

## Second Supplementary Scheme Booklet

- **Pfizer confirmed that the all cash consideration of \$0.208 per ResApp share under the SID is its 'best and final' offer, and it will not increase its offer under the SID, subject to no competing proposal emerging**
- **Court approves dispatch of Second Supplementary Scheme Booklet in connection with the 'best and final' offer and the Second Supplementary Scheme Booklet is attached**
- **Court approves adjournment of Scheme Meeting to 2.00pm on Wednesday, 7 September 2022**

### Background

**Brisbane, Australia, 25 August 2022** - ResApp Health Limited (ASX: RAP) (**ResApp**) refers to the proposed acquisition of ResApp by Pfizer Australia Holdings Pty Limited (a wholly-owned subsidiary of Pfizer Inc., a global biopharmaceutical company) (**Pfizer**) by way of a scheme of arrangement (**Scheme**).

As outlined in ResApp's ASX announcement on 16 August 2022, Pfizer have advised that the all cash consideration of A\$0.208 per ResApp share (**Scheme Consideration**) under the scheme implementation deed entered into between ResApp and Pfizer (**SID**) is its best and final offer, and confirmed that it will not increase its offer under the SID, subject to no competing proposal emerging.

### Second Supplementary Scheme Booklet

The Supreme Court of New South Wales (**Court**) has today made orders approving the dispatch of a second supplementary explanatory statement providing information about the Scheme and adjourned Scheme Meeting (**Second Supplementary Scheme Booklet**) to ResApp shareholders.

A copy of the Second Supplementary Scheme Booklet containing information about the Scheme and notice of Scheme Meeting is attached to this announcement and is available for viewing and downloading at:

**ResApp's website:** [www.resapphealth.com.au](http://www.resapphealth.com.au)  
**Scheme website:** [www.resappscheme.com](http://www.resappscheme.com)  
**ASX website:** <https://www2.asx.com.au/markets/company/rap/>

ResApp shareholders should carefully read and consider both the Scheme Booklet released on 18 July 2022, the Supplementary Scheme Booklet released on 5 August 2022 and the Second Supplementary Scheme Booklet, including the materials annexed to all three booklets, before deciding how to vote at the Scheme Meeting. If after reading the Scheme Booklet, Supplementary Scheme Booklet or Second Supplementary Scheme Booklet you have any questions about the Scheme or either documents please visit the Scheme website at [www.resappscheme.com](http://www.resappscheme.com) or contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST).

## Supplementary Independent Expert's Report

The Second Supplementary Scheme Booklet contains a supplementary report (**Supplementary IER**) from BDO Corporate Finance WA Pty Limited (**Independent Expert**). The Independent Expert previously assessed the full underlying value of ResApp (on a controlling interest basis) at between \$0.146 and \$0.279 per ResApp Share, with a preferred valuation of \$0.208 per ResApp Share.

The Supplementary IER now determines the full underlying value of ResApp (on a controlling interest basis) at between **\$0.145** and **\$0.277** per ResApp Share with a new preferred valuation of **\$0.207** per ResApp Share. The Scheme Consideration of A\$0.208 is **greater than** the preferred value.

Accordingly, the Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of ResApp Shareholders, in the absence of a superior proposal.

In reaching its conclusion, the Independent Expert has taken into account all relevant matters including the results of the Data Confirmation Study, the FDA's grant of 510(k) clearance for SleepCheckRx in the United States, the extension of the Medgate AG licence, the Breathe Easy study, the 'best and final offer' letter from Pfizer, and the loan agreement between Pfizer and ResApp as announced on 19 August 2022 and the Company's current financial position.

The Independent Expert's conclusion should be read in context with the full Independent Expert's report released on 18 July 2022 and the Supplementary IER attached to this announcement.

## Recommendation of the ResApp Board

The Directors of ResApp continue to unanimously recommend that ResApp shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of ResApp shareholders. Subject to those same qualifications, each Director intends to vote in favour of the Scheme with respect to the ResApp shares held or controlled by them.

## Scheme Meeting

The Scheme Meeting has been approved and is scheduled to take place at 2:00pm (AEST) on Wednesday, 7 September 2022 and will be held at the offices of DLA Piper Australia, Level 22 No 1 Martin Place, Sydney and virtually via an online platform. To attend the Scheme Meeting virtually, please pre-register in advance for the virtual meeting here:

[https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgiNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgiNNGNg)

Due to the ongoing COVID-19 pandemic, in the interests of the health and safety of ResApp Shareholders and staff, and uncertainty and disruption associated with Government restrictions on travel and large gatherings, to the extent practicable the Scheme Meeting will be held as a hybrid meeting which can be attended virtually or in person. ResApp encourages ResApp

Shareholders and their proxies, attorneys and corporate representatives to participate in the Scheme Meeting virtually.

Details of how to access the online platform, how to vote, appoint a proxy and how to participate in the Scheme Meeting are contained on the Scheme website at [www.resappscheme.com](http://www.resappscheme.com). All proxy appointments must be received by Automic by no later than 2:00pm (AEST) on Monday, 5 September 2022 to be effective.

### **Previously submitted proxies**

Previous validly submitted proxies including by the personalised proxy form dispatched to ResApp Shareholders:

- on 20 July 2022, which only detailed the Scheme Resolution; and
- on 8 August 2022, which detailed both the Amending Resolution and amended Scheme Resolution,

**(Existing Proxies)**, are valid unless revoked.

If you wish to amend or cancel your Existing Proxy, you must do so by either:

- lodging a replacement proxy online at <https://investor.automic.com.au/#/loginsah> and following the instructions provided; or
- completing and returning to Automic the personalised proxy form which accompanies the Second Supplementary Scheme Booklet.

If you do not have an Existing Proxy and you wish to vote by proxy, you must either lodge a proxy online using the address provided above or complete and return to Automic the personalised proxy form which accompanies the Second Supplementary Scheme Booklet.

All proxy appointments, amendments and cancellations must be received no later than 2:00pm (AEST) on Monday, 5 September 2022 to be effective.

## Scheme Timetable

The key events and expected timing in relation to the approval and implementation of the Scheme are set out in the table below.

Event	Expected Date
Last time and date for lodgement of completed Proxy Form for the Scheme Meeting	2:00pm (AEST) on 5 September 2022
Time and Date for determining eligibility of ResApp Shareholders to vote at the Scheme Meeting	7:00pm (AEST) on 5 September 2022
Scheme Meeting	2:00pm (AEST) on 7 September 2022
Second Court Date	9:15am (AEST) on 13 September 2022
Effective Date of the Scheme	14 September 2022
Last day of trading on ASX	14 September 2022
Scheme Record Date	7:00pm (AEST) on 16 September 2022
Implementation Date for the Scheme	23 September 2022

**Note:** All stated dates and times are indicative only and subject to necessary approvals from the Court and each other condition precedent to the Scheme being satisfied or waived. ResApp has the right to vary the timetable detailed above subject to the approval of such variation by Pfizer, the Court and ASIC where required. Any changes to the above timetable will be announced to ASX and will be available under ResApp's profile on ASX at [www.asx.com.au](http://www.asx.com.au).

## Further information

If you require further information or have questions in relation to the Scheme, please visit the Scheme website at [www.resappscheme.com](http://www.resappscheme.com) or contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST).

###

## About ResApp Health Limited

ResApp Health Limited (ASX: RAP) is a leading digital health company developing smartphone applications for the diagnosis and management of respiratory disease. ResApp's machine learning algorithms use sound to diagnose and measure the severity of respiratory conditions without the need for additional accessories or hardware. ResApp's regulatory-approved and clinically validated products include ResAppDx, a smartphone-based acute respiratory disease diagnostic test; SleepCheckRx, a prescription-only smartphone application that screens adults for moderate to severe sleep apnoea; and SleepCheck, a smartphone application which allows consumers to self-assess their risk of sleep apnoea. For more information, please visit [www.resapphealth.com.au](http://www.resapphealth.com.au).



