

**AppsVillage Australia Limited**  
Level 5, 126 Philip Street,  
Sydney, NSW 2000  
ACN: 626 544 796



# AppsVillage Australia Limited

**Notice of Annual General Meeting**  
Explanatory Statement | Proxy Form

26<sup>th</sup> May 2021

**4:30PM pm AEST**

**Address**

Automic Group  
Level 5, 126 Phillip Street, Sydney NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 4:30PM AEST on 26<sup>th</sup> May 2021 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

### Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

### Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

### Voting by proxy

To vote by proxy, please use one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
<b>By post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By hand</b>	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting.  
**Proxy Forms received later than this time will be invalid.**

### Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

### Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of AppsVillage Australia Limited ACN 626 544 796 will be held at 4:30PM AEST on 26<sup>th</sup> May 2021 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm AEST on 24<sup>th</sup> May 2021.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*“To receive and to consider the Annual Financial Report of the Company for the financial year ended 31 December 2020 together with the declaration of the Directors, the Directors’ Report, the Remuneration Report and the Auditor’s Report for that financial year.”*

**Note:** This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

# Resolutions

## Remuneration Report

### 1. **Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 31 December 2020.”*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

### 2. **Resolution 2 – Election of Andrew Whitten as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That Andrew Whitten, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”*

### 3. **Resolution 3 – Election of Bahram Nour-Omid as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That Bahram Nour-Omid, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”*

#### 4. **Resolution 4 – Re-election of Yoav Ziv as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That Yoav Ziv, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”*

#### **ASX Listing Rule 7.1A (Additional 10% Capacity)**

#### 5. **Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Ratification of Prior Issue of Securities**

### **6. Resolution 6 – Ratification of prior issue of Placement Shares**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 5,454,546 Placement Shares issued on 11 March 2021 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 7. Resolution 7 – Ratification of prior issue of Placement Options

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 2,727,274 Placement Options issued on 11 March 2021 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Issue of Executive Options to Executive Directors**

### **8. Resolution 8 – Approval of Issue of Executive Options to Max Bluvband**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue of 4,700,000 Executive Options under the Incentive Plan to Mr Max Bluvband, an Executive Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) Max Bluvband; or
- (b) an Associate of Max Bluvband.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair as proxy or attorney of 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.



## 9. Resolution 9 – Approval of Issue of Executive Options to Shahar Hajdu

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue of 4,700,000 Executive Options under the Incentive Plan to Mr Shahar Hajdu, an Executive Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- (a) Shahar Hajdu; or
- (b) an Associate of Shahar Hajdu.

However, this does not apply to a vote cast in favour of Resolution 9 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 9 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

## **Issue of Director Options to Non-Executive Directors**

### **10. Resolution 10 – Approval of Issue of Options to Bahram Nour-Omid**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue of 700,000 Options under the Incentive Plan to Mr Bahram Nour-Omid, the Non-Executive Chairman of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) Bahram Nour-Omid; or
- (b) an Associate of Bahram Nour-Omid.

However, this does not apply to a vote cast in favour of Resolution 10 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 10 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

## 11. Resolution 11– Approval of Issue of Options to Yoav Ziv

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue of 250,000 Options under the Incentive Plan to Mr Yoav Ziv and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of:

- (a) Yoav Ziv; or
- (b) an Associate of Yoav Ziv.

However, this does not apply to a vote cast in favour of Resolution 11 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 11 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

## 12. Resolution 12 – Approval of Issue of Options to Andrew Whitten

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue of 500,000 Options under the Incentive Plan to Mr Andrew Whitten and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 12 by or on behalf of:

- (a) Andrew Whitten; or
- (b) an Associate of Andrew Whitten.

However, this does not apply to a vote cast in favour of Resolution 12 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 12 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

## Issue of Remuneration Shares

### 13. **Resolution 13** – Approval to Issue of Remuneration Shares to Bahram Nour-Omid

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, the Shareholders the issue of Shares in lieu of Directors’ fees of \$75,000 to Mr Bahram Nour-Omid or his nominee, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 13 by or on behalf of:

- (a) Bahram Nour-Omid;
- (b) a person who might obtain a benefit as a result of the issue of the Shares, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (c) an Associate of any person described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 13 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 13 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

## 14. Resolution 14 – Approval to Issue of Remuneration Shares to Yoav Ziv

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, the Shareholders the issue of Shares in lieu of Directors’ fees of \$50,000 to Mr Yoav Ziv on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 14 by or on behalf of:

- (a) Yoav Ziv;
- (b) a person who might obtain a benefit as a result of the issue of the Shares, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (c) an Associate of any person described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 14 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 14 if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a closely related party of a member of the KMP; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

BY ORDER OF THE BOARD



David Hwang  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 4:30PM AEST on 26<sup>th</sup> May 2021 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### **Financial statements and reports**

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31<sup>st</sup> December 2020 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at:

<https://appv.co/public/website/corporate.html#quarters-section>

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

#### **Written questions of the auditor**

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by 19<sup>th</sup> May 2021.

# Resolutions

## **Remuneration Report**

### **Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://appv.co/public/website/corporate.html#quarters-section>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2022 Annual General Meeting (2022 **AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2022 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2022 AGM. All of the Directors who were in office when the 2022 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

#### **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

## **Re-election of Directors**

### **Resolution 2 – Election of Andrew Whitten as Director**

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Andrew Whitten was appointed as an additional Director of the Company on 10<sup>th</sup> June 2020 and has since served as a Director of the Company.

Under this Resolution, Andrew Whitten seeks election as a Director of the Company at this AGM.

Andrew has a breadth of experience in advising companies across a wide range of industry sectors, with an emphasis on technology. He holds a Bachelor of Arts (Economics), Master of Laws and Legal Practice (Corporate Finance and Securities Law) a Graduate Diploma of Applied Corporate Governance from the Governance Institute.

#### **Directors' recommendation**

The Directors (excluding Andrew Whitten) recommend that Shareholders vote for this Resolution.



### **Resolution 3 – Election of Bahram Nour-Omid as Director**

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Bahram Nour-Omid was appointed as an additional Director of the Company on 10<sup>th</sup> June 2020 and has since served as a Director of the Company.

Under this Resolution, Bahram Nour-Omid seeks election as a Director of the Company at this AGM.

Mr Nour-Omid brings a wealth of experience and connections to some of the largest Companies in North America through a 30-year investment career in early stage technology start-up and scale-up situations. Mr Nour-Omid's background also includes engineering qualifications and a PhD in Scientific Computing.

#### **Directors' recommendation**

The Directors (excluding Bahram Nour-Omid) recommend that Shareholders vote for this Resolution.

### **Resolution 4 – Re-election of Yoav Ziv as Director**

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. The retiring Directors must not be a Managing Director. The Directors to retire at the annual general meeting are those who have been in office the longest since their last election.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Yoav Ziv was appointed a Director of the Company on 23<sup>rd</sup> May 2019 and was last re-elected as a Director at the 2020 Annual General Meeting.

