
ICSGLOBAL LIMITED

ACN 073 695 584

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 10.00am (AEDT)
DATE: Friday, 19 February 2021
PLACE: Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

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

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary, Greg Quirk, on 0419 263 514.

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TIME AND PLACE OF EXTRAORDINARY GENERAL MEETING AND HOW TO VOTE

VENUE

An Extraordinary General Meeting of the Shareholders of the Company will be held at 10:00am (AEDT) on Friday, 19 February 2021 at:

Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

The health and safety of our shareholders and the wider community is paramount, so the following COVID-safe processes will apply:

- Social distancing measures will be implemented in accordance with the prevailing NSW Government guidelines at the time of the Meeting.
- All attendees must complete the visitor declaration with contact details.
- Face masks are mandatory for those attending.
- Hand sanitiser will be available in the room.
- The rooms will be cleaned prior to and after the Meeting.

If you would like to attend the Meeting in person, please register in advance by emailing info@icsglobal.com.au by no later than 24 hours prior to the Meeting (by 10:00 am AEDT on 18 February 2021) so that we are able to manage numbers appropriately and have a way of contacting you should Meeting processes need to change.

For Shareholders who are unable or do not wish to attend the Meeting physically, we encourage you to submit your vote by returning the Proxy Form enclosed. Instructions for completing and returning the Proxy Form are set out below and on the form itself.

In addition, we will be streaming the Meeting via an online facility for those who wish to observe the proceedings remotely. Shareholders may register to observe the Meeting by emailing info@icsglobal.com.au by no later than 24 hours prior to the Meeting (by 10:00 am AEDT on 18 February 2021). Instructions on how to observe the Meeting online will be provided to all Shareholders who register. Please note that Shareholders who observe the Meeting online will not be able to participate or vote via that facility.

YOUR VOTE IS IMPORTANT

There is one Resolution being considered at the Meeting which concerns the sale by the Company of its main undertaking, the MBC business. It significantly affects your Shareholding and your vote is important.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please either:

- (a) lodge your Proxy Form online by following the directions provided on the Proxy Form;
- (b) post the Proxy Form to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) hand deliver the Proxy Form to: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000; or
- (d) send the Proxy Form by facsimile to Boardroom Pty Limited on facsimile number (02) 9290 9655.

Proxy Forms must be received no later than 10.00am (AEDT) on Wednesday, 17 February 2021.

Proxy Forms received later than this time will be invalid.

Chairman's Letter

15 January 2021

Dear Shareholder,

Proposed sale of MBC

On behalf of the board of directors of ICSGlobal Limited ACN 073 695 584 (**ICS**), I am pleased to invite you to attend an extraordinary general meeting of the Company to be held at 10.00am (AEDT) on Friday, 19 February 2021 at Hall Chadwick, Level 40, 2 Park Street, Sydney NSW 2000.

As you will be aware, ICS announced on 18 December 2020 that it had entered into an agreement to sell all of its shares in Thelma-EU Limited, the UK company which operates the medical billing and collections business (**MBC**) to Civica UK Limited (**Civica**).

MBC constitutes the main undertaking of ICS and completion of the sale of MBC must be approved by Shareholders pursuant to ASX Listing Rule 11.2. The business of the Meeting is therefore to consider and, if thought fit, approve the disposal of MBC on the terms set out in the Notice of Meeting.

Civica has been operating for over 30 years and has a focus on software which helps sustain and enhance public services and improve outcomes for communities globally. In the Board's opinion, the sale to Civica represents an excellent fit for MBC, its clients, management and staff and Civica will be an ideal partner to take MBC to the next level.

Your Directors believe that the consideration for the sale of MBC represents good value to Shareholders for the business. In addition, the other terms associated with the sale are fair and reasonable and will provide Shareholders with a timely return for the MBC business.

On the basis of the above, the Board believes the sale of MBC to Civica to be in the best interests of ICS and its Shareholders and therefore unanimously recommends the proposed sale of MBC for approval by Shareholders.

The terms of the proposed sale are described in more detail in the Explanatory Memorandum,

We look forward to having the opportunity to discuss the above with you further at the Meeting.

Yours sincerely,



Kevin Barry
Chairman

Notice of Meeting

ICSGlobal Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of shareholders of ICSGlobal Limited (**Company**) will be held at Hall Chadwick, Level 40, 2 Park Street, Sydney NSW 2000 on Friday, 19 February 2021 at 10.00am AEDT (**Meeting**).

