



Announcement Summary

Entity name

XREALITY GROUP LTD

Announcement Type

New announcement

Date of this announcement

28/5/2024

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
XRGAR	OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	36,564,103

Proposed +issue date

31/5/2024

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

XREALITY GROUP LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

**1.2 Registered Number Type**

ABN

**Registration Number**

39154103607

**1.3 ASX issuer code**

XRG

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

28/5/2024

**1.6 The Proposed issue is:**

A placement or other type of issue



## Part 7 - Details of proposed placement or other issue

## Part 7A - Conditions

**7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?**

Yes

## 7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	22/11/2024	Estimated	No

**Comments**

The Company intends to seek Shareholder Approval at the next meeting to issue 12,000,000 Options under the ESOP to Executive Directors, and 10,064,103 Service Rights to Non-executive Directors.

## Part 7B - Issue details

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

## Details of +securities proposed to be issued

**ASX +security code and description**

XRGAR : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

**Number of +securities proposed to be issued**

36,564,103

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Employee long-term incentive premium priced Option plan and Non-executive Director remuneration.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**



**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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## Part 7C - Timetable

### 7C.1 Proposed +issue date

31/5/2024

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## Part 7D - Listing Rule requirements

### 7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

### 7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

21/11/2023

### 7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

### 7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

### 7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

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## Part 7E - Fees and expenses

### 7E.1 Will there be a lead manager or broker to the proposed issue?

No

### 7E.2 Is the proposed issue to be underwritten?

No

### 7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

None.

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## Part 7F - Further Information

### 7F.01 The purpose(s) for which the entity is issuing the securities

Employee and Non-executive director retention and long term incentive.

### 7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

### 7F.2 Any other information the entity wishes to provide about the proposed issue

It is proposed to issue 26,500,000 Options to Executive Directors and Employees under the approved ESOP, with an exercise price at 145% premium to the 5-day VWAP as at 22/05/24. The premium priced Options will vest in two tranches over three years. It is also proposed to issue a further 3,000,000 Service Rights to John Diddams, 2,782,051 Service



Rights to Mark Smethurst and Phil Copeland (to include their Directors' remuneration), and 1,500,000 Service Rights to Danny Hogan. Shareholder approval will be sought for the issues to the Directors.