

# CONNECTED IO LIMITED

(ACN 009 076 233)

## Offer Document

### Offer

For a non-renounceable, pro rata Offer of Shares at an issue price of \$0.002 each on the basis of 1 new Share for every 1 Share held by Eligible Shareholders at the Record Date to raise up to approximately \$495,888 before costs (**Offer**).

The Offer is fully underwritten by 708 Capital Pty Ltd.

### Important Notice

This Offer Document is not a prospectus and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the Shares offered by this Offer Document.

This Offer Document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of the Offer. The Shares offered under this Offer Document should be considered highly speculative.

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## TABLE OF CONTENTS

IMPORTANT INFORMATION .....	3
CORPORATE DIRECTORY .....	4
1 DETAILS OF THE OFFER .....	5
2 HOW TO APPLY .....	15
3 RISK FACTORS .....	18
4 ADDITIONAL INFORMATION .....	22
5 DEFINITIONS .....	26

# IMPORTANT INFORMATION

## GENERAL

This Offer Document is dated 19 January 2021. This document is not a prospectus and does not contain all of the information that an investor would find in a prospectus or which may be required to make an informed decision regarding, or about the rights attaching to, Shares offered by this Offer Document

No person is authorised to give information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

The Offer is an offer of continuously quoted securities (as defined in the Corporations Act) of the Company and has been prepared in accordance with section 708AA of the Corporations Act. In broad terms, section 708AA relates to rights issues by certain companies that do not require the provision of a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus. Eligible Shareholders should therefore consider whether the securities offered under this document are a suitable investment in light of their own investment objectives and financial circumstances and the merits or risks involved, having regard to their own knowledge of the Company and the disclosures made by the Company to the ASX. If, after reading this Offer Document, Eligible Shareholders have any questions regarding the Offer, they should contact their stockbroker, lawyer, accountant or other professional adviser before deciding whether or not to accept the Offer.

Neither ASX nor ASIC takes any responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

Capitalised terms in this Offer Document are generally defined terms. Their meaning is set out in Section 5 of this Offer Document.

## RISK FACTORS

Before deciding to invest in the Company, Eligible Shareholders should read the entire Offer Document. In considering the prospects for the Company, Eligible Shareholders should consider the risk factors set out in Section 3 that could affect the performance of the Company. Eligible Shareholders should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, lawyer, accountant or other professional adviser before deciding to invest.

## APPLICATIONS FOR SHARES

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form accompanying this Offer Document. The Entitlement and Acceptance Forms sets out an Eligible Shareholder's Entitlement to participate in the Offer.

The Offer made pursuant to this Offer Document is not made to persons to which, or in places in which, it would not be lawful to make such an offer of Shares. No action has been taken to register the Offer under this Offer Document or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Offer Document should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Please refer to Section 1.10 for further information.

## FINANCIAL AMOUNTS

All references in this Offer Document to "\$" or "A\$" are references to Australian currency unless otherwise stated.

Any discrepancies between the totals and sums of components in tables contained in this Offer Document are due to rounding.

# CORPORATE DIRECTORY

## DIRECTORS

Adam Sierakowski  
Non-Executive Chairman

Davide Bosio  
Non-Executive Director

Dougal Ferguson  
Non-Executive Director

## COMPANY SECRETARY

Simon Whybrow

## REGISTERED OFFICE

c/- Trident Capital  
Level 24, 44 St Georges Terrace  
Perth WA 6000

## WEBSITE

[www.connectedio.com.au](http://www.connectedio.com.au)

## SHARE REGISTRY<sup>1</sup>

Computershare  
Level 11, 172 St Georges Terrace  
Perth WA 6000  
Ph: +61 8 9323 2000

## AUDITOR<sup>1</sup>

HLB Mann Judd (WA) Partnership  
Level 4, 130 Stirling Street  
PERTH WA 6000

## LEGAL ADVISER

Price Sierakowski Corporate  
Level 24, 44 St Georges Terrace  
Perth WA 6000

## ASX CODE

CIO

1. Named for information purposes only.

# 1 DETAILS OF THE OFFER

## 1.1 STRUCTURE OF THE OFFER

The Company is undertaking a non-renounceable, pro rata Offer of Shares at an issue price of \$0.002 each on the basis of 1 new Share for every 1 Share held by Eligible Shareholders at the Record Date to raise up to approximately \$495,888 before costs. Before deciding to invest in the Company, you should consider the risk factors set out in Section 3 that could affect the performance of the Company.

Eligible Shareholders may also apply for Shares in excess of their Entitlement (see Section 1.8 for further information).

Entitlements under the Offer will be rounded down to the nearest whole number.

The Shares issued pursuant to the Offer (including Shortfall Shares) will be fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares are set out in Section 4.1.

Eligible Shareholders are being sent this Offer Document together with a personalised original Entitlement and Acceptance Form and are invited to apply for new Shares. The Offer opens on 28 January 2021 and closes at 5.00pm (AEST) on 11 February 2021.

The Offer is fully underwritten by 708 Capital (see Section 4.2 for further details).

## 1.2 PLACEMENT

As announced on 19 January 2021, the Company is undertaking a placement to sophisticated and institutional investors (**Placement**) of approximately 37,191,604 Shares at an issue price of \$0.002 (being the same issue price as under the Offer) to raise approximately \$75,000 (before costs). The Placement will be conducted contemporaneously with the Offer and within the Company's Placement capacity under Listing Rule 7.1. The Placement Shares will be issued on 25 January 2021 (being after the Record Date) meaning that participants in the Placement will not be eligible to participate in the Offer.

