

2 December 2022

Proposed transaction – CWL to acquire Amplify Eyecare Limited

Consolidated Financial Holdings Limited (ASX: CWL) (**CWL** or the **Company**) is pleased to announce to shareholders that it has signed a conditional share purchase agreement (**Share Purchase Agreement**) under which it will acquire all of the issued shares in Amplify Eyecare Limited (**Amplify**). Amplify operates optometry practices, including the provision of vision diagnostics, vision therapy, surgery, dispensing of spectacle frames, lenses and contact lenses, and develops software services relevant to these services.

Amplify Overview

Amplify EyeCare Pty Ltd was incorporated on 10 March 2021 in Victoria as an operator of established optometry practices providing medical eyecare and dispensing optical products. The Company converted to an unlisted public company on 21 October 2021.

Amplify currently owns and operates four (4) optometry practices providing medical eyecare and dispensing optical products in the USA. The approximate combined revenue across the four practices for the year ended 31 December 2021 was \$3.1million, and the approximate combined EBITDA for the same period was \$0.6million (*amounts in AUD and translated at a spot rate of 0.6889 USD to \$1 AUD*). Amplify also manages an independent practice under contract.

Amplify's business model is to operate and expand a network of optometry practices, initially in the USA. The Company intends to achieve this by identifying, acquiring and integrating new clinics and by organically growing its practice portfolio.

The Company's plans for the future growth include:

- deploying new high-value medical and speciality optometry services to acquired practices, increasing revenue and profitability;
- create doctor engagement via training and focus on medical services;
- optimisation of practice operations, generating cost efficiencies through scale and digitisation;
- patient communication and management strategies that integrate leading approaches to treatment and ongoing clinical management, improving patient retention and value per patient; and
- further acquisitions.

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To aid the delivery of these plans, the Company has developed the AmpUp software suite, which optimises practice workflows, orchestrates new service delivery, engages clinicians by providing interactive learning programs for speciality services, and digitises routine tasks and patient communications.

Transaction Summary

Under the terms of the share purchase agreement dated 30 November 2022, CWL has agreed to acquire 100% of the issued capital in Amplify Eyecare Limited from the shareholders of Amplify (**Amplify Vendors**).

The Share Purchase Agreement is subject to and conditional on the satisfaction or waiver of certain conditions precedent, including:

- (a) the Company obtaining all necessary shareholder and regulatory approvals under the ASX Listing Rules and the Corporations Act to allow CWL to undertake the Acquisition and the Offer, to issue the Consideration Shares and the New Shares under the Offer, to issue Options and Performance Rights under a LTIP and to change the company name;
- (b) the parties obtaining all third party consents or waivers and any other regulatory or government approvals;
- (c) the approval by ASX to reinstate the securities of Bidder to quotation on ASX;
- (d) the Company meeting the requirements in Chapters 1 and 2 of the ASX Listing Rules as if the Company were applying for admission to the Official List;
- (e) the Company undertaking a consolidation, such that the share price of the Company is at least \$0.20;
- (f) receipt of valid applications for the minimum subscription for the Offer under the Prospectus; and
- (g) no material adverse change with respect to Amplify,

together the **Conditions**.

On Completion the Company must pay to the Amplify Vendors the purchase consideration, to be settled by issuing the Consideration Shares, in accordance with the following:

- (a) \$6,000,000 for 100% of shares on issue in Amplify (assuming 108,281,624 shares on issue); plus
- (b) additional consideration equivalent to the amount of any cash subscribed to any convertible notes issued by Amplify after the date of the Share Purchase Agreement, divided by (1 minus any agreed discount), subject to a maximum of \$1,000,000,

where the issue price of the Consideration Shares issued by CWL will be \$0.20

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per share.

The Share Purchase Agreement also contains a number of standard terms and conditions, including representations and warranties from each party considered standard for an agreement of this nature.

Capital Raising

As part of the transaction, and in order to satisfy the requirements to re-list on the ASX, CWL will conduct a capital raising. The capital raising will be conducted pursuant to a prospectus and will seek to raise a minimum of \$6 million and a maximum of \$8 million at \$0.20 per share (on the basis of a 16.78 to 1 consolidation being applied). It is expected that the capital raising will include a priority allocation to existing shareholders of CWL and that interests associated with the continuing directors (Niall Cairns and Phillip Carter) intend to take up their entitlements and further invest by way of seeking shareholder approval as required.