## **Contacts**

Dr Tony Keating  
CEO and Managing Director  
+61 430 180 659  
tony@resapphealth.com.au

Mr Brian Leedman  
Executive Director, Corporate Affairs  
+61 412 281 780  
brian@resapphealth.com.au

*This ASX announcement was approved and authorised for release by the board of directors of ResApp Health.*

# RESAPP HEALTH LIMITED

## SECOND SUPPLEMENTARY SCHEME BOOKLET

This Second Supplementary Scheme Booklet amends and supplements the disclosure in the Scheme Booklet dated 15 July 2022 and the Supplementary Scheme Booklet dated 5 August 2022 regarding the scheme of arrangement in relation to the proposed acquisition by Pfizer Australia Holdings Pty Limited of all your ResApp Health Limited shares

Your Directors continue to unanimously recommend that you

### **VOTE IN FAVOUR**

of the Scheme, in the absence of a Superior Proposal

The Independent Expert continues to conclude that the Scheme is in the best interests of ResApp Health Limited Shareholders in the absence of a Superior Proposal

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding whether or not to vote in favour of the Scheme. If you are in any doubt as to what you should do, you should consult your financial, legal or other professional adviser.

If you require further information or have questions in relation to the Scheme, please visit the Scheme website at [www.resappscheme.com](http://www.resappscheme.com) or contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST).



Legal Advisor



Azure Capital

Financial Advisor

# Important Notices

## Purpose of this Second Supplementary Scheme Booklet

The purpose of this Second Supplementary Scheme Booklet is to provide ResApp Shareholders information regarding the Scheme following the dispatch of the Scheme Booklet and Supplementary Scheme Booklet.

It is intended that this Second Supplementary Scheme Booklet be read in conjunction with the Scheme Booklet and Supplementary Scheme Booklet. It is also intended that this Second Supplementary Scheme Booklet be read together with the Scheme Booklet and Supplementary Scheme Booklet such that references to "Scheme Booklet" shall be taken to include this Second Supplementary Scheme Booklet and the information contained herein. This Second Supplementary Scheme Booklet prevails to the extent of any inconsistency with the Scheme Booklet.

If you have sold all your Shares, please ignore this Second Supplementary Scheme Booklet.

## Defined terms and interpretation

Unless context otherwise requires, capitalised terms and certain abbreviations used in this Second Supplementary Scheme Booklet have the defined meanings set out in the Glossary in Section 12 of the Scheme Booklet. The Glossary also sets out some rules of interpretation that apply to this Second Supplementary Scheme Booklet. The Independent Expert's Supplementary Report contains its own defined terms which are sometimes different from those set out in the Glossary in Section 12 of the Scheme Booklet.

## References to Scheme Booklet, Supplementary Scheme Booklet, Sections and Schedules

References to Sections and Schedules are to the named Sections and Schedules in this Second Supplementary Scheme Booklet (unless there is a specific reference to the Scheme Booklet or Supplementary Scheme Booklet).

## Important Notices from the Scheme Booklet

The items in the Important Notices Section of the Scheme Booklet entitled "Forward looking statements", "Timetable", "Diagrams, charts, maps, graphs and tables", "Effect of rounding", "No website is part of this Scheme Booklet", "Currency", "Privacy and personal information", and "Important matters relating to COVID-19" continue to apply to this Second Supplementary Scheme Booklet without amendment.

## No investment advice

The information in this Second Supplementary Scheme Booklet does not constitute financial product advice and has been prepared without reference to individual investment objectives, financial situation, taxation position or particular needs. It is important that you read this Second Supplementary Scheme Booklet before making any decision, including whether to vote in favour of the Scheme. If you are in doubt as to what you should do, you should consult your legal, investment, taxation or other professional adviser.

## Responsibility statement

ResApp prepared and is responsible for the ResApp Information. To the maximum extent permitted by law, neither

ResApp nor any of its Related Bodies Corporate, nor any of their respective directors, officers or advisors is responsible for the accuracy or completeness of the information contained in this Second Supplementary Scheme Booklet other than the ResApp Information.

BDO has prepared, and is responsible for, the Independent Expert's Supplementary Report. To the maximum extent permitted by law, none of ResApp, Pfizer Australia, their respective Related Bodies Corporate or the directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the Independent Expert's Supplementary Report.

## Role of ASIC and ASX

A copy of this Second Supplementary Scheme Booklet has been provided to ASIC and ASX. None of ASIC, ASX, nor any of its officers takes any responsibility for the contents of this Second Supplementary Scheme Booklet.

## Important notice associated with the Court order under section 411(1) of the Corporations Act

At the first court hearing held on 15 July 2022, the Court ordered ResApp to convene a Scheme Meeting to be held on Friday, 19 August 2022 to consider and vote on the Scheme. At a court hearing on Thursday, 25 August 2022, the Court ordered that the Scheme Meeting be adjourned and reconvened on Wednesday, 7 September 2022. The notice convening the Adjourned Scheme Meeting is set out in Schedule 1 of this Second Supplementary Scheme Booklet.

The Court is not responsible for the contents of this Second Supplementary Scheme Booklet and, having already ordered that the Scheme Meeting be held, the Court does not in any way indicate that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how you should vote (on this matter, you must reach your own decision); or
- (b) has prepared, or is responsible for the content of, this Second Supplementary Scheme Booklet.

## Additional Information

If, after reading this Second Supplementary Scheme Booklet, the Supplementary Scheme Booklet and the Scheme Booklet, you have any questions in relation to the Scheme or the Scheme Meeting, please visit the Scheme website at [www.resappscheme.com](http://www.resappscheme.com) or contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST). If you are in doubt as to what you should do, you should consult your legal, investment, taxation, financial, taxation or other professional adviser.

## Date of this Second Supplementary Scheme Booklet

This Second Supplementary Scheme Booklet is dated 25 August 2022.

## Supplementary Information

**Important:** Pfizer Australia's statement of 16 August 2022 that the Revised Scheme Consideration of \$0.208 cash per ResApp Share is Pfizer Australia's best and final offer and it will not increase its offer under the Scheme Implementation Deed subject to no competing proposal emerging, is a binding statement in accordance with ASIC's "Truth in Takeovers" policy.

ResApp Shareholders should read this Second Supplementary Scheme Booklet, in conjunction with the Scheme Booklet and Supplementary Scheme Booklet, in its entirety and carefully consider the additional information provided.

The adjourned Scheme Meeting is scheduled to be held at **2:00pm (AEST) on Wednesday, 7 September 2022** at the offices of DLA Piper Australia, Level 22, No.1 Martin Place, Sydney.

The cut-off date for receipt of proxy votes is **2:00pm (AEST) on Monday, 5 September 2022**.

### 1 Introduction

This Second Supplementary Scheme Booklet is an update to the Scheme Booklet dated 15 July 2022 and Supplementary Scheme Booklet dated 5 August 2022, in relation to the proposed acquisition by Pfizer Australia of all of the ResApp Shares by way of a Scheme of Arrangement, subject to regulatory, Court and ResApp Shareholder approvals and certain other conditions.

The purpose of this Second Supplementary Scheme Booklet is to provide information to ResApp Shareholders about the events following the dispatch of the Scheme Booklet and Supplementary Scheme Booklet, which include:

- the confirmation from Pfizer Australia that the Revised Scheme Consideration of \$0.208 cash per ResApp Share is Pfizer Australia's best and final offer subject to no competing proposal emerging. For the avoidance of any doubt, subject to ASIC's "Truth in Takeovers" policy and a competing proposal emerging, Pfizer Australia will not be able to increase the Revised Scheme Consideration;
- the Bridging Loan (defined below) entered into between ResApp and Pfizer Australia to provide for ResApp's short-term working capital needs during the extended Scheme period;
- material changes in ResApp's financial position and financial performance; and
- the revised indicative timetable for the Scheme including a new date for the Scheme Meeting.