## 1.3 TIMETABLE

The indicative timetable for the Offer is set out below.

Event	Date <sup>2</sup>
Announcement of Offer	19 January 2021
Release of Offer Document, Cleansing Notice and Appendix 3B with ASX (pre-market open)	19 January 2021
Ex date	21 January 2021
Record Date (date for determining Eligible Shareholder to participate in the Offer)	22 January 2021
Issue of Placement Shares, Cleansing Notice and Appendix 2A	25 January 2021
Offer Opening Date Offer Document and personalised Entitlement and Acceptance Forms sent to Shareholders	28 January 2021
Last day to extend the Offer Closing Date <sup>1</sup>	8 February 2021

Event	Date <sup>2</sup>
Closing Date (Offer closes 5.00pm (AEST))	11 February 2021
New Shares quoted on a deferred settlement basis	12 February 2021
Notification to ASX of Shortfall	16 February 2021
Issue date of New Shares and lodgement of Appendix 2A with ASX applying for quotation of the securities	18 February 2021
Quotation of New Shares under the Offer	19 February 2021

**Notes:**

1. Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.
2. These dates are indicative only and are subject to change.

All dates (other than the date of lodgement of the Offer Document with ASX) are indicative only. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offer, including extending the Closing Date or accepting late acceptances, either generally or in particular cases, without notice.

## 1.4 USE OF FUNDS

Assuming various levels of subscription under the Offer, the funds raised under the Offer are planned to be used in accordance with the table set out below.

As the Offer is fully underwritten, it is expected that the funds raised under the Offer and after allocation of any Shortfall Shares to the Underwriter, will be used in the manner as indicated under the 100% level of subscription as indicated below.

Use of funds	Level of subscription			
	25% <sup>1</sup>	50% <sup>2</sup>	75% <sup>3</sup>	100% <sup>4</sup>
Costs of the Offer	\$22,438	\$29,877	\$37,315	\$44,753
Working capital <sup>5</sup>	\$101,534	\$218,067	\$334,601	\$451,135
<b>Total</b>	<b>\$123,972</b>	<b>\$247,944</b>	<b>\$371,916</b>	<b>\$495,888</b>

**Notes:**

1. Assumes that 61,986,007 new Shares are issued under the Offer and the Company raises \$123,972.
2. Assumes that 123,972,015 new Shares are issued under the Offer and the Company raises \$247,944.
3. Assumes that 185,958,022 new Shares are issued under the Offer and the Company raises \$371,916.
4. Assumes that 247,944,029 new Shares are issued under the Offer and the Company raises \$495,888.
5. Working capital may include wages, payments to contractors, rent and outgoings, insurance, accounting, audit, legal and listing fees, payments to creditors, interest payments, other items of a general administrative nature and cash reserves which may be used in connection with the Company's projects, as determined by the Board at the relevant time.

The above table is a statement of the Board's current intention as at the date of this Offer Document. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of the Company's ongoing strategic review and therefore, the Board reserves the right to alter the way the funds are applied.

## 1.5 EFFECT ON CAPITAL STRUCTURE

As the Offer is fully underwritten, the effect of the Offer on the capital structure of the Company is set out in the table below.

Capital Structure	Existing	Completion of Offer
Existing Shares on issue	247,944,029	247,944,029
Shares issued under the Offer	-	247,944,029
<b>Total Shares</b>	247,944,029	495,888,058
<b>Performance rights<sup>2</sup></b>	20,000,000	20,000,000
<b>Unlisted Options<sup>3</sup></b>	7,500,000	7,500,000
<b>Lead Manager Options<sup>4</sup></b>	-	30,000,000
<b>Convertible Notes<sup>5</sup></b>	14	14
<b>Fully diluted share capital<sup>6</sup></b>	<b>275,444,029</b>	<b>553,388,058</b>

**Notes:**

1. The above table assumes that no other securities of the Company are issued prior to the Record Date.
2. 10,000,000 Class A Performance Rights and 10,000,000 Class B Performance Rights held by Mr Temov.
3. The Unlisted Options are exercisable at \$0.10 and expire 20 December 2022.
4. The Company notes that, subject to the prior receipt of shareholder approval at a future general meeting, under the terms of the Underwriting Agreement, upon the successful completion of the Offer and the Company's receipt of the full amount raised, the Company shall issue to the Underwriter 30,000,000 Options. The Lead Manager Options will have an exercise price of \$0.002 and an expiry of 3 years from the date of issue.
5. There are currently 14 convertible notes on issue with a face value of \$1,321,000.
6. The fully diluted share capital does not include conversion of the convertible notes.

### 1.5.1 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	Approximate % at Record Date <sup>1</sup>	Entitlements under the Offer	Holding if Offer not taken up	Approximate % post Offer
Shareholder 1	50,000,000	20.17%	50,000,000	50,000,000	10.09%
Shareholder 2	25,000,000	10.08%	25,000,000	25,000,000	5.04%
Shareholder 3	10,000,000	4.03%	10,000,000	10,000,000	2.02%
Shareholder 4	1,000,000	0.4%	1,000,000	1,000,000	0.2%
Shareholder 5	100,000	0.04%	100,000	100,000	0.02%

**Notes:**

1. This is based on an issued share capital of 247,944,029 Shares at the date of this Offer Document.

## 1.6 EFFECT ON CONTROL

### 1.6.1 General

The Offer is a pro rata offer so that if all Eligible Shareholders take up their Entitlements, the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Offer on control of the Company other than the dilution of any Ineligible Shareholders who are unable to participate in the Offer. If some Eligible Shareholders do not take up all of their Entitlements, then the voting power of those Eligible Shareholders will also be diluted.

