



Prospectus Initial public offering

ENLITIC, INC.

ARBN 672 254 027

**AN OFFER OF UP TO 42,168,675 CHESS
DEPOSITARY INTERESTS (CDIS) OVER
COMMON STOCK IN THE COMPANY
AT AN ISSUE PRICE PER CDI OF A\$0.83
TO RAISE UP TO APPROXIMATELY
A\$35 MILLION (BEFORE COSTS).**

Lead Manager



This document is important and should be read in its entirety.

Important notices

Offer

The Offer contained in this Prospectus is an invitation for you to apply for CHESS Depositary Interests (CDIs) over common stock (Shares) in Enlitic, Inc. ARBN 672 254 027, a foreign company incorporated in Delaware (Enlitic or Company). This Prospectus is issued by the Company for the purposes of Chapter 6D of the Corporations Act. The issue of this Prospectus is necessary to allow investors to trade CDIs on the ASX and settle transactions through the Clearing House Electronic Subregister System (CHESS). CDIs give the holder similar but not identical rights to a holder of Shares. See Section 7 for further information on the Offer, including as to details of the securities that will be issued under this Prospectus.

Lodgement and Listing

This replacement prospectus is dated 22 November 2023 and was lodged with ASIC on that date (Prospectus Date). It is a replacement prospectus, which replaces the prospectus dated 9 November 2023 and lodged with ASIC on that date (Original Prospectus). For the purposes of this document, this replacement prospectus will be referred to as the Prospectus.

The key changes that have been made to the Original Prospectus relate to descriptions of artificial intelligence and machine learning and its use in respect of the Company's products, descriptions of those products, the identification of risks relating to the speculative nature of the investment and the solvency of the Company, providing further details on the capital structure of the Company, clarifying certain aspects of the description of the total serviceable market for ENDEX and competitive landscape.

The Company applied to the ASX for admission of the Company to the Official List and quotation of the CDIs on the ASX (Listing) on 9 November 2023.

You should not view the fact that ASX may admit the Company to the Official List as an indication of the merits of the CDIs, the Offer, or the Company. Neither ASIC nor the ASX takes any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

As set out in Section 7, it is expected that the CDIs will be quoted on ASX on a normal settlement basis. The Company, Link Market Services Limited (CDI Registry) and the Lead Manager disclaim all liability, whether in negligence or otherwise,

to persons who trade CDIs before receiving their holding statement.

Expiry date

This Prospectus expires on the date that is 13 months after the date of the Original Prospectus (Expiry Date) and no CDIs will be issued on the basis of this Prospectus after the Expiry Date.

Note to Applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the performance of the Company.

You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the CDIs. Some of the key risk factors that should be considered by prospective investors are set out in Sections 1 and 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

You should also consider the assumptions underlying the Forecast Financial Information set out in Section 4 and the risk factors set out in Section 5 that could affect the Company's business, financial condition, and results of operations.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in the CDIs.

Exposure Period

The Corporations Act prohibits the Company from processing applications to subscribe for CDIs offered under this Prospectus (Applications) in the seven day period after lodgement of the Original Prospectus with ASIC (Exposure Period).

This Exposure Period was extended by ASIC by a further seven days.

The Exposure Period enables the Original Prospectus to be examined by ASIC and market participants prior to the raising of any funds. The examination may result in the identification of deficiencies in the Original Prospectus, in which case any Application may need to be dealt with in accordance with section 724 of the Corporations Act.

Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only.

Disclaimer and forward-looking statements

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, the Directors, the Lead Manager, or any other person in connection with the Offer. You should rely only on information in this Prospectus when deciding whether to invest in CDIs. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

This Prospectus contains forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "should", "could", "believes", "estimates", "expects", "intends", "plans", "anticipates", "predicts", "outlook", "forecasts", "guidance" and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward-looking statements. These statements are based on an assessment of present economic and operating conditions and on a number



of best estimate assumptions regarding future events and actions that, as at the Prospectus Date, are expected to take place (including the key assumptions set out in Section 4.6).

No person who has made any forward-looking statements in this Prospectus (including the Company) has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, other than to the extent required by law.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company and the directors and management of the Company. Forward-looking statements should therefore be read in conjunction with, and are qualified by reference to, Sections 4 and 5, and other information in this Prospectus. The Company cannot and does not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company, the CDI Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade CDIs before receiving their holding statement.