Importantly, ResApp Shareholders are advised that if the Scheme is not implemented by 23 September 2022, the current indicative Implementation Date, and the Scheme Implementation Deed is terminated, ResApp will be required to immediately secure external funding to repay the Bridging Loan (defined below) and to continue to fund ordinary further business activities.

The Board believes it will be able to raise the required funds on the equity capital market, albeit potentially at a significant discount to the prevailing share price, and in this regard notes that it has its full placement capacity under Listing Rule 7.1 available to facilitate a prompt placement of Shares to one or more third parties. The Board is also investigating alternative financing arrangements, including the borrowing of money against the future receipt of any tax rebates.

Any equity funding may be dilutive to ResApp Shareholders, may be undertaken at lower prices than the current market price and any debt funding may involve restrictive covenants which limit ResApp's operations and business strategy. No assurances can be given that appropriate capital or funding, if and when needed, will be available on terms favourable to ResApp or at all.

As to the risks and implications of ResApp undertaking a capital raising in the event that the Scheme is not approved and implemented, ResApp Shareholders are referred to Sections 2.1, 8.2(l) and 8.3(g) of the Scheme Booklet and the Independent Expert's Report generally.

This Second Supplementary Scheme Booklet should be read in conjunction with the Scheme Booklet and Supplementary Scheme Booklet in its entirety.

## 2 Revised Scheme Consideration is 'best and final'

As announced on 3 August 2022, the Scheme Consideration was increased to \$0.208 per ResApp Share (**Revised Scheme Consideration**).

The Revised Scheme Consideration is greater than the preferred value determined by the Independent Expert in their Independent Expert's supplementary report dated 24 August 2022 (**Independent Expert's Supplementary Report**)(discussed further at Section 5 below).

The Revised Scheme Consideration of \$0.208 per Scheme Share represents:

- a 131.1% premium to the closing price of ResApp Shares of \$0.09 on 8 April 2022;
- a 132.2% premium to the one month VWAP up to 8 April 2022; and
- a 152.7% premium to the three month VWAP up to 8 April 2022,

with 8 April 2022, being the last trading day prior to announcement of the proposed Scheme.

On 16 August 2022, ResApp announced that it had received confirmation from Pfizer Australia that the Revised Scheme Consideration is Pfizer Australia's best and final offer and it will not increase its offer under the Scheme Implementation Deed, subject to no competing proposal emerging. See Section 10.15 of the Scheme Booklet for further information regarding Pfizer Australia's matching rights in respect of a Competing Proposal.

Prior to the receipt of the confirmation from Pfizer Australia on 16 August 2022, the ResApp Board sought to negotiate an increase to the Revised Scheme Consideration with Pfizer Australia.

Under ASIC's "Truth in Takeovers" policy, in general terms, the effect of Pfizer Australia's best and final confirmation is that Pfizer Australia cannot increase the Revised Scheme Consideration in any circumstances except where a competing proposal emerges.

Relevantly, the ASIC's Regulatory Guide 25 titled "Takeovers: False and misleading statement" at Part A at paragraph 25.4 provides guidance as to best and final (or last and final) statements.

A market participant that makes a last and final statement and then seeks to depart from it risks:

- regulatory action by ASIC for contravention of misleading or deceptive conduct provisions, particularly section 1041H of the Corporations Act; or
- an application by ASIC or another party to the Takeovers Panel for a declaration of unacceptable circumstances.

A best and final (or last and final) is a statement made by a market participant that it will or will not do something in the course of the bid.

A copy of this communication from Pfizer Australia was released to the ASX on 16 August 2022.

### 3 What you will receive if the Scheme becomes Effective

On the Implementation Date, the Revised Scheme Consideration will be provided to ResApp Shareholders in return for the transfer of all ResApp Shares held by them to Pfizer Australia as at the Record Date.

### 4 Directors' Recommendation

Your Directors continue to unanimously recommend<sup>1</sup> that you vote in favour of the Scheme and each ResApp Director presently intends to vote, or procure the voting of any ResApp Shares controlled or held by, or on behalf of, them at the time of the Adjourned Scheme Meeting (defined below) in favour of the Scheme, in each case in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of ResApp Shareholders.

### 5 Independent Expert's conclusion

The Independent Expert provided ResApp with a supplementary report which has considered Pfizer Australia's confirmation that the Revised Scheme Consideration is its best and final offer, the Bridging Loan, and ResApp's current financial position.

The Independent Expert continues to conclude that the Scheme is fair and reasonable and in the best interests of ResApp Shareholders.

The Independent Expert previously assessed the full underlying value of ResApp (on a controlling interest basis) at between \$0.146 and \$0.279 per ResApp Share, with a preferred valuation of \$0.208. The Independent Expert has now re-assessed the full underlying value of ResApp (on a controlling interest basis) at between \$0.145 and \$0.277 per ResApp Share with a new preferred valuation of \$0.207 per ResApp Share. The Scheme Consideration of \$0.208 cash per ResApp Share is within this range and greater than the Independent Expert's preferred valuation.

A copy of the Independent Expert's Supplementary Report is set out at Schedule 2. You should also read the Independent Expert's Report which is set out in Schedule 2 of the Scheme Booklet.

### 6 No Superior Proposal

As at the date of this Second Supplementary Scheme Booklet no Superior Proposal has emerged and the ResApp Directors are not aware of any Competing Proposal or Superior Proposal that is likely to emerge.

### 7 Adjournment of Scheme Meeting and Voting

ResApp has obtained approval from the Court to adjourn the Scheme Meeting from the scheduled date of Friday, 19 August 2022 to Wednesday, 7 September 2022, to provide ResApp sufficient time to prepare and despatch, and to allow ResApp Shareholders reasonable time to consider, this Second Supplementary Scheme Booklet.

The adjourned Scheme Meeting is scheduled to be held at 2:00pm (AEST) on Wednesday, 7 September 2022 (**Adjourned Scheme Meeting**).

The notice of Adjourned Scheme Meeting is contained in Schedule 1 of this Second Supplementary Scheme Booklet (**Notice of Adjourned Scheme Meeting**).

---

<sup>1</sup> In relation to the unanimous recommendation of the ResApp Directors refer to Section 5.5 of the Scheme Booklet for further details.

Any Proxy Forms (including the proxy form's dispatched to ResApp Shareholders on 20 July 2022 accompanying the Scheme Booklet or on 8 August 2022 accompanying the Supplementary Scheme Booklet) that have been validly lodged prior to the date of this Second Supplementary Scheme Booklet will be deemed valid for the Adjourned Scheme Meeting unless withdrawn or revoked, provided that the Proxy Form is given by a Shareholder that continues to be a registered holder at 7:00pm (AEST) on Monday, 5 September 2022.

If you have already submitted a valid proxy and you want to change the way in which you have voted, you can register a new proxy by submitting the new proxy form dispatched to Shareholders together with this Second Supplementary Scheme Booklet (**New Proxy Form**) or at <https://investor.automic.com.au/#/loginsah>. Electronically lodging a proxy is the recommended method for changing your proxy, given postal delays and the upcoming deadline of 2:00pm (AEST) on Monday, 5 September 2022. Alternatively, you can contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST), to request a New Proxy Form. Any subsequent proxy form that you lodge will revoke any earlier proxy form that you have previously lodged. The cut-off date for receipt of proxies is 2:00pm (AEST) on Monday, 5 September 2022.

To change your vote:

1. Login to <https://investor.automic.com.au/#/loginsah>
2. Select "ResApp Health Limited" or "RAP" in the "Company name or code" dropdown
3. Type in your "Holder Number (HIN/SRN)"
4. Enter your Australian postcode (If you are an overseas resident please amend the country name to the country in which you reside)
5. Select on the "I'm not a robot" box and follow the prompt
6. Click on "Meetings"
7. Click on "change" to change your previous voting instruction

Validly submitted proxies can also be revoked prior to use, by instrument in writing executed by the ResApp Shareholder or by his, or her attorney duly authorised in writing or, if the ResApp Shareholder is a company, executed by a duly authorised officer or attorney in compliance with applicable law and deposited at the Share Registry by 2:00pm (AEST) on Monday, 5 September 2022 or with the chairman of the Adjourned Scheme Meeting on the day of, and prior to the start of, the Adjourned Scheme Meeting.