Under this Resolution, Yoav Ziv has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Yoav Ziv is the Chief Customer Success and Services Officer at Checkmarx which is the global leader in software security solutions for modern enterprise software development.

#### **Directors' recommendation**

The Directors (excluding Yoav Ziv) recommend that Shareholders vote for this Resolution.

## **ASX Listing Rule 7.1A**

### **Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$8.3 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A 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.

#### **Information Required by ASX Listing Rule 7.3A**

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

##### Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

##### Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

##### Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities

under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (b) the effect of the issue of the Equity Securities on the Control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

#### **Risk of economic and voting dilution to existing ordinary Securityholders**

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) 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 equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.0485 50% decrease in issue price	\$0.097 issue prices <sup>(b)</sup>	\$0.194 100% increase in issue price
"A" is the number of shares on issue, being 76,018,770 Shares <sup>(a)</sup>	10% voting dilution <sup>(c)</sup>	7,601,877	7,601,877	7,601,877
	Funds raised	\$368,691	\$737,382	\$1,474,764
"A" is a 50% increase in shares on issue, being 114,028,155 Shares	10% voting dilution <sup>(c)</sup>	11,402,815	11,402,815	11,402,815
	Funds raised	\$553,037	\$1,106,073	\$2,212,146
"A" is a 100% increase in shares on issue, being 152,037,540 Shares	10% voting dilution <sup>(c)</sup>	15,203,754	15,203,754	15,203,754
	Funds raised	\$737,382	\$1,474,764	\$2,949,528

#### **Notes:**

- (a) Based on the total number of fully paid ordinary Shares on issue as at 6<sup>th</sup> April 2021.
- (b) Based on the closing price of the Company's Shares on ASX as at 6<sup>th</sup> April 2021.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

#### **Allocation policy for issues under Listing Rule 7.1A**

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and

- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

**Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to AGM**

The Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Details of these issues or agreements to issue are set out in the table below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any) or agreement to issue	Consideration details	Allottees of the Securities
<i>Issued on 3<sup>rd</sup> August 2020</i>				
7,665,875 Fully Paid Ordinary Shares	<p>Issue of shares to institutional and other sophisticated investors under a placement announced by the Company on 28 July 2020.</p> <p>The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price of 11.2 cents per share.</p> <p>This issue price represented a discount of 24% to the last traded price of AppsVillage Australia Limited on 22<sup>nd</sup> July 2020.</p>	<p>Cash consideration of \$2,400,000.</p> <p>Funds used to continue to develop and enhance its platform supporting the digital presence of SMBs along with general working capital requirements.</p>	Institutional and other sophisticated investors
<i>Issued on 11<sup>th</sup> March 2021</i>				
5,454,546 fully paid ordinary shares	<p>Issue of shares to institutional and other sophisticated investors under a placement announced by the Company on 1 March 2021.</p> <p>The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A.</p>	<p>Issue price of 11 cents per share.</p>	<p>Cash consideration of \$600,000.</p> <p>Funds used to develop and promote new product initiatives of the Company and for general working capital purposes.</p>	Institutional and other sophisticated investors

	The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.			
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<b>Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")</b>	13,120,421
<b>Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12-month period (fully diluted)</b>	5.41%

This Resolution is 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 ordinary shares) must be in favour of this Resolution.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Ratification of Prior Issue of Securities**

### **Resolution 6 – Ratification of prior issue of Placement Shares**

#### **Background**

On 1 March 2021, the Company announced that it had successfully raised \$600,000 (before costs) via a placement of 5,454,546 fully paid ordinary shares at an issue price of \$0.11 per Share (**Placement Shares**) to existing institutional and sophisticated investors (**Placement**). As part of the Placement, the Company issued one (1) free attaching option for every two (2) Placement Shares acquired (**Placement Options**).

The Placement Options were issued utilising the Company's existing capacity under Listing Rule 7.1 and the Placement Shares were issued utilising the Company's existing capacity under Listing Rule 7.1A.

Shareholder approval to ratify the issue of Placement Options is being sought separately under Resolution 7 of this Notice of Meeting.

#### **ASX Listing Rules 7.1A**

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 5,454,546 Placement Shares, which were issued on 11 March 2021 (**Issue Date**).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

At the Company's last AGM, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit to 25%.

All of the Placement Shares were issued under Listing Rule 7.1A.

As no exceptions to Listing Rules 7.1 and 7.1A apply to the issue of Placement Shares and the issue has not been approved by the Company's Shareholders, it currently constitutes part of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A for the 12 month period following the Issue Date (noting that the extra 10% under Listing Rule 7.1A will expire unless re-approved by the Company's Shareholders on an annual basis).

Listing Rule 7.4 provides that an issue made in accordance with Listing Rule 7.1A can be retrospectively approved under Listing Rule 7.4 and, if it is, the issue will then be excluded from variable "E" in Listing Rule 7.1A.2 (which means that the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A is not reduced).

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1A.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the Placement Shares will be excluded in calculating the Company's capacity to issue equity securities under Listing Rules 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of the Placement Shares under the Placement will be included in calculating the Company's capacity to issue equity securities under Listing Rule 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

#### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to Moshe Cohen and PAC Capital Pty Ltd, both existing institutional and sophisticated investors.
- (b) For the purposes of paragraph 7.4 of Guidance Note 21, the Company confirms that both investors were existing substantial shareholders and acquired more than 1% of the issued capital of the Company as part of the Placement.
- (c) The Company issued 5,454,546 Placement Shares.
- (d) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid

ordinary shares previously issued by the Company.

- (e) The Placement Shares were issued on 11 March 2021.
- (f) Each of the Placement Shares were issued at an issue price of \$0.11 per Share, which collectively raised \$600,000 (before costs).
- (g) Funds raised from the issue of the Shares have been and will be used by the Company to develop and promote new product initiatives of the Company and for general working capital purposes.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Resolutions 7 – Ratification of prior issue of Placement Options**

### **Background**

As mentioned above in the Explanatory Statement for Resolution 6, the Placement Options were issued utilising the Company's existing capacity under Listing Rule 7.1.

#### **ASX Listing Rule 7.1**

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 2,727,274 Placement Options, which were issued on 11 March 2021 (**Issue Date**).

All of the Placement Options was issued by utilising the Company's existing capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of Placement Options did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rules 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Placement Options for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Placement Options will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of Placement Options will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

#### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Options were issued to Moshe Cohen and PAC Capital Pty Ltd, both existing institutional and sophisticated investors.
- (b) For the purposes of paragraph 7.4 of Guidance Note 21, the Company confirms that both investors were existing substantial shareholders and acquired more than 1% of the issued capital of the Company as part of the Placement.
- (c) The Company issued 2,727,274 Placement Options for nil consideration.
- (d) The Placement Options are each exercisable at \$0.135 and expire on 25 February 2024. Shares issued on

conversion of the Placement Options will rank equally with all fully paid ordinary shares previously issued by the Company.

