
NOTICE OF ANNUAL GENERAL MEETING

Carly Holdings Limited (ASX:CL8) (**Carly** or the **Company**) advises that the following documents were sent to shareholders today in relation to the Annual General Meeting of the Company to be held on Thursday, 30 November 2023 at 2:00pm (AEDT):

1. Letter to Shareholders regarding the Notice of Meeting
2. Notice of Meeting
3. Proxy Form.

This announcement was authorised to be given to ASX by the Board of Directors of Carly Holdings Limited.

Authorised by:

Chris Noone
CEO and Director
Carly Holdings Limited

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Investor Relations

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About Carly

Carly Holdings Limited (ASX:CL8) is an Australian company leading the growth of the car subscription industry in Australia & New Zealand and supporting the transition to electric vehicles. Launched in 2019, [Carly Car Subscription](#) is a flexible alternative to buying or financing a vehicle, for individuals and businesses, with insurance, registration and servicing included in one monthly payment. Average subscription period is over 5 months. Carly has secured auto industry leaders SG Fleet (ASX:SGF) and Turners Automotive (ASX:TRA) as significant shareholders, joining long-term shareholder, RACV and OEM partner, Hyundai. For more information visit: <https://investors.carly.co>



1 November 2023

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

Carly Holdings Limited (**Carly** or the **Company**) advises that an Annual General Meeting of Shareholders will be held at 2:00pm (AEDT) on Thursday, 30 November 2023 at Suite 2, Level 3, 189 Kent Street, Sydney NSW 2000 (**Meeting**).

In accordance with Part 1.2AA of the *Corporations Act 2001*, the Company will only be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders who have elected to receive the Notice in physical form. The Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://investors.carly.co/investor-relations/agm/#>. Alternatively, the Notice will also be available on the Company's ASX market announcements page (ASX:CL8)

This Notice is given based on circumstances as at the date of this letter. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://investors.carly.co/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Your vote is important

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

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

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

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Log into 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.
By post	Completing the enclosed Proxy Form and posting it to: Automic, GPO Box 5193, Sydney NSW 2001
By hand	Completing the enclosed Proxy Form and delivering it by hand to: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au



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.**

The Chair intends to vote all open proxies in favour of all resolutions, where permitted.

Yours faithfully,
CARLY HOLDINGS LIMITED

A handwritten signature in black ink, appearing to read 'Max Crowley'.

Max Crowley
Company Secretary

Carly Holdings Limited

Suite 3.02, Level 3,
189 Kent Street,
Sydney, NSW 2000
ABN 60 066 153 982

shareholder@carly.co
<https://investors.carly.co/>



Carly Holdings Limited

Notice of 2023 Annual General Meeting

Explanatory Statement | Proxy Form

30 November 2023

2:00pm AEDT

Address

Suite 2, Level 3, 189 Kent 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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Important Information for Shareholders about the Company's 2023 AGM

This Notice is given based on circumstances as at 30 October 2023. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://investors.carly.co/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00pm (AEDT) on 30 November 2023 at Suite 2, Level 3, 189 Kent 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:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah 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. For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

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 Carly Holdings Limited ACN 066 153 982 will be held at 2:00pm (AEDT) on 30 November 2023 at Suite 2, Level 3, 189 Kent 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 (AEDT) on 28 November 2023.

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 30 June 2023 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 30 June 2023.”

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.

Re-election of Directors

2. **Resolution 2 – Re-election of Adrian Bunter as Director**

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

“That Adrian Bunter, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

3. **Resolution 3 – Re-election of Stephen Abolakian as Director**

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

“That Stephen Abolakian, a Director who retires by rotation in accordance with the Company’s Constitution, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

ASX Listing Rule 7.1A (Additional 10% Capacity)

4. Resolution 4 – 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 4 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 4 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.