Further details with respect to the conduct of the Adjourned Scheme Meeting, including how to join the virtual Adjourned Scheme Meeting, raise questions during the Adjourned Scheme Meeting and vote on the Scheme Resolution are set out in the Notice of Adjourned Scheme Meeting at Schedule 1 of this Second Supplementary Scheme Booklet.

## **8 Updated Implementation, timetable and procedures**

If the Scheme is approved by the Requisite Majority of ResApp Shareholders and the Court, and all other conditions precedent are either satisfied or waived, it is expected that the Scheme will be implemented on or around Friday, 23 September 2022. The updated key dates and times in relation to the Scheme are set out below.

Event	Expected date
Last time and date for lodgement of completed Proxy Form for the Adjourned Scheme Meeting	2:00pm (AEST) on Monday, 5 September 2022
Time and date for determining eligibility of ResApp Shareholders to vote at the Adjourned Scheme Meeting	7:00pm (AEST) on Monday, 5 September 2022
Adjourned Scheme Meeting	2:00pm (AEST) on Wednesday, 7 September 2022
Second Court Date	9:15am (AEST) on Tuesday, 13 September 2022
Effective Date of the Scheme	Wednesday, 14 September 2022
Last day of trading on ASX	Wednesday, 14 September 2022
Scheme Record Date	7:00pm (AEST) on Friday, 16 September 2022
Implementation Date for the Scheme	Friday, 23 September 2022

## 9 Material changes in ResApp's financial position and financial performance

To the knowledge of the ResApp Directors, the financial position and financial performance of ResApp has not materially changed since 31 December 2021 other than:

- as set out in Section 6.7 of the Scheme Booklet (being a decrease in ResApp's net assets, from \$4,050,790 in December 2021 to \$706,702 as of May 2022, based on ResApp's unaudited consolidated statement of financial position); and
- a decrease in ResApp's net assets, from \$4,050,790 in December 2021 to \$669,655 as of July 2022 based on ResApp's unaudited consolidated statement of financial position.

These changes are primarily due to an increase in ResApp's contract liabilities under clinical trial agreements with various third party clinical trial providers and the costs and expenses incurred in the performance of ResApp's obligations under the Scheme Implementation Deed.

In assessing the decrease in ResApp's net assets during the period May 2022 to July 2022 it is important to note that during this period ResApp received \$4,147,836 (gross of applicable withholding tax of \$150,000) from Pfizer under the Research, Development and Licence Agreement.

It should also be noted that, based on ResApp's unaudited financial estimates:

- as at the end of August 2022, ResApp is estimated to only have \$530,149 in cash and cash equivalents; and
- prior to the entry into the Bridging Loan, and draw down under the Bridging Loan, ResApp was estimated to have a negative cash flow of \$853,135 during September and would have an estimated negative cash balance or deficiency of \$322,985 at the end of September.

As at the date of this Second Supplementary Scheme Booklet, ResApp has cash at bank of \$1,638,537 which includes \$680,000 received from Pfizer Australia under the Bridging Loan (defined below). Accordingly, ResApp has fully drawn down all funds made available to ResApp by Pfizer Australia under the Bridging Loan.

The ResApp Board continually monitors ResApp's financial position and cash flow requirements. Prior to receipt of the best and final confirmation from Pfizer Australia on 16 August 2022, the ResApp Board considered ResApp had sufficient cash in reserve to meet its expenses as and when they fell due until the earlier of implementation of the Scheme or the earliest date on which ResApp was no longer constrained by the terms of the Scheme Implementation Deed and could secure external funding.

Following receipt of the best and final confirmation from Pfizer Australia on 16 August 2022 and consequent adjournment to the Scheme Meeting, the ResApp Board immediately recognised that based on ResApp's current and forecast financial position, there was an urgent need for working capital.

ResApp's capacity to secure external funding is restricted pursuant to the terms of the Scheme Implementation Deed. Relevantly, the Scheme Implementation Deed contains restrictions on ResApp's ability to raise funds by way of an equity capital raising, or by incurring any financial indebtedness other than with the prior written consent of Pfizer Australia. Accordingly, ResApp engaged in negotiations with Pfizer Australia and on 16 August 2022, ResApp announced that it had entered into a bridging loan agreement (**Bridging Loan**) pursuant to which Pfizer Australia agreed to advance up to \$680,000 to ResApp to assist ResApp in funding its short-term working capital needs during the Scheme period.

Entry into the Bridging Loan was necessitated on account of ResApp's current and forecasted financial position and the adjournment of the Scheme Meeting. The Bridging Loan funds are required on the following bases:

- if the Scheme is approved at the Adjourned Scheme Meeting and by the Court, ResApp will require additional funding through to the implementation of the Scheme (which is now indicatively scheduled to occur on 23 September 2022); or
- if the Scheme is not approved at the Adjourned Scheme Meeting:
  - under clause 3.7 of Scheme Implementation Deed, ResApp and Pfizer Australia must enter into a consultation period of 5 Business Days to determine whether the proposed transaction may proceed by alternative means;
  - ResApp will require additional funding from the date of the Adjourned Scheme Meeting through the 5 Business Day consultation period (indicatively scheduled to end on or around 14 September 2022) as it will remain subject to the restrictions under the Scheme Implementation Deed preventing the raising of funds on the equity capital market or through alternative financing arrangements; and
  - repayment of drawn amounts under the Bridging Loan will be triggered if the parties do not agree to an alternative structure and either party elects to terminate the Scheme Implementation Deed; and in such circumstances the drawn amounts will become repayable within 60 days of the termination of the Scheme Implementation Deed.

Accordingly, in light of the consequences of the adjournment of the Scheme Meeting on ResApp's current and forecast financial position, there would be a question as to ResApp's ability to continue as a going concern in the event ResApp had not obtained the finance under the Bridging Loan.

Should the Scheme not be implemented by 23 September 2022, the current indicative Implementation Date, and the Scheme Implementation Deed is terminated, ResApp will be required to immediately secure external funding to repay the Bridging Loan and to continue to fund ordinary further business activities.

The Board has considered its capacity to repay the Bridging Loan in circumstances where it becomes repayable, including if it becomes repayable at a time when the Scheme has not been implemented and the Implementation Deed has been terminated in accordance with its terms. The Board believes it will be able to raise the required funds on the equity capital market, albeit

potentially at a significant discount to the prevailing share price, and in this regard notes that it has its full placement capacity under Listing Rule 7.1 available to facilitate a prompt placement of Shares to one or more third parties. The Board is also investigating alternative financing arrangements, including the borrowing of money against the future receipt of any tax rebates.

Any additional equity funding may be dilutive to ResApp Shareholders, may be undertaken at lower prices than the current market price and any debt funding may involve restrictive covenants which limit ResApp's operations and business strategy. No assurances can be given that appropriate capital or funding, if and when needed, will be available on terms favourable to ResApp or at all.

As to the risks and implications of ResApp undertaking a capital raising in the event that the Scheme is not approved and implemented, ResApp Shareholders are referred to Sections 2.1, 8.2(l) and 8.3(g) of the Scheme Booklet and the Independent Expert's Report generally.

Further information regarding the Bridging Loan is set out below at Section 10.

ResApp Shareholders are also referred to the Important Notices section as to forward looking statements in the front of the original Scheme Booklet and adopted in this Second Supplementary Scheme Booklet.

## 10 Summary of the Bridging Loan

On 16 August 2022, ResApp announced that it had entered into a Bridging Loan pursuant to which Pfizer Australia agreed to advance up to \$680,000 to ResApp to assist ResApp in funding its short-term working capital needs during the Scheme period.

