

ENTITLEMENT OFFER CLEANSING NOTICE

Comms Group Ltd ACN 619 196 539 (ASX:CCG) (**Comms Group**) gives notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Comms Group today announced a non-underwritten placement to institutional investors of 96,400,000 new fully paid ordinary shares in Comms Group (**New Shares**) (**Placement**) to raise approximately \$4.82 million and a fully underwritten accelerated non-renounceable pro-rata entitlement offer of 43,300,000 New Shares in the Company (subject to rounding of entitlements) to raise approximately A\$2.165 million (**Entitlement Offer** and, together with the Placement, the '**Offer**').

Under the Entitlement Offer, eligible shareholders of the Company will be entitled to subscribe for 1 New Share for every 9 ordinary shares they hold in the Company as at 7.00pm (Sydney, Australia time) on the record date, being Wednesday, 21 May 2025. Each New Share issued under the Entitlement Offer will be issued at an issue price of \$0.05. The Entitlement Offer will be open from Thursday, 22 May 2025 to Monday, 2 June 2025, unless extended or withdrawn.

With respect to the Entitlement Offer, Comms Group advises that:

- (a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to Comms Group; and
 - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- (e) the potential effect of the issue of New Shares on the control of Comms Group and the consequences of that effect will depend on a number of factors, including investor demand, existing shareholdings in the Company and the extent to which eligible shareholders take up New Shares under the Entitlement Offer. However, having regard to the terms of the Entitlement Offer which is structured as a pro rata issue, and the underwriting and sub-underwriting arrangements for the Entitlement Offer, Comms Group does not expect that any person will increase their percentage shareholding in Comms Group in a way which will have a material impact on the control of Comms Group.

In addition to the above:

- Given the structure of the Entitlement Offer as a pro rata offer, if all Eligible Shareholders take up their full entitlements under the Entitlement Offer, they will maintain their existing percentage interest in the total issued share capital of Comms Group in so far as the Entitlement Offer is concerned. However as



set out above, in addition to the Entitlement Offer, Comms Group will undertake the Placement. The Placement will involve the issue of approximately an additional 96.4 million New Shares (**Placement Shares**). The Placement Shares will represent approximately 26.3% of the fully paid ordinary shares on issue in Comms Group following completion of both the Placement and the Entitlement Offer. Accordingly, existing shareholders of Comms Group will be diluted because of the Placement, even if they take up their full Entitlement under the Entitlement Offer. The board of directors of Comms Group does not consider that the Placement will have any material impact on the control of Comms Group.

- If Eligible Shareholders do not take up all of their entitlements in the Entitlement Offer, their holdings are likely to be diluted;
- The proportional interests of Shareholders who are ineligible shareholders will be diluted because those Shareholders are not entitled to participate in the Entitlement Offer; and
- The Entitlement Offer is fully underwritten by Henslow Pty Limited ACN 605 393 137 and Taylor Collison Limited ACN 008 172 450 (**Joint Lead Managers**) pursuant to an underwriting agreement between Comms Group and the Joint Lead Managers. In the event there is a shortfall under the Entitlement Offer, those shortfall shares will be allocated to the Joint Lead Managers and sub-underwriters. The issue of New Shares to the Joint Lead Managers (or any sub-underwriters appointed by the Joint Lead Managers) is not expected to have any material effect on the control of Comms Group.

The release of this announcement was authorised by the Board of Directors.

Yours faithfully

Andrew Metcalfe
Company Secretary