Business

Resolution 1 – Approve the sale of the Company’s main undertaking

To consider and if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, Shareholders approve the Company disposing of all of the shares it holds in MBC, being the main undertaking of the Company, pursuant to the Agreement between the Company and Civica on the terms and conditions set out in the Agreement and summarised in the Explanatory Memorandum."

Voting Exclusion Statement

Resolution 1

The Company will disregard any votes cast on Resolution 1 by or on behalf of:

- a. Civica and any other person who will obtain a material benefit as a result of the Transaction (except a benefit solely by reason of being a Shareholder); or
- b. an Associate of any of those persons.

However, this does not apply to a vote cast on Resolution 1 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with directions given to the proxy or attorney to vote on Resolution 1 in that way;
- b. the Chair as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chair to vote on Resolution 1 as the Chair decides; or
- c. a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on Resolution 1; and
 - ii. the Shareholder votes on Resolution 1 in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

Other Business

To transact any other business which may be legally brought forward.

DATED: 15 January 2021**BY ORDER OF THE BOARD**A handwritten signature in black ink, appearing to be 'G. Quirk', written in a cursive style.

Gregory Quirk
COMPANY SECRETARY

Explanatory Memorandum

ICSGlobal Limited Extraordinary General Meeting

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolution.

1. Background to the Resolution

ICS is a technology investment company which was established in 1999 and is listed on the ASX. Since 2010, its main operating business has been the medical billing and collections business in the UK, carried on by its wholly owned UK subsidiary, called Thelma-EU Limited (**MBC**). MBC provides tailored billing services to UK medical consultants and specialists and has steadily grown in size and profitability since its establishment over 20 years ago.

ICS also holds cash of approximately AUD\$1.7 million and a shareholding in Open Learning Limited (ASX:OLL) which has a value of approximately AUD\$250,000 at the current share price.

As announced on 18 December 2020, on that date the Company entered into a share purchase agreement (**Agreement**) to sell to Civica UK Limited (**Civica**) all of the shares in Thelma-EU Limited (**Transaction**).

The sale of MBC requires Shareholder approval under ASX Listing Rule 11.2. That ASX Listing Rule provides that, where a company proposes to dispose of its main undertaking, it must first obtain the approval of shareholders. Such approval is by ordinary resolution.

If Shareholders approve Resolution 1, the Company will proceed to sell MBC to Civica in accordance with the terms of the Agreement (refer section 2.2 for more detail regarding the material terms of the Transaction and to section 3 for more detail regarding the future of the Company if the Transaction proceeds).

If Shareholders do not approve Resolution 1, the Transaction will not proceed and the Company will retain MBC (refer section 4 for more detail).

2. Transaction Overview

2.1 Timing of Transaction

The proposed timetable for the Transaction is set out below:

Event	Time
Execution of Agreement	18 December 2020
Dispatch of Notice of Extraordinary General Meeting	15 January 2021
Proxy return date for Extraordinary General Meeting	10:00 am AEDT, 17 February 2021
Extraordinary General Meeting	10:00 am AEDT, 19 February 2021

Indicative Completion Date of Agreement (subject to Shareholder approval and the terms of the Agreement)	28 February 2021
Indicative date for payment of Shareholder Return	31 March 2021

With the exception of the date of execution of the Agreement, the above dates are indicative only and may change without notice.

2.2 Material terms of the Agreement

ICS entered into the Agreement with Civica on 18 December 2020 for the sale of MBC. The following is a summary of the material terms of the Agreement.

Sale of shares

The Agreement sets out the terms and conditions upon which Civica will acquire all of the shares in MBC from ICS.

Consideration

Civica will pay cash consideration for the shares in MBC to ICS in an amount of GBP12.35 million, plus an amount for customary adjustments for excess working capital and less an amount for the costs associated with acquiring W&I Insurance (refer below).

At the current GBP/AUD exchange rate,¹ the Directors expect the amount received by ICS after transaction costs to be equivalent to approximately AUD\$21.3 million. The Directors anticipate ICS will incur costs of approximately AUD\$1.1 million associated with the Transaction. The largest component of these costs is the fee to Numis Securities Limited (refer section 2.3 below).

Conditions Precedent

Completion of the Transaction pursuant to the Agreement is subject to the following two conditions precedent:

- (a) as at Completion, MBC has retained customers representing at least 90% of its revenue as at 31 October 2020; and
- (b) Shareholders approve the Transaction by voting in favour of Resolution 1.

The above conditions precedent must be satisfied on or before 28 February 2021. If they are not satisfied or waived in accordance with the Agreement, the Agreement will automatically terminate unless the parties agree otherwise.