- (e) The full terms of the Placement Options are set out in Annexure A to this Notice of Meeting.
- (f) The Placement Options were issued on 11 March 2021.
- (g) Funds were not raised from the issue of the Placement Options as the Placement Options were issued under the Placement as free attaching options on the basis of one (1) free attaching Placement Option for every two (2) Placement Shares acquired.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Issue of Executive Options to Executive Directors**

### **Resolutions 8 & 9 – Approval of Issue of Executive Options to the Executive Directors**

As part of the Company's proposed incentive grants for FY21, subject to Shareholder approvals being sought under Resolutions 8 and 9 of this Notice, the Company seeks to invite Mr Max Bluvband and Mr Shahar Hajdu to participate in the Incentive Plan by subscribing for the following unlisted and unvested Options under the Incentive Plan (**Executive Options**):

- (a) Max Bluvband – 4,700,000 Executive Options; and
- (b) Shahar Hajdu – 4,700,000 Executive Options.

In terms of its core purpose, the Executive Options are proposed to be issued to reward, retain and motivate the executives of the Company by providing them with the opportunity to share in any future growth in the value of the Company and with the incentives to focus on the long-term goal of the Company.

#### **Director and Related Party Approvals**

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

- (a) a director of the Company;
- (b) an associate of a director of the Company; or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

As Mr Max Bluvband and Mr Shahar Hajdu are directors, the proposed issue of Executive Options constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 10.12 (exception 4), separate approval is not required under Listing Rule 10.11.

If Resolutions 8 and 9 are passed, the Company will be able to proceed with the proposed issue of Executive Options. If Resolutions 8 and 9 are not passed, the Company will not be able to proceed with the proposed issue.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Executive Options constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.



The non-conflicted Directors (being Mr Bahram Nour-Omid, Mr Yoav Ziv and Mr Andrew Whitten) carefully considered the issue of these Executive Options to Mr Bluvband and Mr Hajdu, and formed the view that the giving of this financial benefit as part of their remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Executive Options, and the responsibilities held by Mr Bluvband and Mr Hajdu in the Company.

Accordingly, the non-conflicted Directors believe that the issue of these Executive Options to Mr Bluvband and Mr Hajdu fall within the “reasonable remuneration” exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of Resolutions 8 and 9.

#### **Section 200B and 200E of the Corporations Act**

Section 200B of the Corporations Act prohibits the Company from giving a person a benefit in connection with a person’s retirement from an office or position of employment, in the Company or a related body corporate if:

- (a) the office or position is managerial or executive office; or
- (b) the person has, at any time during the last three year before his or her retirement, held a managerial or executive office in the Company or a related body corporate,

unless the Company obtains Shareholder approval under section 200E of the Corporations Act for the giving of the benefit. The term ‘benefit’ has a wide operation and could include the acceleration, early vesting or waiver of lapsing conditions in connection with securities issued by the Company.

The Executive Options proposed to be issued to Mr Bluvband and Mr Hadju are subject to accelerated vesting upon termination of employment with the Company not for cause. Therefore, the accelerated vesting of the Executive Options may constitute the giving of benefits to Mr Bluvband and Mr Hadju in connection with their termination from office. Accordingly, Shareholder approval is sought for the purpose of section 200E of the Corporations Act to issue the Executive Options to Mr Bluvband and Mr Hadju.

Section 200E of the Corporations Act requires that the Notice of Meeting provide shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated and the matters, events and circumstances that will, or are will likely to, affect the calculation of the value.

The Company will calculate the value of the termination benefit as being equal to the difference between:

- (a) the exercise price for the number of Executive Options that are accelerated for vesting; and
- (b) the value of the Shares issued upon exercise of such Executive Options based on the closing price of the Company’s Shares on the date of exercise.

Therefore, the numerical value of the termination benefits relating to the Executive Options cannot be determined in advance, however, the above illustrates the manner in which the value of the proposed benefits can be calculated. The matters, events and circumstances that will or are likely to affect the value of the benefit will depend on factors such as:

- (a) the Company's Share price at the time of vesting and exercise; and
- (b) the number of unvested Executive Options that the participant holds at the time they cease employment or office; and

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

#### **Information Required by ASX Listing Rule 10.15**

The following information in relation to the issue of Executive Options to Mr Bluvband and Mr Hadju is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottees are set out as below:
  - (i) Mr Max Bluvband – Managing Director of the Company; and
  - (ii) Mr Shahar Hajdu –Executive Director.
- (b) Each of the persons in Resolutions 8 & 9 are Directors of the Company and falls into the category referred to in Listing Rule 10.14.1

- (c) The number of Executive Options proposed to be issued to each of the allottees is set out as below:

Name	Number of Executive Options
Max Bluvband	4,700,000
Shahar Hajdu	4,700,000

- (d) All Executive Options are being issued for nil consideration.
- (e) The full terms of the Executive Options are set out in Annexure B to this Notice of Meeting.
- (f) The current total remuneration package received by each of the allottees is set out as below:

Name	Financial year ending 31 December 2020
Max Bluvband	\$15,300 in cash per month (which equals \$183,600 per annum)
Shahar Hajdu	\$15,300 in cash per month (which equals \$183,600 per annum)

- (g) Prior to the Company's IPO in 2019, Mr Bluvland was granted 9,187,500 Performance Options under the Incentive Plan, and Mr Hajdu was granted 9,187,500 Performance Options under the Incentive Plan. These Performance Options were acquired for nil cash consideration.
- (h) Since the Company's listing, no further securities that have been issued to each of the allottees under the Incentive Plan.
- (i) The Executive Options are being issued to align the interests of the Directors with those of Shareholders in FY21 and beyond and to provide a cost effective way for the Company to remunerate the Directors which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors.
- (j) The Company has sought an independent valuation of the Executive Options from Stanton International Securities Pty Ltd (**Stantons**). The method used to value the Executive Options was the Black Scholes model. The value attributed to the Executive Options proposed to be issued is as follows:

Name	Number of Executive Options	Total fair value
Max Bluvband	4,700,000	\$390,915
Shahar Hajdu	4,700,000	\$390,915

The valuation report prepared by Stantons containing details of the valuation methodology is attached as Annexure E to the Notice of Meeting.

- (k) The Executive Options will be issued within 3 years from the date of this Meeting, subject to Shareholder approval being obtained.
- (l) A summary of the material terms of the Incentive Plan is set out in Annexure D.
- (m) Details of any securities issued under the Incentive Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Incentive Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- (n) Voting exclusion statements are included in the Notice of Meeting.

#### Directors' Recommendation

The Directors (excluding Mr Bluvband and Mr Hajdu) recommend that Shareholders vote in favour of Resolutions 8 and 9.