MST Financial has acted as Lead Manager to the Offer and has not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by the Lead Manager or by any of its affiliates or related bodies corporate (as defined in the Corporations Act) (**Related Bodies Corporate**), or any of their respective officers, directors, employees, partners, advisers or agents. To the maximum extent permitted by law, the Lead Manager, its respective affiliates and Related Bodies Corporate, and any of their respective officers, directors, employees, partners, advisers or agents expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or

warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Financial information presentation

All references appearing in this Prospectus to:

- FY2021 and FY2022 are to the financial years ended 31 December 2021 and 31 December 2022, respectively;
- FY2023F is to the financial year ending 31 December 2023;
- 1HY2022 and 1HY2023 are to the half financial years ended 30 June 2022 and 30 June 2023 respectively; and
- 2HY2023F is to the half financial year ending 31 December 2023,

unless otherwise indicated.

All financial amounts contained in this Prospectus are expressed in Australian dollars, unless otherwise stated. Any discrepancies between totals and sums and components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Section 4 sets out in detail the Financial Information referred to in this Prospectus. The basis of preparation of the Financial Information is set out in Section 4.2.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of International Financial Reporting Standards (**IFRS**) (as issued by the International Accounting Standards Board (**IASB**)).

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

The Financial Information in this Prospectus should be read in conjunction with, and it is qualified by reference to, the information contained in Sections 4 and 5.

Market and industry data based primarily on management estimates

This Prospectus (and in particular Section 2) contains data relating to the industries, segments, sectors and channels in which the Company operates (**Industry Data**).

Unless otherwise stated, the Industry Data has been prepared by the Company using both publicly available and internally generated data (including acquired or commissioned industry research). The Company's internally generated data is based on estimates and assumptions that both the Directors and the Company's management believe to be reasonable, as at the Prospectus Date.

Important notices continued

The Industry Data has not been independently prepared or verified and none of the Company or the Lead Manager can assure you as to its accuracy or the accuracy of the underlying assumptions used to estimate such Industry Data to the extent such Industry Data is not internally generated. The Company's estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 5.

Investors should note that industry and sector data and statistics are inherently predictive, subject to uncertainty and not necessarily reflective of actual industry or market conditions.

In addition to the Industry Data, this Prospectus uses third-party data, estimates and projections. There is no assurance that any of the third-party data, estimates or projections contained in this Prospectus will be achieved. The Company has not independently verified such information. Estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 5.

Obtaining a copy of this Prospectus

This Prospectus is available in electronic form to Australian residents on the Company's offer website, <https://events.miraqle.com/enlitic-ipo>. The Offer constituted by this Prospectus in electronic form is available only to Australian residents accessing the website within Australia and is not available to persons in any other jurisdictions, including the United States.

A hard copy of the Prospectus is available free of charge during the Offer Period to any person in Australia by calling the Enlitic Offer Information Line on 1800 131 904 (toll-free within Australia) or +61 1800 131 904 (outside Australia) between 8.30am and 5.30pm (Melbourne time), Monday to Friday (excluding public holidays).

Applications for CDIs may only be made on the Application Form attached to, or accompanying, this Prospectus in its hard copy form, or in its soft copy form available online at <https://events.miraqle.com/enlitic-ipo>, together with an electronic copy of this Prospectus. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus.

No cooling off rights

Cooling off rights do not apply to an investment in CDIs pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

No offering where illegal

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the CDIs or the Offer, or to otherwise permit a public offering of the CDIs in any jurisdiction outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. In particular, the CDIs have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State of the United States, and may not be offered or sold, directly or indirectly, in the United States, or to or for the account or benefit of, a U.S. Person, except transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and any other applicable United States securities laws. In addition, any hedging or similar transactions in the CDIs may not be conducted unless in compliance with the U.S. Securities Act. The Offer is not being extended to any investor outside Australia, other than to certain Institutional Investors as part of the Institutional Offer.

See Section 9.14 for more detail on selling restrictions that apply to the Offer and sale of CDIs in jurisdictions outside Australia.