¹ The current GBP/AUD exchange rate is 0.57. The GBP cash consideration will be received on Completion and will then be converted into AUD at the prevailing exchange rate.

Warranties

The Company has provided a suite of customary business and tax warranties in connection with the historical and current operation of MBC. The Company has a maximum liability of GBP2.5 million for warranty claims under the Agreement. Civica also has the benefit of a W&I Insurance policy in connection with the business and tax warranties provided by the Company in the Agreement. The W&I Insurance policy is on market based terms and has customary exclusions.

Matters which may affect Completion

Prior to Completion, ICS is required to procure that MBC carries on business in the ordinary course.

On Completion, each of ICS and Civica is required to provide certain customary documents and take certain actions. Included in these deliverables are share transfers, company records, board resolutions, resignations of Australian based directors of MBC and an executed key employee service contract. If any of the Company's deliverables or actions are not forthcoming at Completion, Civica may at its election delay Completion or terminate the Agreement.

If a material adverse change occurs to MBC prior to Completion (which includes, but is not limited to, a greater than 10% reduction in the annualised EBITDA of MBC as compared with 31 October 2020 figures or with forecasts, other than as a direct result of Covid-19), Civica may at its election terminate the Agreement.

No competition

The Company has agreed that for a period of up to 2 years after Completion it will not compete with MBC in either the UK or Australia or poach any employees of MBC.

2.3 Reasons for the proposed sale

On a number of occasions, ICS has received approaches from parties interested in acquiring MBC. In light of such approaches, ICS undertook a review of the Company's operations, opportunities and the MBC business. The key considerations of this review included:

- a. the value of continuing to operate MBC within the current ICS structure;
- b. the sale price which may be achieved by undertaking a sale process for MBC;
- c. other opportunities in the market for investment or acquisition by ICS; and
- d. the best interests of Shareholders over the near and longer term.

It was determined that the value of MBC may be greater in the hands of a third party and that the business has strong potential with access to a UK domiciled parent company and additional growth capital. The Board therefore decided to test the market to see if a buyer could be found for MBC on terms that would make its divestment positive for the Company.

Numis Securities Limited was engaged as exclusive adviser and introducer agent to assist with this process and a number of prospective buyers (both strategic and financial counterparties) were approached.

The Company is confident that the terms of the Transaction represent a compelling offer to secure a sale of MBC for an attractive price, on reasonable and balanced terms and in a timely manner.

For the reasons set out above, the Board considers the Transaction to be in the best interests of Shareholders.

3. What will happen if the Transaction proceeds?

3.1 Future of the Company after the Transaction completes

If the Transaction proceeds, following Completion, the Company will not have an operating business. The Company will not have any presence in the UK. It will hold cash of approximately AUD \$1.7 million and shares in Open Learning Limited (ASX:OLL) which have a value of approximately AUD \$250,000 at the current share price.

As set out in more detail in section 3.3 below, after Completion, the Company will have corporate cash of approximately AUD\$22,987,530 (depending on the exchange rate at Completion and final transaction costs).

After Completion, ICS intends to:

- distribute proceeds to Shareholders in an amount of between AUD\$1.60 and AUD\$1.75 per Share (**Shareholder Return**) (refer section 3.2 for more detail);
- investigate acquisition and investment opportunities to improve Shareholder value; and
- retain an amount of approximately AUD\$5 million within the Company to protect against any potential warranty claims by Civica under the Agreement and to fund any new acquisition and investment opportunities for the Company.

It is anticipated that ASX will allow ICS Shares to continue to trade for up to 6 months post execution of the Agreement, in order to allow the Company to find another business to acquire during that period. If a suitable acquisition is not identified in that period, it is anticipated that ASX will suspend trading in ICS Shares.

ASX may determine at its discretion that if ICS acquires a business or assets, ICS may be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

3.2 Shareholder Return

It is the intention of the Company to distribute a significant portion of the consideration received from sale of MBC to Shareholders. The amount of the Shareholder Return will be determined following Completion, once final transaction costs are known and the sale proceeds have been converted from GBP into AUD at the prevailing exchange rate. It is currently intended that the Shareholder Return will be in an amount of between AUD\$1.60 and AUD\$1.75 per Share.

The Company is applying to the ATO for a class ruling in connection with the categorisation of the Shareholder Return in the hands of Shareholders. The intention is that the Shareholder Return will be treated as a return of capital on the Shares, however, it is possible that the ATO may determine that the Shareholder Return be treated as a dividend for tax purposes.