As at the date of this Offer Document, the Company's largest shareholder is Yakov Temov who is a Foreign Shareholder and is therefore not an Eligible Shareholder for the purposes of the Offer. Accordingly, the anticipated relevant interests of Mr Temov in the Shares of the Company upon completion of the Offer are set out in the table below.

Shareholder	Existing relevant interest in Shares	Existing voting power	Shares issued under the Offer	Relevant interest in Shares at completion
Yakov Temov	23,668,333	9.54%	Nil	4.77%

### 1.6.2 The Underwriter

The Offer is fully underwritten by 708 Capital (see Section 4.2 for further details). The extent to which Shares are issued to 708 Capital pursuant to the Underwriting Agreement will increase 708 Capital's voting power in the Company.

The table below sets out the results of various scenarios based on varying levels of participation in the Offer and their approximate effect on the Relevant Interests and voting power of the Underwriter.

Subscription %	Shortfall	Underwriter	
		Relevant Interest	Voting Power
At the date of this Offer Document			
N/A	N/A	631,567	0.25%
At completion of the Offer			
100%	Nil	1,263,134	0.25%
75%	25%	62,617,574	12.63%
50%	50%	124,603,582	25.13%
25%	75%	186,589,589	37.63%



The number of Shares in which the Underwriter has a Relevant Interest in the table above shows the potential effect of the Underwriter's underwriting of the Offer. However, it is unlikely that no Shareholders will take up entitlements under the Entitlement Offer. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the number of entitlements taken up under the Entitlement Offer by Eligible Shareholders.

The implementation of the Underwriter current intentions in relation to their ownership interest in the Company will be subject to the law (including the Corporations Act), the Listing Rules and the Company's Constitution.

## 1.7 DIRECTORS' INTERESTS

The relevant interest of each of the Directors in the securities of the Company as at the Record Date is set out in the table below.

Director	Shares	Entitlement	Intentions to apply for under the Offer	Options	Performance Rights	Convertible Notes
Adam Sierakowski	5,645,160	5,645,160	5,645,160	Nil	Nil	Nil
Davide Bosio	650,000	650,000	650,000	Nil	Nil	2 <sup>1</sup>
Dougal Ferguson	4,000,000	4,000,000	4,000,000	Nil	Nil	1 <sup>2</sup>

**Notes:**

1. Convertible with a total face value of \$130,000.
2. Convertible with a total face value of \$30,000.
3. The table above does not include any Entitlement which may be taken up by a Director.

## 1.8 SHORTFALL SHARES

Any Shares which are offered to Eligible Shareholders as part of their Entitlement but are not taken up will comprise the Shortfall Shares.

Eligible Shareholders who have subscribed for their Entitlements in full may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form and returning it to the Company together with the relevant Application Monies.

Shortfall Shares will be allocated to Eligible Shareholders who apply for Shortfall Shares in accordance with the following policy (subject to availability):

- the additional Entitlements will only be issued to the extent there is a sufficient number of available Entitlements;
- applications may be scaled back by the Company in accordance with the policy and discretions set out in this Offer Document; and
- the additional Entitlements will be issued at the Offer price of \$0.002.

Therefore, applications for Shortfall Shares may not be successful (whether wholly or partially) and the Company does not guarantee the allocation of Shortfall Shares to any

applicant. The decision of the Company on the number of Shortfall Shares to be allocated (if any) will be final.

Any Application Monies received for more than an applicant's final allocation of Shortfall Shares will be refunded (without interest) by the Company in accordance with the Corporations Act.

Subject to the Corporations Act and the ASX Listing Rules, the Board reserves the right, in its absolute discretion, to use the 3 month period following the Closing Date to place the Shortfall Shares which are not taken up by Eligible Shareholders. The Shortfall Shares will be issued at the same issue price as offered to Eligible Shareholders under this Offer Document. The Board may invite persons to apply for Shortfall Shares by completing an application form and returning it to the Company together with the relevant Application Monies.

No Shortfall Shares will be placed to Directors or related parties of the Company, or any of their associates, and no Shortfall Shares will be placed to any person if it would cause that person or any of their associates to breach the takeover prohibition in section 606 of the Corporations Act.

## **1.9 ELIGIBLE SHAREHOLDERS**

An Eligible Shareholder is a person who:

- is registered as a holder of Shares as at 5.00pm (AEST) on the Record Date; and
- has a registered address in Australia or New Zealand, or is otherwise eligible under all applicable securities laws to receive an offer of Shares under the Offer.

Please refer to Section 1.10 for the treatment of foreign Shareholders.

A Shareholder who is not an Eligible Shareholders is an Ineligible Shareholder.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Offer to Ineligible Shareholders, having regard to:

- the small number of Ineligible Shareholders;
- the Company's largest Shareholder, Mr. Yakov Temov who is an Ineligible Shareholder, indicating to the Company that he does not wish to participate in the Offer;
- the small number and value of the Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the Offer is not being extended to any Shareholders outside Australia and New Zealand unless that Shareholders would be eligible under all applicable securities laws to receive an offer of, and be issued, Shares under the Offer.

