered into an Underwriting Agreement with the Underwriter, pursuant to which the Underwriter has agreed to underwrite the Offer up to a value of \$1,462,047 ('Underwritten Amount'), being 100% of the funds to be raised under the Offer and equal to 24,367,457 Shares and 12,183,728 Options.



3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

The Company will pay the Underwriter a 4% selling or underwriting fee of the Underwritten Amount.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Company ceases to be admitted to the official list of ASX; Company or a subsidiary which represents 5% or more of consolidated assets or earnings of the Group is Insolvent; withdrawal of all or any part of the Offer by the Company; offer force majeure; Company is unable to issue or prevented from issuing any Offer Shares or Attaching Options; any circumstances which arise that results in the Company repaying the money received from applicants or offering applicants an opportunity to withdraw their applications for Entitlement Offer Shares and be repaid their application money; withdrawal of consent by any person other than the Lead Manager; regulatory action in relation to Directors and Senior Executives; change in the CEO, CFO, or Chair of the Company; market fall; ASIC action

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ Yes

3E.2e (i) What is the name of that party?

Cristiano Nicolli (Non-Executive Chair)
Lars Lindstrom (Executive Director)
Darren Hunter (Executive Director)
Paul Collins (Non-Executive Director)
Jonathan Isaacs (Non-Executive Director)

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

6,250,000 Shares sub-underwritten

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

None

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

ASIC fees; ASX listing fees; Underwriting fees; Legal fees; printing fees; and other items with an estimated total of approximately A\$120,000

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Support increased marketing and intensified sales activities; industry engagement and business development; continued platform development to solidify the Company's technological competitive advantage; general working capital; and costs of the offer

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No



3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

The Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ No

3F.6 URL on the entity's website where investors can download information about the proposed issue

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a +disclosure document or +PDS for the +securities proposed to be issued