## **Issue of Director Options to Non-Executive Directors**

### **Resolutions 10 to 12 – Approval of Issue of Options to Non-Executive Directors**

As part of the Company's proposed incentive grants for FY21, subject to Shareholder approvals being sought under Resolutions 10 to 12 of this Notice, the Company seeks to invite Mr Bahram Nour-Omid, Mr Yoav Ziv and Mr Andrew Whitten to participate in the Incentive Plan by subscribing for the following unlisted and unvested Options under the Incentive Plan (**Director Options**):

- (a) Bahram Nour-Omid – 700,000 Options (**Resolution 10**);
- (b) Yoav Ziv – 250,000 Options (**Resolution 11**); and
- (c) Andrew Whitten – 500,000 Options (**Resolution 12**).

#### **Director and Related Party Approvals**

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

- (a) a director of the Company;
- (b) an associate of a director of the Company; or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

As Mr Nour-Omid, Mr Ziv are directors of the Company and Mr Andrew Whitten was the company secretary and director of the Company, the proposed issue of Director Options constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 10.12 (exception 4), separate approval is not required under Listing Rule 10.11.

If Resolution 10 to 12 are passed, the Company will be able to proceed with the proposed issue of Director Options. If Resolutions 10 to 12 are not passed, the Company will not be able to proceed with the proposed issue.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Director Options constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

For each Director for whom the issue of Director Options were considered, the other non-conflicted Directors considered the proposed issue, and formed the view that the giving of this financial benefit as part of their remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Director Options, and the responsibilities held by that director in the Company.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Director Options to each of the Directors fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of Resolutions 10 to 12. Therefore, the proposed issue of Director Options requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

#### **Information Required by ASX Listing Rule 10.15**

The following information in relation to the issue of Director Options to Mr Nour-Omid, Mr Ziv and Mr Whitten is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottees are set out as below:

- (i) Mr Bahram Nour-Omid – Non-Executive Chairman of the Company (**Resolution10**);
  - (ii) Mr Yoav Ziv – Non-Executive Director (**Resolution 11**); and
  - (iii) Mr Andrew Whitten – Non-Executive Director and Company Secretary (**Resolution 12**).
- (b) Each of the persons in Resolutions 10 to 12 are Directors of the Company and falls into the category referred to in Listing Rule 10.14.1.
- (c) The number of Director Options proposed to be issued to each of the allottees is set out as below:

Name	Number of Director Options
Bahram Nour-Omid	700,000
Yoav Ziv	250,000
Andrew Whitten	500,000

- (d) All Director Options are being issued for nil consideration.
- (e) The full terms of the Director Options are set out in Annexure C to this Notice of Meeting.
- (f) The current total remuneration package received by each of the allottees are set out as below:

Name	Financial year ending 31 December 2021
Bahram Nour-Omid	US\$6,000 per month in cash (which equals US\$72,000 per annum)
Yoav Ziv	\$5,000 per month in cash (which equals \$60,000 per annum)
Andrew Whitten	\$6,000 per month in cash (which equals \$72,000 per annum)

- (g) The number of Securities that have previously been issued to each of the allottees under the Incentive Plan and the average acquisition price (if any) paid by the person for those Securities is set out in the table below:

Name	Number of Securities received	Average price of acquisition price
Bahram Nour-Omid	Nil	N/A
Yoav Ziv	250,000 Options	Nil
Andrew Whitten	Nil	N/A

- (h) The Director Options are being issued to align the interests of the Directors with those of Shareholders and to provide a cost effective way for the Company to remunerate the Directors which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors.
- (i) The Company has sought an independent valuation of the Director Options from Stantons. The method used to value the Executive Options was the Black Scholes model. The value attributed to the Director Options proposed to be issued is as follows

Name	Number of Director Options	Total fair value
Bahram Nour-Omid	700,000	\$42,305
Yoav Ziv	250,000	\$15,109
Andrew Whitten	500,000	\$30,218

A valuation report prepared by Stantons containing details of the valuation methodology is attached as Annexure E to the Notice of Meeting.

- (j) The Director Options will be issued within 3 years from the date of this Meeting, subject to Shareholder approval being obtained.
- (k) A summary of the material terms of the Incentive Plan is set out in Annexure D.
- (l) Details of any securities issued under the Incentive Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Incentive Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- (m) Voting exclusion statements are included in the Notice of Meeting.

#### **Directors' Recommendation**

The Directors (excluding Mr Nour-Omid, Mr Ziv and Mr Whitten) recommend that Shareholders vote in favour of Resolutions 10 to 12.

## **Issue of Remuneration Shares**

### **Resolutions 13 & 14 – Issue of Remuneration Shares to Bahram Nour-Omid and Yoav Ziv**

#### **Background**

As announced by the Company on 17 August 2020, Mr Bahram Nour-Omid and Mr Yoav Ziv have agreed to receive Shares in lieu of their director fees as follows:

- (a) Mr Bahram Nour-Omid has agreed to receive Shares valued at \$75,000 in lieu of Director fees for the period from 10 June 2020 to 9 March 2021; and
- (b) Mr Yoav Ziv has agreed to receive Shares valued at \$50,000 in lieu of Director fees for the period from 1 September 2020 to 30 June 2021.

Accordingly, the Company proposes to issue 669,643 Shares to Mr Nour-Omid and 446,429 Shares to Mr Ziv at \$0.112 per Share (**Remuneration Shares**).

The proposed issues will be a cost effective and efficient method to remunerate the Directors as opposed to alternative forms of remuneration, such as cash payments and will allow the Company to attract and maintain high quality professional to the Board of the Company, without impacting the Company's cash reserves.

#### **Listing Rule 10.11**

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (c) a related party;
- (d) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (e) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (f) an Associate of a person referred to in (a) to (c) above; and
- (g) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr Nour-Omid and Mr Ziv, are Directors of the Company they are each a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, Resolutions 13 & 14 seeks the required Shareholder approval to issue the Director Shares to Mr Nour-Omid and Mr Ziv under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If Resolutions 13 and 14 are passed, the Company will be able to proceed with the proposed issue.

If Resolutions 13 and 14 are not passed, the Company will not be able to proceed with the proposed issue, and will be required to remunerate Mr Nour Omid and Mr Ziv with cash.

## **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Remuneration Shares (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

As Nour-Omid and Mr Ziv are Directors of the Company, they are each a “related party” of the Company.