Where this Offer Document has been dispatched to an Ineligible Shareholder and where that jurisdiction's law, code or legislation prohibits or restricts in any way the making of the Offer, this Offer Document is provided for information purposes only.

## **1.10 FOREIGN SHAREHOLDERS**

The Offer is only made to, and available for acceptance by, Eligible Shareholders. This Offer Document and the accompanying Entitlement and Acceptance Form do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Return of a completed Entitlement and Acceptance Form or payment to the Company via

BPAY® will be taken by the Company to constitute a representation and warranty by the applicant that it is eligible to receive an offer of, and be issued, Shares under the Offer and that there has been no breach of applicable securities laws.

The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law and anyone who receives this Offer Document should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares or the Offer, or otherwise permit a public offering of Shares, in any jurisdiction outside Australia. Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

#### **1.11 NOMINEES, TRUSTEES AND CUSTODIANS**

The foreign selling restrictions summarised in Section 1.10 apply to the underlying beneficial holder of Shares. Nominees, trustees or custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder.

Shareholders who hold Shares on behalf of persons who are resident outside Australia or New Zealand are responsible for ensuring that accepting the Offer and receiving Shares does not breach regulations in the relevant overseas jurisdictions. Return of a completed Entitlement and Acceptance Form or payment via BPAY® will constitute a representation by the applicant that there has been no breach of such regulations with respect to the Offer.

Shareholders who are nominees, trustees and custodians are therefore advised to seek independent advice as to how they should proceed. Failure to comply with restrictions set out in this Offer Document may result in violations of applicable securities laws.

#### **1.12 NO RIGHTS TRADING**

Entitlements under the Offer are non-renounceable and accordingly cannot be traded on the ASX or any other stock exchange, or privately transferred.

#### **1.13 MINIMUM SUBSCRIPTION**

There is no minimum level of subscription for the Offer.

#### **1.14 UNDERWRITING**

The Offer is fully underwritten to the value of \$495,888 (**Underwritten Amount**) by 708 Capital. The Company has agreed to pay the Underwriter an underwriting fee of 6% of the funds raised under the Offer with such a fee to be paid on the date of allotment of the New Shares.

In addition, subject to the receipt of shareholder approval at general meeting, upon the successful completion of the Offer, the Company has agreed to issue to the Underwriter 30,000,000 new options with an exercise price of \$0.002 and expiring within 3 years from the date of issue.

The material terms and conditions of the Underwriting Agreement are summarised in Section 4.2.

#### **1.15 LEAD MANAGER MANDATE**

The Company has further signed a mandate to engage 708 Capital to act as lead manager of the Placement (**Lead Manager**). The Company has agreed to pay the Lead Manager a management fee of 6% of the total funds raised under the Placement for the lead manager services.

#### **1.16 MARKET PRICE OF SHARES**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.03	23 October 2020
Lowest	\$0.012	4 January 2021
Last	\$0.016	18 January 2021

### 1.17 TRADING IN NEW SHARES

The issue of Shares under the Offer will occur in accordance with the timetable set out in Section 1.3. Upon new Shares being issued under the Offer, holding statements will be sent to applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the new Shares. Applicants who sell their Shares before they receive their holding statement will do so at their own risk.

### 1.18 APPLICATIONS MONIES

All Application Monies for Shares to be issued pursuant to the Offer will be held in the Subscription Account on behalf of applicants until the Shares are issued or, if the Shares are not issued, until the Application Monies are returned to applicants. All interest earned on Application Monies (including those which do not result in the issue of new Shares) will be retained by the Company.

Amounts received by the Company in excess of an applicant's Entitlement (**Excess Amount**) may be treated as an application to apply for as many Shortfall Shares as the Excess Amount will pay for in full. Alternatively, such applications may not be accepted.

Any Applications Monies received for more than an applicant's final allocation of Shares and Shortfall Shares (if any) will be refunded as soon as practicable after the Closing Date

If Shares are not issued to an applicant, a cheque will be drawn and the relevant Application Monies will be refunded as soon as practicable after the Closing Date.

### 1.19 ASX QUOTATION

The Company will apply to ASX within 7 days after the date of this Offer Document for quotation of the Shares offered under this Offer Document.

If approval for quotation of the Shares to be issued under the Offer is not granted within 3 months after the date of this Offer Document, the Company will not issue any Shares and all Application Monies will be repaid without interest as soon as practicable.

### 1.20 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement Pty Limited (**ASX Settlement**), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored following the completion of the Offer. Each CHESS statement will set out the number of new Shares issued to the Shareholder under this Offer Document, and provide details of the Shareholder's holder identification number and the participant identification number of the sponsor. CHESS allotment advices will be sent by the Share Registry.