The key terms of the Bridging Loan are as follows:

- principal amount of \$680,000, which as at the date of this Second Supplementary Scheme Booklet has been fully drawn;
- interest rate of 6% per annum;
- a term of 6 months (maturity date of 17 February 2023), unless repaid early (at ResApp's election) or terminated early by Pfizer Australia within 60 days' notice of the earlier to occur of:
  - a person other than Pfizer Australia obtaining control of ResApp; and
  - the Scheme Implementation Deed being terminated in accordance with its terms in circumstance where the Scheme has not become Effective on or before the End Date;
- repayable on 5 Business Days' notice<sup>2</sup> on the occurrence of certain events of default customary for a loan of this nature including:
  - a failure by ResApp to pay any amounts payable by it under the Bridging Loan within 5 Business Days of the date on which it is due for payment;
  - a failure by ResApp to perform its obligations under the Bridging Loan (other than a failure to pay money) and that failure, if capable of remedy, is not remedied within 10 Business Days (such a failure will include not complying in material respects with the Scheme Implementation Deed);

---

<sup>2</sup> ResApp's ASX announcement on 16 August 2022 referred to 10 Business Days (instead of 5 Business Days). The reference to 10 Business Days was an error which was corrected in a ResApp ASX announcement on 19 August 2022.

- any representation, warranty or statement made by ResApp under the Bridging Loan is not complied with, is untrue or is misleading in any material respect. ResApp gave representations and warranties customary for a loan of this nature including as to title, capacity and authority, no subsisting event of default, to the best of ResApp's knowledge there is no subsisting material litigation, no existing encumbrances over its property, as to the adequacy of the disclosure provided to Pfizer Australia, and insolvency;
  - ResApp fails to pay any indebtedness in excess of \$50,000 to any counterparty when due and payable or that indebtedness becomes immediately due and payable by reason of ResApp's default;
  - one or more conditions, events or other circumstances exist or have occurred which, in the opinion of Pfizer Australia, result or are likely to result in a material adverse effect on ResApp's ability to perform its obligations or the rights of Pfizer Australia under the Bridging Loan or the financial position of ResApp (including material litigation);
  - ResApp undertakes certain corporate actions without Pfizer Australia's consent including amending its constitution or undertaking a reduction of its capital; and
  - the occurrence of an insolvency event.
- receipt of a Competing Proposal or failure of the Scheme to be implemented are not events of default under the Bridging Loan; and
  - upon occurrence of an event of default for non-payment of an amount owing, Pfizer Australia may, by notice, declare the Bridging Loan due and owing no less than 5 Business Days after the date of the notice. Where ResApp fails to remedy that non-payment by the due date as stipulated in the notice, ResApp is required to grant Pfizer Australia a non-exclusive license over intellectual property generated under the Research, Development and Licence Agreement until the amount due and owing is paid to, and received by Pfizer Australia, to the extent not prohibited under any authorisation forms, applicable laws and ethics and/or institutional review board approvals. This is the only security provided for the debt and the facility is otherwise unsecured.

The non-exclusive licence granted for a failure to remedy a non-payment:

- relates only to clinical data generated under the Research Development and Licence Agreement, and would not extend to ResApp's IP generally, and alone would not allow Pfizer Australia to independently commercialise ResApp's COVID-19 technology; and
- is non-exclusive and does not prohibit ResApp from licensing that data to third parties or using it for its own purposes.

ResApp issued a drawdown notice on 19 August 2022 to Pfizer under the Bridging Loan. As at the date of this Second Supplementary Scheme Booklet ResApp has received \$680,000 from Pfizer Australia under the Bridging Loan.

## 11 Consents

The following persons named in this Second Supplementary Scheme Booklet has given, and before the date of this Second Supplementary Scheme Booklet, has not withdrawn, their consent to being named in this Second Supplementary Scheme Booklet in the form and context in which they are named, being:

- BDO as the Independent Expert;
- Automic Registry Services as ResApp's share registry;

- Azure Capital as ResApp’s corporate adviser; and
- DLA Piper as ResApp’s legal adviser.

Each person named above in this Section 11:

- has not authorised or caused the issue of this Second Supplementary Scheme Booklet;
- does not make, or purport to make, any statement in this Second Supplementary Scheme Booklet or any statement on which a statement in this Second Supplementary Scheme Booklet is based other than as specified in Section 11; and
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for any part of this Second Supplementary Scheme Booklet other than a reference to its name and any statement or report which has been included in this Second Supplementary Scheme Booklet with the consent of that person.

## 12 Additional Information

Since the date of the release of the Supplementary Scheme Booklet ResApp has made the following ASX announcements.

Date	Description of Announcement
08/08/2022	Dispatch of Supplementary Scheme Booklet
16/08/2022	Best and Final Confirmation and Bridging Loan
19/08/2022	Adjournment of Scheme Meeting to a date to be determined
19/08/2022	Correction to ASX announcement

## Schedule 1 Notice of Adjourned Scheme Meeting

### RESAPP HEALTH LIMITED

#### NOTICE OF ADJOURNED SCHEME MEETING AND EXPLANATORY MEMORANDUM

**A Scheme Meeting of the members of ResApp Health Limited will be held at the offices of DLA Piper Australia, Level 22, No.1 Martin Place, Sydney on Wednesday, 7 September 2022 at 2:00pm (AEST) and virtually via an online platform at**

**[https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgjNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgjNNGNg)**

This Notice of Adjourned Scheme Meeting should be read in its entirety. If ResApp Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

**Should you wish to discuss any matter please do not hesitate to contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST).**

## NOTICE OF ADJOURNED SCHEME MEETING

Notice is given that, by an order of the Court made on Thursday, 25 August 2022 pursuant to section 411(1) of the Corporations Act, a meeting of the holders of ordinary shares in the Company will be held on Wednesday, 7 September 2022 at 2:00pm (AEST) at the offices of DLA Piper Australia, Level 22, No.1 Martin Place, Sydney and virtually via an online platform at [https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgiNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgiNNGNg).

The Court has directed that James Nicholls, or failing him, David Ryan, act as chairperson of the Adjourned Scheme Meeting and has directed the chairperson to report the results of the Adjourned Scheme Meeting to the Court.

### Venue – Hybrid Meeting

Due to the ongoing COVID-19 pandemic, in the interests of the health and safety of ResApp Shareholders and staff, and uncertainty and disruption associated with Government restrictions on travel and large gatherings, the Adjourned Scheme Meeting will be held as a hybrid meeting which can be attended virtually or in person. ResApp encourages ResApp Shareholders and their proxies, attorneys and corporate representatives to participate in the Adjourned Scheme Meeting virtually. Details on how to attend are set out in the Explanatory Memorandum below.

If you wish to virtually attend the Adjourned Scheme Meeting (which will be broadcast as a live webinar), please pre-register in advance at [https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgiNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgiNNGNg).

### Voting Entitlements

The persons eligible to vote at the Adjourned Scheme Meeting are those who are registered as shareholders of ResApp on Monday, 5 September 2022 at 7:00pm (AEST).

### Purpose of Meeting

The purpose of the Adjourned Scheme Meeting is to consider and, if thought fit, to approve (with or without modification) a scheme of arrangement proposed to be made between ResApp and ResApp Shareholders.

To enable you to make an informed voting decision, important information on the Scheme is set out in the Scheme Booklet, Supplementary Scheme Booklet and Second Supplementary Scheme Booklet of which this notice forms part. The Explanatory Memorandum forms part of this Notice of Adjourned Scheme Meeting. Unless otherwise defined, capitalised terms used in this notice have the same meaning as set out in the defined terms in Section 12 of the Scheme Booklet.