The non-conflicted Directors of the Company (being Mr Bluvband, Mr Shahar Hajdu and Mr Andrew Whitten) carefully considered the issue of these Remuneration Shares to Mr Nour-Omid and Mr Ziv and formed the view that the giving of this financial benefit are on arm’s length terms, as the Director Shares are proposed to be issue on the same terms as offered to non-related parties of the Company in the Placement and Share Purchase Plan announced by the Company on 27 July 2020.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Remuneration Shares to Mr Nour-Omid and Mr Ziv fall within the “arm’s length terms” exception as set out in section 210 of the Corporations Act, and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Remuneration Shares requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

## **Information required by ASX Listing Rule 10.13**

The following information in relation to the issue of the Director Shares to Mr Nour-Omid and Mr Ziv is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottees are set out as follows:
  - (i) Mr Bahram Nour-Omid – Non-Executive Director, or his nominee; and
  - (ii) Mr Yoav Ziv – Non-Executive Director.
- (b) Mr Nour-Omid and Mr Ziv are Directors of the Company and falls within the category referred to in Listing Rule 10.11.1.
- (c) The maximum number of Remuneration Shares to be issued to each allottee is set out as follows:
  - (i) Mr Bahram Nour-Omid or his nominee – 669,643 Shares; and
  - (ii) Mr Yoav Ziv – 446,429 Shares.
- (d) The Remuneration Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (e) The Remuneration Shares will be issued on the date of this Meeting, subject to Shareholder approval being obtained, or otherwise within 1 month of the date of this Meeting.
- (f) The Remuneration Shares will be issued at \$0.112 per Share.
- (g) There will not be any funds raised through the issue of the Remuneration Shares as the Shares are proposed to be issued in lieu of:
  - (i) Mr Bahram Nour-Omid’s Director fees for the period from 19 June 2020 to 9 March 2021; and

(ii) Mr Yoav Ziv's Director fees for the period from 1 September 2020 to 30 June 2021.

(h) The current total remuneration package received by the relevant Director is set out as below:

Name	Financial year ending 31 December 2021
Bahram Nour-Omid	US\$6,000 per month in cash (which equals US\$72,000 per annum)
Yoav Ziv	\$5,000 per month in cash (which equals \$60,000 per annum)

(i) Apart from the terms set out above, the material terms of the remuneration agreement are as follows:

Name	Material terms
Bahram Nour-Omid	Payment period: The Remuneration Shares will be issued in lieu of director fees payable from 10 June 2020 to 9 March 2021, to value of \$75,000.
Yoav Ziv	Payment period: The Remuneration Shares will be issued in lieu of director fees payable from 1 September 2020 to 30 June 2021, to the value of \$50,000.  Clawback mechanism: If Mr Ziv's directorship ends prior to 30 June 2021, a clawback mechanism for the portion to which the period relates is in place.

#### Directors' Recommendation

The Directors (excluding Mr Nour-Omid and Mr Yoav) recommend that Shareholders vote in favour of Resolutions 13 & 14.

## Enquiries

Shareholders are asked to contact the Company Secretary on (02) 8072 1400 if they have any queries in respect of the matters set out in these documents.

# Glossary

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Company** means AppsVillage Australia Limited ACN 626 544 796.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

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

**Director Options** means the unlisted and unvested Options (under the Incentive Plan) to be issued to Mr Nour-Omid, Mr Ziv and Mr Whitten subject to Shareholder approvals that are sought under Resolutions 10, 11 and 12.

**Dollar** or "\$" means Australian dollars.

**Executive Options** means the unlisted and unvested Options (under the Incentive Plan) proposed to be granted to Mr Bluvband and Mr Hajdu as described in the Explanatory Statement for Resolutions 8 and 9.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Annual General Meeting** or **AGM** or **Meeting** means an annual general meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**Incentive Plan** means the Performance Rights and Option Plan adopted by the Company.

**Issue Date** means 11 March 2021.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting dated 26<sup>th</sup> April 2021 including the Explanatory Statement.

**Option** means an option granted by the Company to subscribe for a Share subject to its terms.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Placement** means the placement pursuant to which the Company raised \$600,000 as announced by the Company on 1 March 2021.

**Placement Shares** means 5,454,546 Shares issued by the Company on 11 March 2021, pursuant to the Placement.

**Placement Options** means 2,727,274 Options issued by the Company on 11 March 2021, pursuant to the Placement.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Remuneration Shares** means the Shares to be issued to Mr Nour-Omid and Mr Ziv in lieu of their director fees subject to Shareholder approvals that are sought under Resolutions 13 and 14.

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Securities** mean Shares and/or Options (as the context requires).

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

**Shareholder** means a holder of a Share.



**Share Registry** means Automic Registry Services.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**US\$** means the currency of the United States.

# Annexure A – Terms of Placement Options

- 1 Each Option gives the holder (**Holder**) the right to subscribe for one fully paid ordinary share of the Company (**Share**) for every Option they own in the Company. To obtain the right given by each Option, the Holder must exercise the vested Options in accordance with these terms and conditions.
- 2 The Options will expire on 25 February 2024 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- 3 The amount payable upon exercise will be determined at the date of issue whereby each Option will have an exercise price of 13.5 cents (A\$0.135) (**Exercise Price**).
- 4 Each one Option is exercisable to one Share.
- 5 The Options may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- 6 Holders may exercise their Options by lodging with the Company, before the Expiry Date:
  - a. a written notice of exercise of Options specifying the number of Options being exercised; and
  - b. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,  
(**Exercise Notice**).
- 7 An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- 8 Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- 9 The Options are non-transferrable.
- 10 All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- 11 The Company will not apply for quotation of the Options on the ASX.
- 12 The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX immediately after the allotment of those Shares.
- 13 If at any time the issued capital of the Company is reconstructed, all rights of the Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of reconstruction.
- 14 There are no participating rights or entitlements inherent in the Options and the Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 Business Days after the issue is announced. This will give the Holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- 15 In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Holder would have received if the Option had been exercised before the record date for the bonus issue.

## Annexure B – Terms of Executive Options

- 1 The Options are issued under and subject to the rules of the Company's Performance Rights and Option Plan (**Plan Rules**). In the event of any inconsistency between these terms and the Plan Rules, these terms will prevail to the extent of that inconsistency.
- 2 Each Option gives the holder (**Holder**) the right to subscribe for one fully paid ordinary share of the Company (**Share**) for every Option they own in the Company. To obtain the right given by each Option, the Holder must exercise the Options in accordance with these terms and conditions.
- 3 The Options will expire on 5 years from the date of vesting (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- 4 The Options will vest and become exercisable monthly on a pro-rata basis over a four-year period starting from the date of issue, conditional upon continued service of the Holder.
- 5 The vesting of the Options will be accelerated if:
  - a. a change of control event occurs in relation to the Company (whether by way of a takeover bid, scheme of arrangement or other merger, consolidation or amalgamation involving the Company which results in a change in 50% or more of the voting shares in the Company); or
  - b. the Holder terminates his employment with the Company not for cause.
- 6 The amount payable upon exercise will be determined at the date of issue whereby each Option will have an exercise price of 16 cents (A\$0.16) (**Exercise Price**). The Options can be exercised either by paying cash or via the cashless exercise mechanism in accordance with Rule 7.4 of the Plan Rules.
- 7 Each one Option is exercisable to one Share.
- 8 The Options may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- 9 Holders may exercise their Options by lodging with the Company, before the Expiry Date:
  - a. a written notice of exercise of Options specifying the number of Options being exercised; and
  - b. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,  
(**Exercise Notice**).
- 10 An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- 11 Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- 12 The Options are non-transferrable.
- 13 All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- 14 The Company will not apply for quotation of the Options on the ASX.
- 15 The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX immediately after the allotment of those Shares.