Change of Activities

The acquisition of Amplify will result in a change in CWL's nature and scale of activities which will require shareholder approval under Chapter 11 of the ASX Listing Rules. CWL will also be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules. CWL will despatch to shareholders a notice of meeting seeking the relevant approvals to undertake the process. The notice of meeting will contain detailed information relating to the acquisition.

Share Consolidation

As part of the transaction, and subject to shareholder approval, CWL may undertake a consolidation of its capital at a ratio of 16.78 to 1 to meet the ASX Listing Requirement rules.

Name Change

As part of the transaction, and subject to shareholder approval, CWL will change its name to "Amplify Eyecare Holdings Limited".

Board Changes

Following completion of the transaction Samuel Herzberg and Heather McBryar will be appointed to the Board and one of the existing directors, Brendan Burwood will resign.

Samuel Herzberg is an entrepreneur who has been involved in many start-ups over his career. Samuel co-founded and was an executive of the largest Property Management Group in Australia (Run Property), a roll-out of property management businesses across Australia. Run Property listed on the ASX and was subsequently taken over. The business, which employed over 300 staff and managed over 18,000 properties. Samuel also founded Agent +, a back-office Software as a Solution (SaaS) business for prominent real estate

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agents across Australia. Samuel realised the value in this business through a sale to the Little Group (private property company owned by Paul Little).

Dr Heather McBryar is a board certified optometrist, in addition to being a Fellow of the College of Optometrists in Vision Development (COVD), a candidate for Fellowship in the Neuro-Optometric Rehabilitation Association (NORA), and a Diplomate of the American Board of Optometry (ABO). In addition to her many years of experience in the field, Dr McBryar's son with visual impairment and special needs drives her to provide caring, high-quality care for all of her patients, so they can achieve the highest quality of life possible

Indicative Capital Structure

The indicative capital structure of CWL following completion of the transaction and its reinstatement to trading on ASX is set out below:

Description	Shares
Current issued capital (pre-consolidation)	125,827,798
Issued capital (post-consolidation) ¹	7,500,394
Capital Raising ²	30,000,000
Issue of Completion Shares	35,000,000
Total Securities on issue after the transaction	72,500,394

Note 1: Assumes a consolidation of capital at a ratio of 16.78.

Note 2: Assumes minimum amount of capital raised under the Capital Raising.

Pro forma balance sheet

The pro-forma balance sheet is set out below and assumes that all of the Acquisition Resolutions are passed, the Acquisition, Offer, Consolidation and other events which are the subject of the Acquisition Resolutions have occurred.

The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

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	Acquiree and Acquirer Post Acquisition	Capital Raising ¹	Consolidated
Current Assets	1,382,987	5,180,000	6,562,987
Non-Current Assets	3,864,035	0	3,864,035
Total Assets	5,247,022	5,180,000	10,427,022
Current Liabilities	2,532,995	0	2,532,995
Non-Current Liabilities	1,817,185	0	1,817,185
Total Liabilities	4,350,180	0	4,350,180
Total Equity	896,842	5,180,000	6,076,842

Note 1: Assumes minimum amount of capital raised under the Capital Raising.

Indicative Timetable

An indicative timetable for the completion of the transaction and associated corporate actions is set out below:

Action	Date
Announcement of the transaction	2 December 2022
Despatch of Notice of Meeting to shareholders	18 January 2023
Lodgement of Prospectus with ASIC	23 January 2023
Share Offer opens	30 January 2023
Share Offer closes	20 February 2023
Shareholder Meeting to approve the Transaction	19 February 2023

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Completion of Transaction and issue of shares under Transaction Agreement and Share Offer	10 March 2023
Re-quotations of Shares on ASX	17 March 2023

The timetable is indicative only and may be varied by CWL. Shareholders should also note that CWL's shares will remain suspended until such time as CWL has re-satisfied Chapters 1 and 2 of the ASX Listing Rules.

CWL is aware of its continuous disclosure obligations under Listing Rule 3.1 and confirms that it is in compliance with its obligations.

For further information contact

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