### Agenda

#### 1 Resolution 1 – Amendment of the Scheme Resolution

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

*‘That the proposed Scheme Resolution in the Notice of Meeting contained in Schedule 6 to the Scheme Booklet be amended by adding the words highlighted in bold characters as follows:*

*‘That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between ResApp and the holders of its ordinary shares as contained in and more particularly described in the Scheme Booklet (**as amended by the Supplementary Scheme Booklet dated 5 August 2022**) of which the Notice of Scheme Meeting forms part, is agreed to (with or without alterations or conditions as approved by the Court to which ResApp and Pfizer Australia*

*agree), and ResApp is authorised, subject to the terms of the Scheme Implementation Deed to agree to such alterations or conditions, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions”*

## **2 Resolution 2 – Scheme Resolution**

To consider and if, thought fit, to pass, with or without amendment, the following resolution in accordance with section 411 of the Corporations Act:

*'That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between ResApp and the holders of its ordinary shares as contained in and more particularly described in the Scheme Booklet (as amended by the Supplementary Scheme Booklet dated 5 August 2022) of which the Notice of Scheme Meeting forms part, is agreed to (with or without alterations or conditions as approved by the Court to which ResApp and Pfizer Australia agree), and ResApp is authorised, subject to the terms of the Scheme Implementation Deed to agree to such alterations or conditions, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions.'*

Dated 25 August 2022

By order of the Court and the ResApp Board

**Nicki Farley**  
Company Secretary  
ResApp Health Limited

## EXPLANATORY MEMORANDUM

### 1 Introduction

- 1.1 This Explanatory Memorandum has been prepared for the information of ResApp Shareholders in connection with the business to be conducted at the Adjourned Scheme Meeting on Wednesday, 7 September 2022 at 2:00pm (AEST) at the offices of DLA Piper Australia, Level 22, No.1 Martin Place, Sydney and virtually via an online platform at [https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgiNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgiNNGNg).
- 1.2 This Explanatory Memorandum should be read in conjunction with the Notice of Adjourned Scheme Meeting, the Scheme Booklet, the Supplementary Scheme Booklet and the Second Supplementary Scheme Booklet (of which the Notice of Adjourned Scheme Meeting forms part).
- 1.3 Any changes to the Adjourned Scheme Meeting will be communicated to ResApp Shareholders electronically via ResApp's ASX platform.
- 1.4 A copy of the Scheme is set out in Schedule 1 of the Supplementary Scheme Booklet.

### 2 Participating in the Adjourned Scheme Meeting

- 2.1 Due to the ongoing COVID-19 pandemic, in the interests of the health and safety of ResApp Shareholders and staff, and uncertainty and disruption associated with Government restrictions on travel and large gatherings, the Adjourned Scheme Meeting will be held as a hybrid meeting which can be attended virtually or in person. ResApp encourages ResApp Shareholders and their proxies, attorneys and corporate representatives to participate in the Adjourned Scheme Meeting virtually.

#### Participating virtually

- 2.2 ResApp Shareholders and their proxies, attorneys or corporate representatives will be able to participate online from their computer or mobile device. The online platform will allow eligible ResApp Shareholders, their proxies, attorneys or corporate representatives to listen to the Adjourned Scheme Meeting live and ask questions and vote in real time at appropriate times during the Adjourned Scheme Meeting.
- 2.3 To attend the Adjourned Scheme Meeting virtually, please pre-register in advance for the virtual meeting here:  
[https://us02web.zoom.us/webinar/register/WN\\_pvBR0ih1TKCkkQjgiNNGNg](https://us02web.zoom.us/webinar/register/WN_pvBR0ih1TKCkkQjgiNNGNg)
- 2.4 After registering, you will receive a confirmation containing information on how to attend the Adjourned Scheme Meeting virtually on the day of the Adjourned Scheme Meeting.
- 2.5 To create an account online and participate in the Adjourned Scheme Meeting ResApp Shareholders (or their attorney or corporate representative, as applicable) will need their:
  - (a) Shareholder's SRN or HIN; and
  - (b) Postcode registered to that ResApp Shareholder's holding (in the case of overseas shareholders, their country code).

#### Participating in person

- 2.6 In order to minimise health risks created by the COVID-19 pandemic, ResApp will be observing social distancing and any other Government requirements that apply at the time. Physical

attendance at the Adjourned Scheme Meeting is subject to any Government restrictions that may be applicable at the time.

- 2.7 All persons attending are asked to arrive at least 30 minutes prior to 2:00pm, so that either their shareholding can be checked against the ResApp Register or any power of attorney or form of appointment of corporate representative verified, and their attendance noted.

### **Alternative Arrangements**

- 2.8 In the lead up to the Adjourned Scheme Meeting, ResApp will be closely monitoring the COVID-19 situation in Sydney. If it becomes necessary or appropriate to make alternative or supplementary arrangements to hold the Adjourned Scheme Meeting, ResApp Shareholders will be given as much notice as possible. Any changes to the Adjourned Scheme Meeting will be communicated to ResApp Shareholders electronically via ResApp's ASX platform.

### **Further information**

- 2.9 Further information regarding participating in the Adjourned Scheme Meeting electronically, including browser requirements, is detailed in the online voting guide available at the Scheme website at [www.resappscheme.com](http://www.resappscheme.com).
- 2.10 Registration will open 30 minutes prior to the Adjourned Scheme Meeting. We recommend logging on to the online platform at least 15 minutes prior to the scheduled start time for the Adjourned Scheme Meeting.

### **Technical assistance**

- 2.11 If you require technical assistance please call 1300 816 159 (within Australia) or +61 2 8072 1479 (outside of Australia), Monday to Friday between 8:30am and 5:00pm (AEST).

### **How to ask questions?**

- 2.12 ResApp Shareholders who would like to ask questions at the Adjourned Scheme Meeting are encouraged to do so in writing no later than 48 hours before the Adjourned Scheme Meeting by emailing their questions to [info@resapphealth.com.au](mailto:info@resapphealth.com.au).
- 2.13 Alternatively, ResApp Shareholders can submit questions when attending the Adjourned Scheme Meeting in person or virtually at appropriate times during the Adjourned Scheme Meeting.

## **3 Requisite majority**

- 3.1 In order for the Scheme to become Effective, the second resolution set out in the Notice of Adjourned Scheme Meeting must be passed at a meeting by:
- (a) unless the Court orders otherwise, a majority of the number of ResApp Shareholders present and voting (whether in person or by proxy, attorney or, in the case of corporate shareholders, a corporate representative) at the meeting; and
  - (b) at least 75% of the votes cast on the resolution.
- 3.2 The Court has the discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the Scheme Resolution but not by a majority in number of ResApp Shareholders (other than excluded shareholders) present and voting at the Adjourned Scheme Meeting.
- 3.3 Voting at the Adjourned Scheme Meeting will be by poll rather than by a show of hands.

## **4 Court approval**

- 4.1 In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without alteration or conditions) is subject to approval of the Court. If the Scheme Resolution proposed at the Adjourned Scheme Meeting is approved by the requisite majority, and the relevant conditions of the Scheme (other than approval by the Court) are satisfied, or waived, by the time required under the Scheme, ResApp intends to apply to the Court for the necessary orders to give effect to the Scheme.

## **5 How to vote**

- 5.1 ResApp Shareholders entitled to vote at the Adjourned Scheme Meeting can vote:

- (a) by attending the Adjourned Scheme Meeting in person or virtually; or
- (b) by appointing a proxy, attorney or corporate representative to attend the Adjourned Scheme Meeting in person or virtually and vote on their behalf.

### **Voting by proxy**

- 5.2 A ResApp Shareholder entitled to attend and vote at the Adjourned Scheme Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on the resolutions to be put to the Adjourned Scheme Meeting and also to speak at the Adjourned Scheme Meeting. The appointment of a proxy may specify the proportion or the number of votes the proxy may exercise. Where more than one proxy is appointed, and if the appointment does not specify the proportion or number of ResApp Shareholder votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a ResApp Shareholder.
- 5.3 If a proxy is not directed how to vote on any item of business, the proxy may vote or abstain from voting, as the proxy thinks fit. If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the shareholder's behalf on the poll, and the ResApp Shares the subject of the proxy appointment will not be counted in computing the required majority.
- 5.4 ResApp Shareholders who appoint a proxy but do not nominate the identity of their proxy will be taken to have appointed the chairperson of the Adjourned Scheme Meeting as their proxy to vote on their behalf. If a proxy is lodged and the proxy specifies the way the proxy is to vote but the nominated proxy is either not recorded as attending the Adjourned Scheme Meeting or does not vote, the chairperson of the Adjourned Scheme Meeting will act in place of the nominated proxy and vote in accordance with the directions.
- 5.5 Proxy appointments in favour of, or which default, to the chairperson of the Adjourned Scheme Meeting which do not contain a direction as to how to vote will be voted in favour of the resolutions to be put to the Adjourned Scheme Meeting in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of ResApp Shareholders. An ASX announcement will be released if the chairperson changes their voting intention.