FOR U.S. Restrictions

The CDIs being offered pursuant to this Prospectus are being made available to investors in reliance on the exemption from registration contained in Regulation S of the U.S. Securities Act for offers which are made outside of the United States. As a result of relying on the Regulation S exemption, the CDIs which are issued under Regulation S and the Offer will be "restricted securities" under Rule 144 of the U.S. Securities Act. This means that investors in the Offer will not be able to sell the CDIs issued to them under the Offer into the United States or to a U.S. Person for a period of 12 months from the date of allotment of the CDIs under the Offer, unless the resale of the CDIs is registered under the U.S. Securities Act or an exemption is available. Please refer to Section 9.8 for further information.

To enforce the above transfer restrictions, the Company will request that all CDIs issued under the Offer, or any Shares to which the CDIs have been converted prior to the end of the restriction period, contain a legend to the effect that transfer is prohibited except in accordance with Regulation S of the U.S. Securities Act, or pursuant to an available exemption from registration; and that hedging transactions involving the CDIs, or any Shares into which CDIs may be converted, may not be conducted unless in compliance with the U.S. Securities Act.

In addition, the Company will request that all CDIs issued under the Offer bear a "FOR U.S." designation on the ASX. This designation effectively automatically prevents any CDIs from being sold on the ASX to investors that are U.S. persons. However, investors will still be able to freely transfer their CDIs on ASX to any person other than a U.S. person. Please refer to Section 9.8 for further information on the FOR U.S. restrictions which will be placed on the CDIs. Finally, all investors subscribing for CDIs under the Offer from outside the United States will be required to make certain representations and warranties regarding their non-U.S. status in their Application for CDIs under the Offer. Please refer to Section 9.8(c) for further information.



Regulation

As Enlitic is not incorporated in Australia, its general corporate activities (apart from any offering of securities in Australia) are not regulated by the Corporations Act or by ASIC but instead are regulated by Delaware General Corporation Law (DGCL) and all applicable U.S. securities laws. Please refer to Section 9.7 for information regarding the comparative differences between the U.S. and Australian law. Investors may consider these differences to be material to their investment decision.

Privacy

By completing an Application Form, you are providing personal information to the Company through the CDI Registry, which is contracted by the Company to manage Applications. The Company and the CDI Registry on its behalf, and their agents and service providers may collect, hold, disclose and use that personal information to process your Application, service your needs as a CDI Holder or Shareholder (as applicable), provide facilities and services that you request and carry out appropriate administration, and for other purposes related to your investment listed below.

If you do not provide the information requested in the Application Form, the Company and the CDI Registry may not be able to process or accept your Application.

The Company may require information about you (including your name, address, and details of the CDIs you hold) for the purpose of maintaining these registers. More information about these registers is included in Section 7.13.

The Company and the CDI Registry may disclose your personal information for purposes related to your investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth):

- the CDI Registry for ongoing administration of the CDI register;
- the Lead Manager to assess your Application;
- printers and other companies for the purposes of preparation and distribution of documents and for handling mail;
- market research companies for analysing the Company's CDI Holder base; and
- legal and accounting firms, auditors, management consultants and other advisers to the Company for administering, and advising on, the CDIs and associated actions.

The Company's agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

You may request access to your personal information held by or on behalf of the Company. You may be required to pay a reasonable charge to the CDI Registry in order to access your personal information.

You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the CDI Registry as follows:

Telephone: (toll-free within Australia)
1800 131 904

(outside Australia)
+61 1800 131 904

Address: Level 12, 680 George Street
Sydney, NSW 2000

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the CDI Registry if any of the details you have provided change.

Financial Services Guide

The provider of the Independent Limited Assurance Report on the Financial Information is required to provide Australian retail clients with a Financial Services Guide in relation to that review under the Corporations Act. The Independent Limited Assurance Report and accompanying Financial Services Guide are provided in Section 8.

Intellectual Property

This Prospectus may contain trademarks of third parties, which are the property of their respective owners. Third-party trademarks used in this Prospectus belong to the relevant owners and use is not intended to represent sponsorship, approval, or association by or with us.

Company website

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred to in this Prospectus, is incorporated in this Prospectus by reference.

Defined terms and abbreviations

Defined terms and abbreviations used in this Prospectus, unless specified otherwise, have the meaning given in the glossary in Schedule 1. Unless otherwise stated or implied, references to times in this Prospectus are to Melbourne time.

Unless otherwise stated or implied, references to dates or years are calendar year references.

Currency

References to 'A\$' or 'AUD' are references to Australian currency, unless otherwise stated. References to 'US\$' or 'USD' are references to United States currency, unless otherwise stated. References to 'CAD' are to Canadian currency, unless otherwise stated.