The Share Registry will send a statement to Shareholders who are registered on the issuer sponsored sub-register following the completion of the Offer. Each statement will contain the number of new Shares issued to the Shareholder under this Offer Document and the Shareholder's security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

## **1.21 PRO FORMA STATEMENT OF FINANCIAL POSITION**

Set out on the following pages is the audit reviewed statement of financial position for the Company at 30 June 2020, and pro forma statement of financial position as at completion of the Offer. The unaudited pro forma statement of financial position has been prepared on the basis and assumption that there have been no material movements in the assets and liabilities of the Company between 30 June 2020 and completion of the Offer other than:

- a. the issue of 247,944,029 New Shares through the Offer to raise \$495,888 before costs;
- b. the issue of 37,191,604 Shares through the Placement to raise approximately \$75,000 before costs;
- c. the estimated expenses of the Offer is approximately \$44,753, which amounts are shown as a deduction against issued capital,
- d. an increase in inventory of \$300,000 and decrease in cash \$1,000,000, with \$700,000 working capital adjustment; and
- e. the loan agreement entered into with ACN 627 852 797 Pty Ltd for an amount of \$400,000

	Consolidated FY 2020 \$	a.	b.	c.	d.	e.	Proforma On Completion
<b>Current assets</b>							
Cash and cash equivalents	713,079	495,888	75,000	(44,753)	(1,000,000)	400,000	639,214
Trade and other receivables	286,770						286,770
Inventory	615,050				300,000		915,050
Total current assets	1,614,899	495,888	75,000	(44,753)	(700,000)	400,000	1,841,034
<b>Non-current assets</b>							
Plant and equipment	18,878						18,878
Right-of-use assets	136,147						136,147
Goodwill	2,418,610						2,418,610
Other intangibles	138,198						138,198
Other assets	10,079						10,079
Total non-current assets	2,721,912	-	-	-	-	-	2,721,912
<b>Total Assets</b>	<b>4,336,811</b>	<b>495,888</b>	<b>75,000</b>	<b>(44,753)</b>	<b>(700,000)</b>	<b>400,000</b>	<b>4,562,946</b>
<b>Current Liabilities</b>							
Trade and other payables	1,072,013						1,072,013
Lease liabilities	39,338						39,338
Borrowings	450,000					400,000	450,000
Convertible Notes	1,321,000						1,321,000
Total current liabilities	2,882,351	-	-	-	-	400,000	2,882,351
<b>Non-current Liabilities</b>							
Lease liabilities	102,910						102,910
Other payables	253,533						653,533
Total non-current liabilities	356,443	-	-	-	-		756,443
<b>Total Liabilities</b>	<b>3,238,794</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400,000</b>	<b>3,638,794</b>
<b>Net assets</b>	<b>1,098,017</b>	<b>495,888</b>	<b>75,000</b>	<b>(44,753)</b>	<b>(700,000)</b>	<b>-</b>	<b>924,152</b>
<b>Equity</b>							
Issued capital	70,777,722	495,888	75,000	(44,753)			71,303,857
Reserves	1,503,438						1,503,438
Accumulated losses	(71,183,143)				(700,000)		(71,883,143)
<b>Total Equity</b>	<b>1,098,017</b>	<b>495,888</b>	<b>75,000</b>	<b>(44,753)</b>	<b>(700,000)</b>	<b>-</b>	<b>924,152</b>

## 2 HOW TO APPLY

This Section 2 sets out the choices for an Eligible Shareholder with respect to applying for new Shares under the Offer. Please refer to Section 1.9 to determine who is an Eligible Shareholder.

### 2.1 CHOICES AVAILABLE

Eligible Shareholders may do any of the following:

- take up all or part of their Entitlement (refer to Section 2.2); or
- do nothing (refer to Section 2.3).

Eligible Shareholders may also choose to apply for Shortfall Shares as described in Section 1.8.

The Offer is a non-renounceable pro rata offer to Eligible Shareholders. Eligible Shareholders who take up their Entitlement in full will not have their percentage shareholding in the Company diluted by the Offer. The percentage shareholdings of Eligible Shareholders who do not take up all of their Entitlement will be diluted. For further details on the effect of the Offer on control of the Company, please refer to Section 1.6.

### 2.2 TAKE UP ALL OR PART OF ENTITLEMENT

Eligible Shareholders who wish to take up all or part of their Entitlement under the Offer should complete the Entitlement and Acceptance Form in respect of the number of new Shares (including any Shortfall Shares) they wish to subscribe for and arrange for payment of the Application Monies in accordance with Section 2.4.

### 2.3 ALLOW ALL OR PART OF ENTITLEMENT TO LAPSE

If Eligible Shareholders decide not to accept all or part of their Entitlement under the Offer, or fail to accept their Entitlement by the Closing Date, the part of their Entitlement not accepted will lapse. The Shares not subscribed for will form part of the Shortfall Shares.

Eligible Shareholders should note that if they do not take up their Entitlement in full then although they will continue to own the same number of Shares, their percentage holding in the Company may be reduced.

### 2.4 MAKING AN APPLICATION

**Option 1: Submit a completed Entitlement and Acceptance Form together with a cheque, bank draft or money order.**

To follow option 1, applicants should:

- complete the personalised Entitlement and Acceptance Form accompanying this Offer Document in accordance with the instructions set out on that form, and indicate the number of new Shares (including any Shortfall Shares) they wish to subscribe for; and
- return the form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:
  - in respect of the full Application Monies (being \$0.002 multiplied by the number of new Shares (including any Shortfall Shares) they wish to subscribe for); and
  - in Australian currency drawn on an Australian branch of a financial institution; and

- made payable to “Connected IO Limited – Subscription Account” and crossed ‘Not Negotiable’.

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of the cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of Shares applied for in the Entitlement and Acceptance Form in full, the applicant will be taken to have applied for the lowest number of whole Shares as the cleared Application Monies will pay for (and to have specified that number of Shares in the Entitlement and Acceptance Form). Alternatively, the application will be rejected.

Cash payments will not be accepted. Receipts for payment will not be issued.