### **Appointing a proxy**

- 5.6 ResApp Shareholders who are unable to attend the Adjourned Scheme Meeting are strongly encouraged to submit their votes by proxy instead.

### **Online**

- 5.7 ResApp Shareholders who have elected to receive notices of meeting electronically will receive an email with a personalised link to vote online.
- 5.8 New Proxy Forms can be lodged online at <https://investor.automic.com.au/#/loginsah> by following the below instructions:

Login to the Automic website using the holding details as shown on the New Proxy Form. Click on 'Meetings' – 'Vote'. To use the online lodgement facility, Shareholders who have not elected to receive notices of meetings electronically will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the New Proxy Form. Shareholders who have received a personalised link will need their postcodes or, in the case of overseas Shareholders, their country code.

- 5.9 You will be taken to have signed a New Proxy Form and appointed a proxy if you submit your proxy online in accordance with the instructions on the website. Please read the instructions for online proxy submissions carefully before you lodge your proxy.
- 5.10 The online proxy appointment must be received by the Share Registry by no later than 2:00pm (AEST) on Monday, 5 September 2022 to be effective. Proxy Forms received later than this time will be invalid.

#### **Hard copy**

- 5.11 ResApp Shareholders who have not elected to receive notices of meeting electronically will receive a letter which includes a hard copy of the New Proxy Form and a reply-paid envelope.
- 5.12 ResApp Shareholders may appoint a proxy by completing and returning the New Proxy Form to the Share Registry by either posting it in the reply-paid envelope provided (only for use in Australia) or by sending, delivering, faxing or lodging it online as follows:

(a) In Person:

Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

(b) By mail:

Automic Group  
GPO Box 5193  
Sydney NSW 2001

(c) By email:

meetings@automicgroup.com.au

(d) By facsimile:

+61 2 8583 3040

(e) Lodge online:

See Online instructions above

(f) Mobile device:

Scan the QR code on your New Proxy Form and follow the prompts. You will need your SRN or HIN as shown on your New Proxy Form

- 5.13 The signed New Proxy Form (and an original or certified copy of any power of attorney under which it has been signed, unless already provided) must be received by the Share Registry by no later than 2:00pm (AEST) on Monday, 5 September 2022, to be effective. **Proxy Forms received later than this time will be invalid.**
- 5.14 For further information on proxy voting, please refer to the New Proxy Form.

### **Appointing a corporate representative**

- 5.15 A ResApp Shareholder or proxy, which is a body corporate, may appoint an individual to act as its representative to vote at the Adjourned Scheme Meeting. The appointment must comply with section 250D of the Corporations Act. If a representative of a ResApp Shareholder or proxy, which is a body corporate is to participate in the Adjourned Scheme Meeting you will need to provide the appropriate 'Appointment of Corporate Representative' form to ResApp's Share Registry or ResApp. A form may be obtained from Automic at <https://investor.automic.com.au/#/support/2/sub> under the FAQ's & Investor Forms, click on 'How do I appoint a Corporate Representative?'.
- 5.16 Unless otherwise specified in the appointment, a representative acting in accordance with his or her authority, until it is revoked by the body corporate ResApp Shareholder, is entitled to exercise the same powers on behalf of that body corporate as that body corporate could exercise at a meeting or in voting on a resolution.
- 5.17 Evidence of the corporate representative's appointment, including any authority under which it is signed, must be received by the Share Registry no later than 48 hours before the commencement of the Adjourned Scheme Meeting

### **Appointing an attorney**

- 5.18 ResApp Shareholders who wish to vote by attorney at the Adjourned Scheme Meeting should, if they have not already presented an appropriate power of attorney to ResApp, deliver to the Share Registry an original or certified copy of the power of attorney no later than 48 hours before the commencement of the Adjourned Scheme Meeting.

## **6 Joint holders**

- 6.1 In the case of ResApp Shares held by joint holders, only one of the joint holders is entitled to vote. If more than one ResApp Shareholder votes in respect of jointly held ResApp Shares, the vote of the senior who tenders a vote must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the ResApp Share Register.

## **7 Further information for ResApp Shareholders**

- 7.1 If you have any questions please visit the Scheme website at [www.resappscheme.com](http://www.resappscheme.com) or contact the ResApp Shareholder Information Line on 1300 620 649 (within Australia) or +61 3 9415 4326 (outside Australia), Monday to Friday between 8:30am and 5:00pm (AEST).

## Schedule 2 Independent Expert's Supplementary Report



**RESAPP HEALTH LIMITED**  
**Supplementary Independent Expert's**  
**Report**

24 August 2022



## Financial Services Guide

24 August 2022

**BDO Corporate Finance (WA) Pty Ltd** ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) was engaged by ResApp Health Limited ('ResApp') to provide an independent expert's report on the proposed scheme of arrangement ('the Scheme') with Pfizer Australia Holdings Pty Limited (a wholly owned subsidiary of Pfizer Inc.) ('Pfizer'). You are being provided with a copy of our report because you are a shareholder of ResApp and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

As part of our obligations as an Expert under RG 111 paragraphs 102-104, we have monitored market circumstances that drive valuation assumptions and consequential opinions. We have prepared this report in order to assist Shareholders by disclosing the impact on our Independent Expert's Report for the change in the financial position of the Company, which resulted in a drawdown of a bridging loan of \$680,000.

### Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- ◆ Who we are and how we can be contacted;
- ◆ The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- ◆ Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- ◆ Any relevant associations or relationships we have; and
- ◆ Our internal and external complaints handling procedures and how you may access them.

### Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

### Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

### General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don't fully understand our report you should seek professional financial advice.

## **Fees, commissions and other benefits that we may receive**

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for the work performed up to 31 July 2022 was \$63,000. We approximate our fees for the provision of the Supplementary Report and related services following the announcement of the bridging loan to be approximately \$5,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in ResApp.

## **Other Assignments**

In addition to the above assignment, BDO Corporate Finance (WA) Pty Ltd provided valuation services to ResApp in 2020 for total fees of approximately \$2,200. We do not consider that this impacts on our independence in accordance with the requirements of Regulatory Guide 112 'Independence of Experts'. We have completed a conflict search of BDO affiliated organisations within Australia. This conflict search incorporates all Partners, Directors and Managers of BDO affiliated organisations. We are not aware of any circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective assistance in this matter.

## **Remuneration or other benefits received by our employees**

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from ResApp for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

## **Referrals**

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

## **Complaints resolution**

### *Internal complaints resolution process*

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 West Perth WA 6872.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

## **Referral to External Dispute Resolution Scheme**

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA').

AFCA is an external dispute resolution scheme that deals with complaints from consumers in the financial system. It is a not-for-profit company limited by guarantee and authorised by the responsible federal minister. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website [www.afca.org.au](http://www.afca.org.au) or by contacting it directly via the details set out below.

Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001  
Toll free: 1800 931 678  
Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

24 August 2022

The Directors  
ResApp Health Limited  
Level 12, 100 Creek Street  
Brisbane QLD 4000

## SUPPLEMENTARY INDEPENDENT EXPERT'S REPORT

### 1. Introduction

We refer to our Independent Expert's Report dated 14 July 2022 in relation to the proposed scheme of arrangement between ResApp Health Limited ('ResApp' or 'the Company') and Pfizer Australia Holdings Pty Limited ('Pfizer') ('IER').