ICS will provide an update to Shareholders as to the categorisation of the Shareholder Return as soon as possible. Shareholders should obtain their own tax advice in connection with the Shareholder Return.

3.3 Likely effect of the Transaction on the Company

The following table illustrates the financials of the Company as at 30 November 2020 as well as the likely impact of the Transaction on the Company. It is noted that depending on the foreign exchange rate between GBP and AUD as at Completion as well as the final Transaction cost and Shareholder Return figures, the estimates below may be subject to minor changes.

	30-Nov-20	Pro-forma Post transaction before Shareholder Return	Pro-forma Post transaction after Shareholder Return
Annualised revenue from ordinary activities	\$6,312,500	\$0	\$0
Annualised expenditure from continuing operations ⁽¹⁾	\$4,326,199	\$0	\$0
Profit/(loss) before tax attributable to shareholders from continuing operations before corporate costs)	\$2,126,000	\$0	\$0
Profit/(loss) after tax attributable to shareholders from continuing operations before corporate costs)	\$2,073,037	\$0	\$0
Total corporate cash	\$1,667,429	\$22,987,530	\$4,980,697 ⁽²⁾
Current Assets (excluding corporate cash)	\$5,400,596	\$0	\$0
Non-current Assets ⁽³⁾	\$4,252,299	\$253,741	\$253,741
Liabilities	\$4,936,225	\$40,377	\$40,377
Net Assets	\$6,384,099	\$24,207,864	\$5,174,062 ⁽²⁾
EBITDA (rolling annualised from continuing operations before corporate costs)	\$2,663,757	\$0	\$0
Total securities on issue ⁽⁴⁾	10,604,019	10,604,019	10,604,019

(1) The annualised expenditure from continuing operations does not include expenditure in connection with the operations of ICS in Australia. The annualised expenditure of ICS in Australia for the year to 30 November 2020 was \$526,000. After Completion, the Board will review the Australian expenditure of ICS and endeavour to reduce such amount whilst it investigates acquisition and investment opportunities for the Company.

(2) As set out in section 3.2, it is intended that the Shareholder Return will be in the range of \$1.60 and \$1.75 per Share. For the purposes of the table in this section 3.3, a Shareholder Return of \$1.70 has been assumed.

(3) The non-current assets of the Company include the Company's shareholding in Open Learning Limited (ASX:OLL). This shareholding is reflected in the table at its carrying value in ICS's accounts as at 30 November 2020 of \$187,168. It is noted that at OLL's current market price, the Company's shareholding has an estimated market value of \$253,741.

(4) There will be no capital raising or change to the issued capital as a consequence of the Transaction. Shareholders' holding in Shares and percentage interest in the Company will remain unchanged.

4. What will happen if the Transaction does not proceed?

The Transaction is dependent on the Resolution being passed and the other terms of the Agreement being satisfied (refer section 2.2).

In the event that Shareholder approval for the Transaction is not obtained, or the other terms of the Agreement are not satisfied or waived, the Agreement will terminate and the Company will continue to operate and seek to improve the performance of the MBC business.

5. Advantages and disadvantages of the sale of MBC

The Directors have identified the following advantages and disadvantages of the Transaction:

Advantages	Disadvantages
The consideration payable to ICS under the Transaction is fair and represents good value for the MBC business	If the Transaction completes, the Company will no longer own MBC and it will not be able to realise any future value from the MBC business
The terms of the Transaction are fair and reasonable to Shareholders	Following the sale, the Company will not have any active business operations. The Company will have no source of operating revenue to offset operating expenses until another operating business is acquired or undertaken
The Transaction, if completed, will realise the value of MBC to the Company that was not otherwise available	There is a risk that the Company may not be able to locate and acquire a suitable new business in a reasonable timeframe
The consideration to be received returns value to Shareholders from the sale of MBC without the need for Shareholders to dispose of any Shares	The Transaction involves the Company selling its main undertaking, which may not be consistent with the investment objectives of all Shareholders

6. Effect on control of the Company

There will be no change to the Board of the Company as a part of, or in connection with, the Transaction and the Transaction will not otherwise have any impact on the control of the Company.

There will be no change to any Shareholder's shareholding in the Company as a consequence of the Transaction.

7. ASX

As required pursuant to the ASX Listing Rules, a copy of this Notice of Meeting was provided to ASX. ASX takes no responsibility for the contents of this Notice of Meeting.