Applicants need to ensure that their completed Entitlement and Acceptance Form and cheque, bank draft or money order reaches the Share Registry at the address below by no later than 5.00pm (AEST) on 11 February 2021.

Completed Entitlement and Acceptance Forms should be returned to the Share Registry at the following address:

If by post:

**Computershare Limited  
GPO Box D182  
PERTH WA 6840**

If by hand (please do not use this address for mailing purposes):

**Computershare Limited  
Level 11, 172 St Georges Terrace  
PERTH WA 6000**

Entitlement and Acceptance Forms (and payment of Application Monies) may not be accepted if received after 5.00pm (AEST) on 11 February 2021.

## **Option 2: Pay via BPAY® payment**

To follow option 2, applicants should pay the full Application Monies, being \$0.002 multiplied by the number of new Shares comprising their Entitlement (plus any Shortfall Shares) or, if subscribing for only part of their Entitlement, the number of new Shares the applicant wishes to subscribe for, via BPAY® payment in accordance with the instructions set out on the personalised Entitlement and Acceptance Form (which includes the biller code and the applicant's unique customer reference number). Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution.

Please note that if payment is made by BPAY®:

- the applicant does not need to submit the personalised Entitlement and Acceptance Form but is taken to make the statements on that form; and
- if the applicant subscribes for less than its Entitlement or does not pay for its full Entitlement, the applicant is taken to have taken up its Entitlement in respect of such whole number of Shares which is covered in full by the Application Monies.

Applicants need to ensure that their BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on 11 February 2021. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above.



## 2.5 REPRESENTATIONS BY ACCEPTANCE

Returning a completed Entitlement and Acceptance Form or making a BPAY® payment will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Offer Document accompanying the form and has read it in full;
- agrees to be bound by the terms of this Offer Document and the Constitution;
- makes the representations and warranties in Section 1.10 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of Shares under the Offer;
- declares that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Entitlement and Acceptance Form;
- acknowledges that once the Entitlement and Acceptance Form is returned or a BPAY® payment is made its acceptance may not be withdrawn;
- agrees to being issued the number of new Shares it applies for at \$0.002 each (or a lower number issued in a way described in this Offer Document) and, subject to Section 1.78, to being issued up to the number of Shortfall Shares it applies for at \$0.002 each;
- authorises the Company to register it as the holder(s) of the Shares issued to it under the Offer;
- acknowledges that the information contained in this Offer Document is not investment advice or a recommendation that the Shares are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for the new Shares to be issued to it, including correcting any errors in its Entitlement and Acceptance Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Entitlement and Acceptance Form.

## **3 RISK FACTORS**

### **3.1 GENERAL**

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business. Whilst the Directors recommend that Shareholders take up their Entitlement, there are numerous risk factors involved in an investment in the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which Shares will trade.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. Please note that the summary is not exhaustive and investors should examine the contents of this Offer Document in its entirety and consult with their stockbrokers, lawyers, accountants or other professional advisers before deciding whether or not to apply for Shares.

### **3.2 SPECIFIC RISKS**

#### **3.2.1 Coronavirus (COVID-19) risk**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

As the Company is operationally based in Dallas in the USA, which has been and will continue to be heavily impacted in various unforeseen ways, impacting, both supply chain and operational realities, creating possible disruptions in access, specialised workers availability, and cross border movement, the Company is operating and will continue to operate with the best intentions of fulfilling commitments to shareholders.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of the coronavirus on its project and any adverse impact on the Company.

#### **3.2.2 Competition and new technologies**

The industry in which the Company is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of their competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Company's business. For instance, new technologies could overtake the advancements made by the Company's products. In that case, the Company's revenues and profitability could be adversely affected.

#### **3.2.3 Special Reputational Risks**

The Company operates in a fast-changing environment, and negative publicity can spread quickly, whether true or false. Negative comments by disgruntled customers about the Company may have a disproportionate effect on the Company reputation and its ability to earn revenues and profits. Additionally, complaints by such customers can lead to additional regulatory scrutiny and a consequential increase compliance burden in responding to regulatory inquiries. This could negatively impact on the Company's profitability.

### **3.2.4 Reliance on Key Personnel**

The recent development of the business of the Company has been in large part due to the talent, effort, experience and leadership of Yakov Temov.

There is no assurance that Yakov Temov, or senior management will remain healthy and able to continue in their current roles. If such employment contracts were terminated or breached, or if the relevant Director and employees were no longer to continue in their current roles, the Company would need to employ alternative staff, and the Company's operations and business would be adversely affected.

### **3.2.5 Outsourcing**

The Company outsources to consultants for expert advice and contract organisations for manufacturing services and research and development services. There is no guarantee that such experts or organisations will be available as required or will meet expectations.

### **3.2.6 Customer Service Risk**

Customers may need to engage with the Company's customer service personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a customer and the Company. The Company recruits and retain the Company's staff with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If the Company lose key customer service personnel, or fail to provide adequate training and resources for customer service personnel, this could lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on the Company's revenue.

### **3.2.7 Risks Associated with the Regulatory Environment**

If the Company expands into other markets, for example Germany, then the Company will be subject to German laws and regulations. Users, competitors, members of the general public or regulators could allege breaches of the legislation. This could result in remedial action or litigation, which could potentially lead to the Company being required to pay compensation or a fine. The Company's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Company's profitability. In addition, if regulators took the view that the Company had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to the Company and consequently impact upon its revenue.

### **3.2.8 Future Capital Needs**

Further funding may be required by the Company to support ongoing operations, working capital and to meet future debt and interest repayments. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and consequently its performance.