On 5 August 2022, the Company announced that Pfizer had increased the Scheme consideration from \$0.146 to \$0.208 and as a result, we issued an Independent Expert's Supplementary Letter ('Supplementary IER Letter') dated 3 August 2022 outlining that the increase in the Scheme Consideration represented an increase from our assessed low value to our assessed preferred value. Therefore, our opinion remained that the Scheme was fair and reasonable and in the best interests of Shareholders.

On 16 August 2022 (and subsequently amended on 19 August 2022), ResApp announced that Pfizer had declared its \$0.208 per share cash offer as best and final, subject to no competing proposal emerging. In addition it was announced that ResApp and Pfizer had agreed to enter into a bridging loan.

The key terms of the bridging loan are:

- Principal amount of \$680,000;
- interest rate of 6% per annum;
- a term of six months, unless repaid early (at ResApp's election);
- repayable on five business days' notice on the occurrence of certain events of default customary for a loan of this nature including a breach of obligations, representation or warranty, or the occurrence of an insolvency event; and
- in the event ResApp fails to repay the loan, ResApp is required to grant Pfizer a nonexclusive license over clinical trial data generated under the Research, Development and Licence Agreement to the extent not prohibited by applicable signed informed consent and authorisation forms, applicable laws and ethics and/or institutional review board approvals.

In accordance with our obligations under RG 111, following the provision of our IER, we have continued to monitor the Company's announcements for any material transactions or events which would result in a significant change to the information contained in our IER. We do not consider this to be a material transaction or event, however we are preparing this Supplementary Independent Expert's Report to Shareholders by way of disclosure.

---



The below Supplementary IER is to be read in conjunction with our IER and Supplementary IER Letter. We note that the definition of terms in our IER and the Supplementary IER Letter also apply to this Supplementary IER.

## 2. Impact on the valuation of a ResApp share prior to the Scheme

The valuation of ResApp prior to the Scheme that was included in our IER was based on information available to us at the date of our report (14 July 2022), including the Company's management accounts as at 30 June 2022. In our IER, we included an estimate of the funding required in order for the Company to be funded through to commercialisation, which was based on advice from Acuity Technology Management Pty Ltd ('Acuity'), an independent technical specialist. We made the assumption that this funding shortfall would be addressed through a notional equity raising, the details of which are included in section 10.1.3 of our IER.

As a result of an extension of the Scheme timetable and the Company incurring additional transaction and other advisory related costs, the funding requirement may have increased. As a result, the Company proposes to draw down on a bridging loan of \$680,000 provided by Pfizer. Given that the Company will be required to fund the repayment of this loan, we have increased the notional equity raise to reflect the repayment of the principal and accrued interest (for a period of six months at 6% per annum). As such, we have increased the notional equity raise by \$0.73 million which includes the interest and an increase in the estimated capital raising cost associated with an increase in the notional equity raise amount.

The valuation of a ResApp share prior to the Scheme, assuming an increase in the notional equity raise is set out in the table below.

Valuation of ResApp prior to the Scheme	Low	Preferred	High
	\$	\$	\$
Value of ResApp's products	140,000,000	199,000,000	270,000,000
Value of ResApp's other assets and liabilities	1,443,793	1,443,793	1,443,793
Cash received from notional capital raising (net of costs)	13,890,000	13,890,000	13,890,000
Present value of the Company's tax losses	-	5,100,000	5,100,000
Cash raised from exercise of in-the-money options	991,250	991,250	991,250
<b>Total value of ResApp prior to the Scheme (control)</b>	<b>156,325,043</b>	<b>220,425,043</b>	<b>291,425,043</b>
Number of shares outstanding	1,079,760,477	1,065,363,777	1,052,836,677
<b>Value per share prior to the Scheme (control)</b>	<b>0.145</b>	<b>0.207</b>	<b>0.277</b>

We have been provided with unaudited management accounts of ResApp as at 31 July 2022 and note that there has been a change in the net assets of ResApp over the month of July 2022, however we do not consider this to have a material impact on our valuation. The net assets of ResApp between 30 June 2022 and 31 July 2022 have decreased by approximately \$20,000, however when removing the effect of the reduction in the contract liabilities (which we have not attributed value), the reduction in net assets is approximately \$700,000. This is consistent with the additional equity raise that we have included in the above updated valuation. We have not adjusted our value of other assets and liabilities as we do not consider this to be a material change to our valuation because although the net assets of the Company has

decreased, this also means that the forecast costs included in the Acuity valuation would also decrease, with the net effect on our valuation not being material.

Any drawdown of the bridging loan itself does not have an impact on the net asset value of ResApp, as it would be reflected as an increase in the cash received on drawdown and a corresponding increase in liabilities.

### 3. Other considerations

The valuation impact of the additional funding required and drawdown of the bridging loan is set out in section 2 of our Supplementary IER. However, we also consider it appropriate to inform Shareholders of an additional consequence of not approving the Scheme.

The Scheme Implementation Deed requires that each party is responsible for their own costs incurred in relation to the Scheme and the inability to receive the requisite approval levels from Shareholders is not a condition that would require Pfizer to pay a break fee. As such, if the Scheme is not approved, ResApp will be responsible for paying the costs that it has incurred during the Scheme process. In addition, it will be required to repay the bridging loan plus any accrued interest to Pfizer. Given that the Company required this bridging loan for working capital purposes, and based on the management accounts provided as at 31 July 2022 as well as advice from Acuity, the Company will require funding in the short term. As addressed in the notional equity raise analysis in our IER, any such fund raisings would likely be at a discount to the Company's share price prior to the announcement of the Scheme.

As set out in our IER dated 14 July 2022 ResApp's auditor had outlined the existence of a material uncertainty relating to going concern in the 31 December 2021 half year, with the going concern basis of accounting being dependent on cash inflows from commercialisation of products, capital raising or other fundraising arrangements. We considered the financial position of ResApp in preparing our IER and reflected this requirement via the inclusion of a notional capital raising which would be required to fund operations to realise the values contained in the Acuity report. We enquired with ResApp's advisors in relation to their ability to conduct a capital raising (in the absence of the scheme) and were satisfied that this would be able to occur at a discount to the share price pre Scheme announcement.

We also note that in accordance with RG 111.15, the funding requirements for a target that is not in financial distress should generally be taken into account when determining the fair value of target securities. Therefore, although our IER assumes a notional equity raising price based on a discount of 15% to 20% to our quoted market price value, as the net asset position of the Company reduces, this discount may be higher. The lower the price of an equity capital raising will result in an increase in the dilution of existing Shareholders' interests, assuming they do not participate in such a raising.

We note that the requirement for the bridging loan has arisen due to pressure on the Company's working capital rather than a substantial deterioration of its net assets. Further, we note that the Directors are of the belief that the Company could raise capital in the ordinary course of business, however due to the Scheme, the Company is restricted from doing so.

---

## 4. Conclusion

We have considered the announcements made by the Company and the Company's financial position as at the date of our Supplementary IER, as outlined above (to be read in conjunction with our IER), and have concluded that our assessed value of a ResApp share compares to the Scheme Consideration as set out below.

### Updated Value Range

	Low	Preferred	High
	\$	\$	\$
Value of a share in ResApp (controlling interest basis)	0.145	0.207	0.277
Value of the Scheme Consideration	0.208	0.208	0.208

### Value Range per our IER dated 14 July 2022

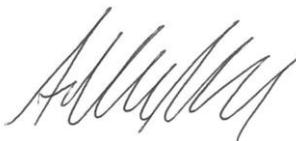
	Low	Preferred	High
	\$	\$	\$
Value of a share in ResApp (controlling interest basis)	0.146	0.208	0.279
Value of the Scheme Consideration	0.146	0.146	0.146

Our findings in relation to the change in the Scheme Consideration is detailed in our Supplementary IER Letter dated 3 August 2022.

Based on the above analysis, our opinion in relation to the Scheme remains **that it is fair and reasonable and therefore in the best interests of Shareholders.**

Yours faithfully

**BDO CORPORATE FINANCE (WA) PTY LTD**



**Adam Myers**

Director



**Sherif Andrawes**

Director