8. Directors' Interests and Recommendation

The Directors have a relevant interest (held directly and indirectly) in the Shares of ICS as set out in the following table:

Director	Shares	Options
Mr Kevin Barry	535,572	Nil
Mr Greg Quirk	309,051	Nil
Mr Victor Shkolnik	313,878	Nil
Mr James Canning-Ure	50,000	Nil

Having regard to the advantages and disadvantages of the Transaction as detailed in section 5, and after considering all relevant factors, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1 for the following reasons:

- after a full and proper assessment of all available information they believe that the proposed sale of MBC is in the best interests of the Shareholders and the Company;
- in the opinion of the Directors, the advantages of the sale of the MBC outweigh its disadvantages; and
- the Directors are satisfied they have achieved appropriate terms for the sale of MBC.

General Explanatory Notes

1. Voting at the Meeting

A Shareholder who is entitled to vote may vote on the items of business to be considered at the Meeting either in person at the Meeting or by completing and returning the Proxy Form enclosed with this Notice of Meeting.

If you attend the Meeting, you will need to register at the registration desk on the day. The registration desk will be open from 9.00am AEDT.

2. Voting by Proxy

A Shareholder who is entitled to vote at the Meeting has the right to appoint:

- a. one proxy if the member is only entitled to one vote; or
- b. one or two proxies if the member is entitled to more than one vote.

Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a Shareholder of the Company. A proxy may be an individual or a body corporate. A body corporate appointed as a proxy may then nominate an individual to exercise its powers at the Meeting.

Any person who is a joint holder of shares may appoint a proxy and if more than one of such joint holders appoints a proxy or seeks to vote at the meeting, then the person whose name is first on the register will be the person entitled to vote. If a Shareholder, who has appointed a proxy, attends the Meeting, the proxy appointment is suspended in accordance with the provisions of the Corporations Act.

The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified photocopy) must be received by no later than **10:00am AEDT on Wednesday, 17 February 2021**. You may:

- (a) lodge your Proxy Form online by following the directions provided on the Proxy Form;
- (b) post the Proxy Form to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) hand deliver the Proxy Form to: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000; or
- (d) send the Proxy Form by facsimile to Boardroom Pty Limited on facsimile number (02) 9290 9655.

If you require an additional Proxy Form, the Company will supply it on request.

Corporate members who wish to appoint a person to act as its representative at the Meeting can do so by providing that person with a certificate executed in accordance with section 127 of the Corporations Act authorising that person to act as its representative at the Meeting. The representative should bring the certificate with them to the Meeting.

3. Resolution Requirements

Resolution 1 is an ordinary resolution and will be passed if more than 50 per cent of the votes cast by Shareholders (in person or by proxy) entitled to vote on the Resolution are in favour.

4. Voting Entitlements

In accordance with section 1074E(2)(g) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Company has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 7.00pm (AEDT) on Wednesday, 17 February 2021. Therefore, all registered Shareholders at that time are entitled to attend and vote at the Meeting.

GLOSSARY

AEDT means Australian Eastern Daylight Time (i.e. the time applicable in Sydney, NSW).

Agreement means the share purchase agreement dated 18 December 2020 entered into between the Company and Civica in connection with the Transaction.

Associate has the meaning set out in Chapter 19 of the ASX Listing Rules.

Board means the board of Directors of the Company as constituted from time to time.

Civica means Civica UK Limited, a company incorporated in England and Wales with number 01628868.

Company means ICSGlobal Limited ACN 073 695 584.

Completion means completion of the Transaction pursuant to the Agreement, anticipated to occur on 28 February 2021 subject to the Resolution being approved and the other condition precedent being satisfied.

Constitution means the Constitution of the Company.

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

Directors mean the directors of the Company.

Explanatory Memorandum means the explanatory memorandum commencing on page 7 of this Notice.

ICS means ICSGlobal Limited ACN 073 695 584.

MBC means Thelma-EU Limited, a company incorporated in England and Wales with number 06280085, which is currently wholly owned by the Company and which carries on a medical billing and collection business in the UK.

Meeting means the Extraordinary General Meeting convened by the Notice.

Notice or **Notice of Meeting** means this document, including the Notice of Meeting commencing on page 5.

Proxy Form means the appointment of proxy form enclosed with this Notice.

Resolution means the resolution set out in the Notice.

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

Shareholder means a holder of a Share.

Shareholder Return has the meaning given in section 3.1 of the Explanatory Memorandum.

Transaction has the meaning given in section 1 of the Explanatory Memorandum.

W&I Insurance means warranty and indemnity insurance, an insurance which covers financial losses from breaches of warranties and from claims in respect of any tax indemnities.