- 16 If at any time the issued capital of the Company is reconstructed, all rights of the Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of reconstruction.
- 17 There are no participating rights or entitlements inherent in the Options and the Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 Business Days after the issue is announced. This will give the Holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- 18 In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Holder would have received if the Option had been exercised before the record date for the bonus issue.
- 19 The Options can be exercised either by paying cash or via the cashless exercise mechanism in accordance with Rule 7.4 of the Company's Incentive Plan.

## Annexure C – Terms of Director Options

- 1 The Options are issued under and subject to the rules of the Company's Performance Rights and Option Plan (**Plan Rules**). In the event of any inconsistency between these terms and the Plan Rules, these terms will prevail to the extent of that inconsistency.
- 2 Each Option gives the holder (**Holder**) the right to subscribe for one fully paid ordinary share of the Company (**Share**) for every Option they own in the Company. To obtain the right given by each Option, the Holder must exercise the vested Options in accordance with these terms and conditions.
- 3 The Options will expire 12 months from the date of vesting (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- 4 The Options will vest and become exercisable on the earlier of:
  - a. two (2) years from the date of issue; or
  - b. a change of control event occurs in relation to the Company (whether by way of a takeover bid, scheme of arrangement or other merger, consolidation or amalgamation involving the Company which results in a change in 50% or more of the voting shares in the Company).
- 5 The amount payable upon exercise will be determined at the date of issue whereby each Option will have an exercise price of 16 cents (A\$0.16) (**Exercise Price**).
- 6 Each one Option is exercisable to one Share.
- 7 The Options may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- 8 Holders may exercise their Options by lodging with the Company, before the Expiry Date:
  - a. a written notice of exercise of Options specifying the number of Options being exercised; and
  - b. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,  
(**Exercise Notice**).
- 9 An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- 10 Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- 11 The Options are non-transferrable.
- 12 All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- 13 The Company will not apply for quotation of the Options on the ASX.
- 14 The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX immediately after the allotment of those Shares.
- 15 If at any time the issued capital of the Company is reconstructed, all rights of the Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of reconstruction.
- 16 There are no participating rights or entitlements inherent in the Options and the Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any

such issue, the record date will be at least 3 Business Days after the issue is announced. This will give the Holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.

- 17 In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Holder would have received if the Option had been exercised before the record date for the bonus issue.
- 18 The Options can be exercised either by paying cash or via the cashless exercise mechanism in accordance with Rule 7.4 of the Company's Incentive Plan.

## Annexure D – Terms of Incentive Plan

The Company has adopted a Performance Rights and Option Plan (**Incentive Plan**). The key terms of the Incentive Plan are as follows:

Term	Details
Eligibility	<p>Participants in the Plan may be:</p> <ul style="list-style-type: none"> <li>• a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (<b>Group Company</b>);</li> <li>• a full or part time employee of any Group Company;</li> <li>• a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (<b>Class Order</b>); or</li> <li>• a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above, who is declared by the Board to be eligible to receive grants of Awards under the Plan (<b>Eligible Participants</b>).</li> </ul>
Offer	<p>The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (<b>Offer</b>).</p>
Plan limit	<p>The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.</p>
Issue price	<p>Unless the Awards are quoted on the ASX, Awards issued under the Plan will be issued for no more than nominal cash consideration.</p>
Vesting conditions	<p>An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (<b>Vesting Conditions</b>).</p>
Vesting	<p>The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (<b>Relevant Person</b>)), resolve to waive any of the Vesting Conditions applying to Awards due to:</p> <ul style="list-style-type: none"> <li>• special circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being: <ul style="list-style-type: none"> <li>○ a Relevant Person ceasing to be an Eligible Participant due to: <ul style="list-style-type: none"> <li>▪ death or total or permanent disability of a Relevant Person; or</li> <li>▪ retirement or redundancy of a Relevant Person;</li> </ul> </li> <li>○ a Relevant Person suffering severe financial hardship;</li> <li>○ any other circumstance stated to constitute “special circumstances” in the terms of the relevant Offer made to and accepted by the Participant; or</li> <li>○ any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant,</li> </ul> </li> </ul>

	<p>including the Participant or particular circumstances or class of circumstances applying to the Participant; or</p> <ul style="list-style-type: none"> <li>○ a change of control occurring; or</li> <li>○ the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.</li> </ul>
Cashless exercise of Options	<p>Where the Award being exercised is a grant of Options, in lieu of paying the Exercise Price to purchase Shares, the Board may, in its sole and absolute discretion, permit a Participant to elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options to the Company, a number of Shares determined in accordance with the following formula (a Cashless Exercise):</p> $A = [B \times [C - D]] / C$ <p>A = the number of shares (rounded down to the nearest whole number) to be issued to the Participant pursuant to Rule 7.4;</p> <p>B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Options being exercised;</p> <p>C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the items referred to in Rules 7.3(a) and 7.3(b); and</p> <p>D = the Exercise Price.</p>
Lapse of an Award	<p>An Award will lapse upon the earlier to occur of:</p> <ul style="list-style-type: none"> <li>• an unauthorised dealing, or hedging of, the Award occurring;</li> <li>• a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Award;</li> <li>• in respect of unvested Awards only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out above or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;</li> <li>• in respect of vested Awards only, a relevant person ceases to be an Eligible Participant and the Award granted in respect of that person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;</li> <li>• the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;</li> <li>• the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; or</li> <li>• the expiry date of the Award</li> </ul>
Shares	<p>Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions from the date of issue, rank on equal terms with all other Shares on issue.</p>
Sale restrictions	<p>The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.</p>
No participation rights	<p>There are no participating rights or entitlements inherent in the Awards and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards.</p>



Change in exercise price of number of underlying securities	Unless specified in the offer of the Awards and subject to compliance with the ASX Listing Rules, an Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
Reorganisation	If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Award are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
Trust	The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.
Overseas issues	The Company will comply with laws relevant in the jurisdiction in which a recipient lives, including initially appointing a trustee to hold the Awards under the Plan for any recipients in Israel.

## Annexure E – Options Valuation Report

29 March 2021

The Directors  
AppsVillage Australia Limited  
C/- Automic Group Limited  
Level 5, 126 Phillip Street  
Sydney NSW 2000

Dear Directors,

- At the request of David Hwang on behalf of AppsVillage Australia Limited ("**APV**" or the "**Company**") on 29 March 2021, Stantons International Securities Pty Ltd ("**SIS**") hereby sets out our technical valuation for the following options (the "**Options**"), to be granted to executives and directors pending shareholder approval at an upcoming general meeting of shareholders (the "**Meeting**").