Issue of Convertible Notes

5. Resolution 5 – Approval of Issue of Convertible Notes

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 2,850,000 Convertible Notes, each with a face value of \$1.00, to raise up to \$2,850,000 to institutional and/or sophisticated investors within the meaning of section 708 of the Corporations Act who are clients of the iPartners, 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.

BY ORDER OF THE BOARD



Max Crowley
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 2:00pm (AEDT) on 30 November 2023 at Suite 2, Level 3, 189 Kent 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 30 June 2023 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://investors.carly.co/investor-relations/annual-report/>.

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 23 November 2023.

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://investors.carly.co/>.

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 FY24 Annual General Meeting (**FY24 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the FY24 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 FY24 AGM. All of the Directors who were in office when the FY24 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 – Re-election of Adrian Bunter as Director

Clause 13.2 of the Company's Constitution provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Mr Adrian Bunter was appointed a Director of the Company on 19 February 2014 and was last re-elected as a Director at the 2020 AGM.

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

Adrian has over 27 years' experience in accounting, finance and a broad range of corporate advisory roles ranging from mergers and acquisitions, divestments of businesses, debt/equity raisings and strategy development and execution. Adrian is a partner of one of Australia's leading boutique specialist technology media and commerce financial advisory firms operating out of Australia and AsiaPac. Adrian is a Chartered Accountant, a Senior Associate of Finsia and has completed a Bachelor of Business and a graduate Diploma in Applied Finance. Adrian is a member of the Executive Committee of Australia's leading angel investing group, Sydney Angels and an advisor to or non-executive director of several high growth technology businesses.

Directors' recommendation

The Directors (excluding Mr Adrian Bunter) recommend that Shareholders vote for this Resolution.

Resolution 3 – Re-election of Stephen Abolakian as Director

The Company's Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office. A retiring Director is eligible for re-election.

It has been agreed that Stephen Abolakian will retire by rotation at this Meeting.

Stephen Abolakian was appointed a Director of the Company on 14 February 2019 and was last re-elected as a Director at the 2021 AGM on 18 November 2021.

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

Stephen is an accomplished executive with experience across property development, finance, capital raising, operations and human resources. In 2012 Stephen was appointed Managing Director of Hycorp Property Group, a diversified Australian property group with three key operating divisions - property development, construction and funds management. Hycorp grew from initial roots in the automotive repair and accident replacement industry. Hycorp is associated with the Willoughby Capital Trust, the largest shareholder of Carly Holdings Limited. Stephen graduated from Sydney University with a Bachelor of Economics and holds a Diploma of Financial Markets from FINSIA.

Directors' recommendation

The Directors (excluding Stephen Abolakian) recommend that Shareholders vote for this Resolution.

ASX Listing Rule 7.1A

Resolution 4 – 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 \$4 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 funding growth in car subscription revenue from consumer and business markets, technology enhancements, research and development and for general working capital.

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		
		\$0.0075 50% decrease in issue price	\$0.015 issue price ^(b)	\$0.03 100% increase in issue price
"A" is the number of shares on issue,^(a) being 268,370,391 Shares	10% voting dilution^(c)	26,837,039	26,837,039	26,837,039
	Funds raised	\$201,278	\$402,556	\$805,111
"A" is a 50% increase in shares on issue, being 402,555,587 Shares	10% voting dilution^(c)	40,255,558	40,255,558	40,255,558
	Funds raised	\$301,917	\$603,833	\$1,207,667
"A" is a 100% increase in shares on issue, being 536,740,782 Shares	10% voting dilution^(c)	53,674,078	53,674,078	53,674,078
	Funds raised	\$402,556	\$805,111	\$1,610,222

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 30 October 2023.
- (b) Based on the closing price of the Company's Shares on ASX as at 30 October 2023.
- (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 of equity securities under Listing Rule 7.1A in the 12 months prior to AGM