### **3.2.9 Liability Claims**

The Company may be exposed to liability claims if its services are provided in fault and/or cause harm to its customers. As a result, the Company may have to expend significant financial and managerial resources to defend against such claims. If a successful claim is made against the Company, the Company may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

### **3.2.10 Foreign Exchange Risks**

As the Company has costs and expenses in the United States of America they will likely be denominated in US\$. Accordingly, the depreciation and/or the appreciation of the US\$ relative to the Australian currency would result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the US\$ relative to the Australian currency may result in lower than anticipated revenue, profit and earning. The Company could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the US\$, and will have to monitor this risk on an ongoing basis.

### **3.2.11 Low Barriers to Entry**

There are relatively low barriers to entry in the field of next generation wireless technology and the market is experiencing the emergence of providers of these services. Potential risks relate to other providers of these services operating on a lower cost basis placing pressure on the Company's prices.

### **3.2.12 Insurance Coverage**

The Company faces various risks in connection with its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company

maintains insurance coverage for its employees (as required by law the relevant jurisdictions) as well as insurance coverage for management liability, corporate liability, employment practices liability, crime protection and statutory liability. However, the Company does not maintain insurance against various other liabilities. If the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, its financials may be adversely affected.

### **3.2.13 Commercialisation Risk**

There is a risk that the Company will not be able to further successfully commercialize or sell their products, or be unable to attract further customers to be sufficiently profitable to fund future operations.

### **3.2.14 Partnerships**

The commercial strategy for products which may be derived from internet-of-things (IoT) markets potentially includes forming partnerships with other companies that have the ability to effectively commercialise next generation wireless technology products in key economic markets and there is no assurance that suitable partnerships will be secured or maintained, or that products can be commercialised. For example, the Machine Connect product was developed by a subsidiary of the Company in partnership with Verizon Wireless. Verizon Wireless retained the intellectual property in the Machine Connect product, however granted a non-exclusive licence to the Company's subsidiary to exploit the Machine Connect hardware, software and mechanical design.

### **3.2.15 Competition**

The IoT industry is highly competitive and other corporations may commercialise products that may compete with the Company's products.

### **3.2.16 Shortage of electronic components**

Communications industry is experiencing shortage of certain components which could impact company's ability to manufacture products. Not being able to manufacture products to meet demand poses significant risks to the Company's business.

## **3.3 GENERAL RISKS**

### **3.3.1 Reliance on key personnel**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified

management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

### **3.3.2 Investment risks**

The new Shares to be issued pursuant to the Offer should be considered speculative due to the nature of the Company's business. There is no guarantee as to the payment of dividends, return of capital or the market value of the new Shares. The prices at which an investor may be able to trade the new Shares may be above or below the price paid by the investor for the new Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

### **3.3.3 Share market risks**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the new Shares may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the new Shares will develop or that the price of the new Shares will increase. There may be relatively few buyers or sellers of new Shares on the ASX at any particular time:

### **3.3.4 Competition risks**

The industry in which the Company will be involved is subject to domestic and global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, and such activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

### **3.3.5 Economy risks**

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the education industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the education sector;
- movement in, or outlook on, exchange rates, interest rates and inflation rates; and
- natural disasters, social upheaval or war.

## **4 ADDITIONAL INFORMATION**

### **4.1 RIGHTS AND LIABILITIES ATTACHING TO SHARES**

The rights attaching to the Shares are set out in the constitution of the Company. A broad summary (although not an exhaustive or definitive statement) of the rights attaching to the Shares are outlined below.

#### **4.1.1 Ranking of Shares**

At the date of this Offer Document, all shares in the Company are of the same class and rank equally in all respects.

#### **4.1.2 Voting rights**

Subject to any special rights or restrictions (at present there are none), at any Shareholder meeting, each Shareholder present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held.

#### **4.1.3 Dividend rights**

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

#### **4.1.4 Variation of rights**

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

#### **4.1.5 Transfer of Shares**

Subject to the constitution of the Company, the Corporations Act and other relevant laws, the Shares are freely transferable.

#### **4.1.6 General meetings**

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to Shareholders under the Company's constitution, the Corporations Act and any other laws.

#### **4.1.7 Rights on winding up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- divide among the Shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the Shareholders.

Subject to any special rights (at present there are none), any surplus assets (following full satisfaction of all creditors debts) on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

### **4.2 UNDERWRITING AGREEMENT**

Pursuant to an agreement between the Underwriter and the Company, the Underwriter has agreed to fully underwrite the Offer (**Underwriting Agreement**), under which the Company has agreed to pay the Underwriter an underwriting fee of 6% of the total funds raised under the Offer and 6% of the funds raised under the Placement.

In addition, the Company will intends to issue to the Underwriter 30,000,000 new options subject to the prior receipt of shareholder approval at a future general meeting. The Company will also pay the Underwriter its reasonable costs and expenses incidental to the Offer.