**Table 1. Options Details**

Security	Recipient	Number	Details	Vesting Condition	Exercise Price	Expiry Date
Executive Options	Max Bluvband	4,700,000	Unlisted options each exercisable into one ordinary share at any time between vesting and the expiry date.	Conditional on continued service of the holder, the Executive Options will vest monthly on a pro rata basis over a 4-year period starting from the issue date.	\$0.16	5 years from the date of vesting
	Shahar Hajdu	4,700,000				
Director Options	Bahram Nour-Omid	700,000	Unlisted options each exercisable into one ordinary share at any time between vesting and the expiry date.	At the earlier of 2 years from the date of issue; or a change of control event which results in a change of 50% or more of the voting shares of the Company.	\$0.16	12 months from date of vesting
	Yoav Ziv	250,000				
	Andrew Whitten	500,000				

- We note that the Options can be exercised either by paying cash or via a cashless exercise mechanism.
- The vesting of the Executive Options may be accelerated in the case of a change of control event which results in a change of 50% or more of the voting shares of the Company, or if the holder terminates his employment with the Company not for cause.
- The Options have been valued for inclusion in a notice of meeting to be distributed to shareholders prior to the Meeting. The valuation was prepared in accordance with *AASB 2: Share Based Payments* ("**AASB 2**").

## Options Valuation

### Valuation Methodology

5. AASB 2 requires the fair value of share-based payments to be estimated using a valuation technique that indicates what the price of those equity instruments would have been on the grant date in an arm's length transaction between knowledgeable, willing parties. The valuation technique must be consistent with generally accepted valuation methodologies for pricing financial instruments.
6. Accordingly, the Black Scholes option valuation methodology has been used. This methodology has been used with the expectation that the majority of the Options will be exercised towards the end of their term, and therefore a European option pricing model is appropriate.
7. The vesting conditions for the Options are service conditions. Under AASB 2, a service condition should not be accounted for when determining the fair value of the Options at the grant date. AASB 2.19 and 2.20 prescribe that a non-market vesting condition should instead be taken into account by adjusting the number of Options included in the measurement of the transaction amount so that, ultimately, the amount recognised for the goods or services received as consideration for the equity instruments granted shall be based on the number of Options that eventually vest.
8. The entity should recognise an amount for the goods or services received during the vesting period based on the best available estimate of the number of Options that are expected to vest, and revise that estimate, if necessary, if subsequent information indicates that the number expected to vest differs from the previous estimate.

### Grant Date

9. Under AASB 2, share-based payments should be measured at their grant date, being the date at which there is a mutual understanding of the terms and a legally enforceable agreement. Where shareholder approval is required, the date on which approval is obtained is considered the grant date for financial reporting purposes. Accordingly, the grant date of the Options will be the date of the Meeting. For the purpose of the valuation for the notice of meeting, we assessed the value of the Performance Rights assuming a deemed grant date of 29 March 2021.

### Spot Price

10. The closing price of APV shares traded on the Australian Securities Exchange ("**ASX**") as at 29 March 2021 was \$0.097, and we have used this as the spot price for the valuation accordingly.

### Vesting Date

11. The Executive Options will vest monthly in equal amounts across 48 different tranches. Accordingly, based on the deemed grant date, we assumed that each tranche of Executive Options will vest on the 29<sup>th</sup> day of the month<sup>1</sup> over the four-year period.
12. For the Director Options we assumed a vesting date of 29 March 2023, being 2 years from the deemed grant date.

### Expiry Date

13. Each tranche of the Executive Options will expire 5 years from their respective vesting dates.
14. The assumed expiry date of the Director Options is 29 March 2024, being 12-months from

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<sup>1</sup> 28<sup>th</sup> day for February

the assumed vesting date.

#### **Risk-Free Rate**

15. We used the five-year and ten-year Australian government bond rate for the Executive Options (based on the nearest time period commensurate to the term of each tranche of Executive Options), and the three-year Australian government bond rate for the Director Options as proxies for the risk-free rates. The three-year, five-year and ten-year Australian government bond rates as at 29 March 2021 were 0.095%, 0.645% and 1.610%, respectively. We note that under the assumptions of the Black Scholes based model, the risk-free rates should be on a continuously compounded basis, and we accordingly converted the quoted bond rates to 0.0950%, 0.6471% and 1.6230%, respectively.

#### **Volatility**

16. In determining the expected volatility of returns on APV shares, as per AASB 2, we considered the historical volatility of the share price over the most recent period commensurate with the expected term of the Options.
17. We note that APV was listed on ASX on 27 August 2019, and therefore a historical volatility for the period commensurate with the Options does not exist. Accordingly, as per AASB 2, we considered the historical volatility in the period since listing. The historical annualised volatility of APV shares for the period from 27 August 2019 to 29 March 2021, based on daily closing prices on ASX, was 131.99%.
18. The historical volatility over this period is particularly high, even for a small-cap software company. We note that APV is a newly listed entity, and that the high volatility is driven by abnormal trading on one particular day (2 December 2020) following the announcement *AppsVillage signs agreement with TikTok*. Taking these factors into account, we considered 120% as a reasonable estimate of the expected volatility of APV over the term of the Options and used this in our Black Scholes model valuations accordingly.

#### **Dividends**

19. We assumed that no dividends will be declared or paid by the Company during the term of the Options.

#### **Valuation**

20. Based on the above, our assessed values of the Options are as follows.

Table 2. Options Valuation

Executive Options			Director Options		
Methodology	Black Scholes		Black Scholes		
Deemed grant date	29 March 2021		29 March 2021		
Vesting date	Various		29 March 2023		
Assumed expiry date	Various		29 March 2024		
Share price at grant date (\$)	0.0970		0.0970		
Exercise price (\$)	0.1600		0.1600		
Risk-free rate (%)	0.6471/1.6230		0.0950		
Volatility (%)	120		120		
Undiscounted fair value per Option (\$)	Various Tranches – See Table 3 (below)		0.0604		
Recipient	Max Bluvband	Shahar Hajdu	Bahram Nour-Omid	Yoav Ziv	Andrew Whitten
Number	4,700,000	4,700,000	700,000	250,000	500,000
Total fair value (\$)	390,915	390,915	42,305	15,109	30,218

21. The breakdown of the values of each tranche of the Executive Options, to be granted to each of Max Bluvband and Shahar Hadju are as follows. We note we have assumed a valuation date of 29 March 2021 for all tranches.