The Company issued equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Shareholders ratified the issue of these securities under resolution 2 of the Extraordinary General Meeting on 26 July 2023. 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 16 June 2023</i>				
20,437,039 shares	Issue of Shares to sophisticated and professional investors under a placement announced by the Company on 9 June 2023.	Issue price of \$0.025 (2.5 cents) per share. The issue price was a 10.7% discount to the closing market price on the date of issue (\$0.028).	The Company raised \$510,925 from the issue of the shares and has used the funds for the working capital requirements of the Company.	Sophisticated and professional investors who were either clients of, or introduced by, the Lead Manager, Peak Asset Management. No participants were of the kind described

				in section 7.4 of ASX Guidance Note 21.
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Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")	20,437,039
Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)	17.57%

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.

Issue of Convertible Notes

Resolution 5 – Approval of Issue of Convertible Notes

Background

On 31 October 2023, the Company announced its intention to issue equity securities in the form of fully paid, unsecured, unsubordinated notes which are convertible into fully paid ordinary shares in the Company (**Convertible Notes**) to institutional and/or sophisticated investors within the meaning of section 708 of the Corporations Act who are clients of the Lead Manager, iPartners Pty Ltd (**iPartners**) to fund the working capital of the Company, which includes funding growth in car subscription revenue from consumer and business markets, technology enhancements, research and development and general working capital.

This Resolution seeks Shareholder approval to issue and allot 2,850,000 Convertible Notes to the Noteholders, each with a face value of \$1.00, to raise up to \$2,850,000.

The Company notes that the Convertible Notes will not be issued until Shareholder approval has been obtained for the purposes of ASX Listing Rule 7.1 as proposed by this Resolution.

The effect of this Resolution is for Shareholders to approve the issue of these Convertible Notes to fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue these without using the Company's 15% capacity under Listing Rule 7.1.

ASX 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.

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in 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 approve the issue of the Convertible Notes under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the issue of the Convertible Notes will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12-month period following the date on which the Convertible Notes are issued.

If this Resolution is not passed, the Company will not proceed with the issue of Convertible Notes.

Information Required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The allottees will be institutional and/or sophisticated investors within the meaning of section 708 of the Corporations Act who are clients of the Lead Manager.
- (b) The maximum number of Convertible Notes to be issued is 2,850,000.
- (c) The full terms of the Convertible Notes are set out in Annexure A of this Notice of Meeting.
- (d) These Convertible Notes will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).

- (e) The Convertible Notes will be offered at a face value of \$1.00 per Convertible Note, to raise \$2,850,000 before costs of the offer.
- (f) Funds raised from the issue of the Shares will be used by the Company for working capital purposes.
- (g) The Convertible Notes will be issued under a deed poll entered into by the Company in favour of each Noteholder. The material terms of the deed poll are set out in Annexure A of this Notice.

The table below shows the potential effect of the conversion of the Convertible Notes into Shares at the conversion price. The table is based on the following assumptions:

Share Price (\$)	Conversion Price (\$)	Shares on Issue as at the date of this Notice ¹	Shares issued on conversion of Convertible Notes ²	Total Shares on issue following conversion of Convertible Notes ¹	Dilutionary effect
0.04	0.0360	268,370,391	79,166,667	347,537,058	22.78%
0.05	0.0375	268,370,391	76,000,000	344,370,391	22.07%
0.06	0.0450	268,370,391	63,333,333	331,703,724	19.09%
0.07	0.0525	268,370,391	54,285,714	322,656,105	16.82%
0.08	0.0600	268,370,391	47,500,000	315,870,391	15.04%

Notes:

¹ The above calculations do not take into account an increase in the number of shares on issue in the Company, nor the exercise of the quoted options with an exercise price of \$0.06 and expiring on 31 October 2024.

² The above calculations do not contemplate conversion of any accrued interest or capitalised fees as may be payable to the Noteholders.

Directors' Recommendation

The Board of Directors recommend Shareholders vote for this Resolution.

Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

Glossary

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2023 Annual Report to Shareholders for the period ended 30 June 2023 as lodged by the Company with ASX on 30 August 2023.

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.

ASIC means Australian Securities and Investment Commission.

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.

Auditor's Report means the auditor's report of HLB Mann Judd (WA Partnership) dated 30 August 2023 as included in the Annual Financial Report.

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.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Carly Holdings Limited ACN 066 153 982

Constitution means the Company's constitution.

Convertible Note has the meaning given to that term in the Explanatory Statement

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

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "\$" means Australian dollars.

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

iPartners means iPartners Pty Ltd ACN 616 310 555.

KMP means key management personnel (including the Directors) whose remuneration details are

included in the Remuneration Report.

Lead Manager means iPartners.

Noteholders means the person registered as the holder of the Convertible Notes, which shall be certain institutional and/or sophisticated investors within the meaning of section 708 of the Corporations Act who are clients of the Lead Manager.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 31 October 2023 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

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.

Performance Right means a performance right which, subject to its terms, could convert to a Share.

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

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

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

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

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 Price means the volume weighted average market price for Shares calculated over the 20 trading days on which trades of Shares were recorded immediately before the date of an exercise notice.

Share Registry means Automic Pty Ltd.

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.

Spill Meeting means the meeting that will be convened within 90 days of the FY24 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the FY24 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the FY24 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the FY24 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Annexure A – Material terms of Convertible Notes

Instrument	Unsecured Convertible Note (the 'Notes')
Issue Size	\$2,850,000 of Notes
Interest Rate	12.00% per annum, accrued daily and paid quarterly in arrears in cash.
Term	A period of 18 months from the issue date of the Notes.
Ranking	Unsecured obligations of the Issuer.
Face Value per Note	\$1.00 per Note
Conversion Right	<p>A Conversion Right may be exercised by a Noteholder, at any time during the Term, by issuing the Company with a Conversion Notice.</p> <p>Material Event is defined as lodgement of a notice of extraordinary general meeting with the ASX in relation to a scheme of arrangement, an issue of equity securities under Listing Rule 7.1 or the acquisition of a relevant interest in the Company under section 611(7) of the Corporations Act or receipt of a bidders statement under Chapter 6 of the Corporations Act regarding a takeover offer for all of the ordinary shares in the Company.</p> <p>The coupon payment would be calculated on a pro-rata basis as at the date of conversion.</p>
Conversion Price	<p>The Conversion Price is the price equal to 75% of the Share Price with a Conversion Price Floor of \$0.036 and a Conversion Price Cap of \$0.06. Accordingly, the Conversion Price is:</p> <p>(a) if the Share Price is equal to or less than \$0.048, \$0.036;</p> <p>(b) if the Share Price is more than \$0.048 and less than \$0.08, a 25% discount to the Share Price; or</p> <p>(c) if the Share Price is equal to or more than \$0.08, \$0.06.</p>
Exchange Ratio	<p>The Exchange Ratio means the number of Shares into which a Convertible Note will be Converted, being:</p> $\frac{\text{Principal Outstanding}}{\text{Conversion Price}}$
Redemption by Issuer	The Notes are not redeemable upon the election of the Issuer.
Redemption at Maturity	If the Noteholder has not converted at maturity, the Issuer must redeem the Notes at face value. If the Company does not have sufficient funds to pay the Noteholder the redemption amount, the Company must undertake an equity capital raise to fund this amount.
Underwriting	The issue of Notes is not proposed to be underwritten.
Conversion Price Adjustment	Standard anti-dilutive adjustments.
Approval process	Require shareholder approval as the Notes represent more than 15% of the issued capital under LR7.1.
ASX Quotation	Notes are proposed to be unquoted instruments.
Governing Law	New South Wales, Australia

Your proxy voting instruction must be received by **02.00pm (AEDT) on Tuesday, 28 November 2023**, 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 despatched 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:

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