The obligations of the Underwriter to underwrite the Offer are subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if any one of the following events occur:

- **(Market fall)** the S&P or ASX 200 Index closes on any two (2) consecutive trading days by 10% or more below its respective level as at the close of business on the business day prior to the execution date;
- **(New circumstance)** an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act or a new circumstance arises or becomes known which, if known at the time of issue of the Offer Cleansing Statement would have been required to be included in the Offer Cleansing Statement;
- **(Unable to issue)** the Company is prevented from granting the Entitlements or issuing Offer Securities in accordance with Listing Rules, any applicable laws, a Government Agency or an order of a court of competent jurisdiction;
- **(Withdrawal of Offer)** the Company withdraws or indicates that it does not intend to proceed with the Offer or any part of the Offer or withdraws a document forming part of the Offer;
- **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Canada, New Zealand, the United States of America, Hong Kong or the United Kingdom;
- **(Prosecution):** any of the following occurs:
  - a director, chief executive officer or chief financial officer of the Company is charged with an indictable offence;
  - any Government Agency commences any public proceedings against the Company or any director in their capacity as a director of the Company, or announces that it intends to take such action; or
  - any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act or any other relevant law;
- **(Other Termination Events)** the Underwriting Agreement contains other termination events that are considered standard for an agreement of this type, including (but not limited to):
  - default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking which is incapable of remedy or is not remedied by the required date;
  - the Company alters its capital structure in any manner not contemplated by the Offer Document; and
  - any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect.

### **4.3 NO PROSPECTUS**

The Offer complies with the requirements of section 708AA of the Corporations Act and applicable ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument 2016/84**). Accordingly, neither this Offer Document nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Offer will be prepared.

### **4.4 CONTINUOUS DISCLOSURE**

As the Company is admitted to the official list of ASX, the Company is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Some documents relating to the Company are required to be lodged with ASIC. These documents may be obtained from, or inspected at, an ASIC office.

### **4.5 FINANCIAL INFORMATION**

The Company published its annual financial results for the period ended 30 June 2020 (**Annual Report**) on 1 October 2020. Shareholders should refer to the Company’s Annual Report for the period ended 30 June 2020 on the Company website at [www.connectedio.com](http://www.connectedio.com) and related announcements on the ASX website at [www.asx.com.au](http://www.asx.com.au) if they wish to obtain more detailed disclosures and commentary on historical financial information.

Investors should note that past price performance of the Company’s Shares provides no guidance as to future price performance.

### **4.6 TAXATION IMPLICATIONS**

It is the responsibility of all Shareholders to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offer by consulting their own professional tax advisers. Neither the Company nor the Directors accept any liability or responsibility in respect of the taxation consequences for Shareholders as a result of the matters referred to in this Offer Document.

### **4.7 PRIVACY DISCLOSURE**

Persons who apply for new Shares under this Offer Document are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications, to provide facilities and services to security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company’s agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares may not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

### **4.8 GOVERNING LAW**

This Offer Document and the contracts formed on acceptance of the Entitlement and Application Forms are governed by the laws applicable in Western Australia. Each applicant for Shares and Shortfall Shares submits to the non-exclusive jurisdiction of the courts of Western Australia.



#### **4.9 ENTIRE AGREEMENT**

The terms contained in this Offer Document constitute the entire agreement between the Company and you as to the Offer and your participation in it to the exclusion of all prior representations, undertakings and agreements between the Company and you.

#### **4.10 ENQUIRIES**

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Shareholders who:

- have questions relating to the calculation of their Entitlement;
- have questions on how to complete an Entitlement and Acceptance Form or take up their Entitlements; or
- have lost their Entitlement and Acceptance Form and would like a replacement form,

should contact the Company's Share Registry, Computershare on 1300 555 159 (from within Australia) or +61 9415 4062 (from outside Australia) between 8:30am to 5:30pm (AEST) during the Offer period.

Enquiries relating to this Offer Document should be directed to the Company by telephone on 08 6211 5099.

## 5 DEFINITIONS

**708 Capital** means 708 Capital Pty Ltd (ACN 142 319 202).

**AEST** means Australian Eastern Standard Time, being the time in Sydney, New South Wales.

**Application Monies** means monies received from persons applying for Shares under the Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the official listing rules of the ASX.

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532).

**ASX Settlement Operating Rules** means the official settlement and operating rules of ASX Settlement.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** means means the date that the Offer closes which is 5.00pm (AEST) 11 February 2021, or such other time and date as the Board determines.

**Company** means Connected IO Limited (ACN 009 076 233).

**Computershare** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Constitution** means the Constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Eligible Shareholder** has the meaning given in Section 1.9.

**Entitlement** means the entitlement of an Eligible Shareholder to subscribe for 1 new Shares for every 1 Share held at the Record Date pursuant to the Offer.

**Entitlement and Acceptance Form** means a personalised acceptance form in the form accompanying this Offer Document pursuant to which applicants may apply for Shares.

**Ineligible Shareholder** has the meaning given in Section 1.9.

**Offer** means the offer of Shares made under this Offer Document.

**Offer Cleansing Statements** means the notices given to ASX by the Company under section 708AA(2)(f) of the Corporations Act (in respect of the Entitlement Offer) and under section 708A(5)(e) of the Corporations Act (in respect of the Placement) and **Offer Cleansing Statement** means either of them.

**Offer Document** means this offer document dated 19 January 2021.

**Opening Date** means the first date for receipt of acceptances under the Offer, being 9:00am (AEST) on 28 January 2021 or such other time and date as the Board determines.

**Record Date** means the date for determining the Entitlements of Shareholders under the Offer, being 5.00pm (AEST) on 22 January 2021.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Shareholder** means a holder of one or more Shares.

**Shortfall Shares** has the meaning given in Section 1.7.8.

**Subscription Account** means the account established by the Company to hold Application Monies received under the Offer.

**Underwriter** means 708 Capital.