Table 3. Executive Options Valuation by Tranche

Tranche	Number	Exercise price (\$)	Vesting date	Expiry date	Volatility	Risk free rate	Underlying share price	Black Scholes value	Total Value
1	97,917	\$0.1600	29/04/2021	29/04/2026	120%	0.6471%	\$0.0970	\$0.0756	\$7,406
2	97,917	\$0.1600	29/05/2021	29/05/2026	120%	0.6471%	\$0.0970	\$0.0761	\$7,448
3	97,917	\$0.1600	29/06/2021	29/06/2026	120%	0.6471%	\$0.0970	\$0.0765	\$7,489
4	97,917	\$0.1600	29/07/2021	29/07/2026	120%	0.6471%	\$0.0970	\$0.0769	\$7,529
5	97,917	\$0.1600	29/08/2021	29/08/2026	120%	0.6471%	\$0.0970	\$0.0773	\$7,569
6	97,917	\$0.1600	29/09/2021	29/09/2026	120%	0.6471%	\$0.0970	\$0.0777	\$7,608
7	97,917	\$0.1600	29/10/2021	29/10/2026	120%	0.6471%	\$0.0970	\$0.0781	\$7,644
8	97,917	\$0.1600	29/11/2021	29/11/2026	120%	0.6471%	\$0.0970	\$0.0785	\$7,682
9	97,917	\$0.1600	29/12/2021	29/12/2026	120%	0.6471%	\$0.0970	\$0.0788	\$7,717
10	97,917	\$0.1600	29/01/2022	29/01/2027	120%	0.6471%	\$0.0970	\$0.0792	\$7,752
11	97,917	\$0.1600	28/02/2022	28/02/2027	120%	0.6471%	\$0.0970	\$0.0795	\$7,786
12	97,917	\$0.1600	29/03/2022	29/03/2027	120%	0.6471%	\$0.0970	\$0.0798	\$7,818
13	97,917	\$0.1600	29/04/2022	29/04/2027	120%	0.6471%	\$0.0970	\$0.0802	\$7,851
14	97,917	\$0.1600	29/05/2022	29/05/2027	120%	0.6471%	\$0.0970	\$0.0805	\$7,883
15	97,917	\$0.1600	29/06/2022	29/06/2027	120%	0.6471%	\$0.0970	\$0.0808	\$7,915
16	97,917	\$0.1600	29/07/2022	29/07/2027	120%	0.6471%	\$0.0970	\$0.0811	\$7,945
17	97,917	\$0.1600	29/08/2022	29/08/2027	120%	0.6471%	\$0.0970	\$0.0815	\$7,976
18	97,917	\$0.1600	29/09/2022	29/09/2027	120%	0.6471%	\$0.0970	\$0.0818	\$8,005
19	97,917	\$0.1600	29/10/2022	29/10/2027	120%	0.6471%	\$0.0970	\$0.0820	\$8,034
20	97,917	\$0.1600	29/11/2022	29/11/2027	120%	0.6471%	\$0.0970	\$0.0823	\$8,062

Tranche	Number	Exercise price (\$)	Vesting date	Expiry date	Volatility	Risk free rate	Underlying share price	Black Scholes value	Total Value
21	97,917	\$0.1600	29/12/2022	29/12/2027	120%	0.6471%	\$0.0970	\$0.0826	\$8,089
22	97,917	\$0.1600	29/01/2023	29/01/2028	120%	0.6471%	\$0.0970	\$0.0829	\$8,117
23	97,917	\$0.1600	28/02/2023	28/02/2028	120%	0.6471%	\$0.0970	\$0.0832	\$8,143
24	97,917	\$0.1600	29/03/2023	28/03/2028	120%	0.6471%	\$0.0970	\$0.0834	\$8,168
25	97,917	\$0.1600	29/04/2023	28/04/2028	120%	0.6471%	\$0.0970	\$0.0837	\$8,193
26	97,917	\$0.1600	29/05/2023	28/05/2028	120%	0.6471%	\$0.0970	\$0.0839	\$8,218
27	97,917	\$0.1600	29/06/2023	28/06/2028	120%	0.6471%	\$0.0970	\$0.0842	\$8,242
28	97,917	\$0.1600	29/07/2023	28/07/2028	120%	0.6471%	\$0.0970	\$0.0844	\$8,266
29	97,917	\$0.1600	29/08/2023	28/08/2028	120%	0.6471%	\$0.0970	\$0.0847	\$8,290
30	97,917	\$0.1600	29/09/2023	28/09/2028	120%	1.6230%	\$0.0970	\$0.0853	\$8,353
31	97,917	\$0.1600	29/10/2023	28/10/2028	120%	1.6230%	\$0.0970	\$0.0855	\$8,375
32	97,917	\$0.1600	29/11/2023	28/11/2028	120%	1.6230%	\$0.0970	\$0.0858	\$8,397
33	97,917	\$0.1600	29/12/2023	28/12/2028	120%	1.6230%	\$0.0970	\$0.0860	\$8,418
34	97,917	\$0.1600	29/01/2024	28/01/2029	120%	1.6230%	\$0.0970	\$0.0862	\$8,439
35	97,917	\$0.1600	29/02/2024	28/02/2029	120%	1.6230%	\$0.0970	\$0.0864	\$8,459
36	97,917	\$0.1600	29/03/2024	29/03/2029	120%	1.6230%	\$0.0970	\$0.0866	\$8,478
37	97,917	\$0.1600	29/04/2024	29/04/2029	120%	1.6230%	\$0.0970	\$0.0868	\$8,498
38	97,917	\$0.1600	29/05/2024	29/05/2029	120%	1.6230%	\$0.0970	\$0.0870	\$8,517
39	97,917	\$0.1600	29/06/2024	29/06/2029	120%	1.6230%	\$0.0970	\$0.0872	\$8,536
40	97,917	\$0.1600	29/07/2024	29/07/2029	120%	1.6230%	\$0.0970	\$0.0874	\$8,554
41	97,917	\$0.1600	29/08/2024	29/08/2029	120%	1.6230%	\$0.0970	\$0.0875	\$8,572
42	97,917	\$0.1600	29/09/2024	29/09/2029	120%	1.6230%	\$0.0970	\$0.0877	\$8,590
43	97,917	\$0.1600	29/10/2024	29/10/2029	120%	1.6230%	\$0.0970	\$0.0879	\$8,607
44	97,917	\$0.1600	29/11/2024	29/11/2029	120%	1.6230%	\$0.0970	\$0.0881	\$8,624
45	97,917	\$0.1600	29/12/2024	29/12/2029	120%	1.6230%	\$0.0970	\$0.0882	\$8,640
46	97,917	\$0.1600	29/01/2025	29/01/2030	120%	1.6230%	\$0.0970	\$0.0884	\$8,657
47	97,917	\$0.1600	28/02/2025	28/02/2030	120%	1.6230%	\$0.0970	\$0.0886	\$8,672
48	97,917	\$0.1600	29/03/2025	29/03/2030	120%	1.6230%	\$0.0970	\$0.0887	\$8,687
<b>Total</b>	<b>4,700,000</b>								<b>\$390,915</b>

22. The valuations noted above are not necessarily the market prices that the Options could be traded at and are not necessarily the appropriate values for taxation purposes. Recipients of the Options should seek their own advice as to the tax treatments of receiving the Options.

23. Should you wish to discuss the above, do not hesitate to contact the undersigned.

Yours faithfully

**STANTONS INTERNATIONAL SECURITIES PTY LTD**  
(Trading as Stantons International Securities)



**James Turnbull**

# Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

## [HolderNumber]

Holder Number:  
[HolderNumber]

Your proxy voting instruction must be received by **4:30pm (AEST) on Monday, 24 May 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

#### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

#### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

#### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

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

**Joint holding:** Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications dispatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

#### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

#### Lodging your Proxy Voting Form:

##### Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



##### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

##### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

##### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

##### BY FACSIMILE:

+61 2 8583 3040

##### All enquiries to Automic:

##### WECHAT:

<https://automicgroup.com.au/>

##### PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)