Where an amount has been converted from AUD to USD, the exchange rate of US\$1:A\$1.56 has been applied, unless otherwise stated. The amount when expressed in USD or AUD may change as a result of fluctuations in the exchange rate between those currencies.

Questions

If you have any questions in relation to the Offer, contact the Enlitic Offer Information Line during the Offer Period on 1800 131 904 (toll-free within Australia) or +61 1800 131 904 (outside Australia) between 8.30am and 5.30pm (Melbourne time), Monday to Friday (excluding public holidays).

This document is important and should be read in its entirety.

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Chairman's letter



Dear Investor,

On behalf of our board of directors, it is my pleasure to invite you to become a CDI Holder in Enlitic, Inc., (**Enlitic**) and join us in the next phase of our exciting journey.

Enlitic is a software development company that uses artificial intelligence to develop software products that manage medical imaging data in radiology (such as MRI, CT, X-ray and ultrasound images) and licences such products to healthcare providers. Enlitic focuses the power of artificial intelligence into data management applications, enabling improved administration, processing and sharing of patient data throughout the healthcare ecosystem. We seek to empower evidence-based decision-making, enhance research and transform healthcare delivery by unlocking healthcare data's value via a real-world evidence medical imaging database and developing a universal data model.

Enlitic adopts an AI-driven data management approach to establish standardised study and series descriptions for medical imaging data in radiology. This standardisation impacts various aspects across the enterprise, from optimising radiologists' workflow and enhancing researchers' data utilisation to streamlining workflow orchestration and implementing data monetisation strategies. Through ensuring the uniformity of medical image data, data quality is improved, leading to better and more efficient decision-making and analysis.

Moreover, Enlitic employs AI to effectively de-identify patient studies and safeguard patient privacy, all whilst preserving crucial clinical information. This de-identification process enhances the data by removing sensitive details, making it even more valuable for enterprise-wide strategies and fostering data-driven insights without compromising patient confidentiality. Enlitic is also actively developing solutions that utilise computer vision and natural language processing to identify discrepancies in coding and billing, capturing potential lost revenues.

Enlitic successfully launched its inaugural products, ENDEX™ and ENCOG™, in 2022 and 2023 respectively. Since this launch, Enlitic has commenced generating revenue and is actively seeking additional revenue streams by pursuing its pipeline of potential client opportunities. Numerous opportunities are moving through the sales cycle and are actively being progressed by the Company with the potential to result in further contracted revenues.

Enlitic currently generates revenue through a Software as a Service business model and currently has 8 contractual agreements in place. As we continue to expand our product offerings and scale our operations, we hold the belief that Enlitic can grow both its top-line and bottom-line performance.

Enlitic is led by a highly experienced management team who have a genuine passion, deep knowledge and extensive experience in the healthcare radiology space, ranging from technology start-ups to major solution providers. The Company's Board has extensive experience in private and ASX-listed companies, and in creating shareholder wealth.

The Company was recognised as one of the 50 Smartest Companies in 2016 by MIT Technology Review and won the €1M prize for its deep learning technology at the CUBE Tech Fair in 2017. This technology has served as the foundation for over sixty patents and the development of the Company's product portfolio.

Under the Offer, Enlitic is seeking to raise gross proceeds of up to approximately A\$35 million via the issue of up to 42,168,675 CDIs at an issue price of A\$0.83 per CDI. Funds raised under the Offer will be used, among other things, to progress Enlitic's research and development program and commercialisation plans through sales and marketing, as set out in further detail in Section 7.1.

This Prospectus has important information relating to the Offer and should be read in its entirety. The key risks associated with an investment in Enlitic are outlined in Section 5 of this Prospectus and should be read in detail. An investment in Enlitic should be considered speculative.

We look forward to welcoming you as a CDI Holder.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Gozlan'.

Lawrence B. Gozlan
Chairman

Important dates

Prospectus lodgement date	22 November 2023
Offer Period opens	24 November 2023
Offer Period closes	5 December 2023
Settlement	12 December 2023
Issue of CDIs (Completion)	13 December 2023
Expected dispatch of holding statements	18 December 2023
Expected commencement of trading of CDIs on ASX on a normal settlement basis	18 December 2023

DATES MAY CHANGE

The dates above are indicative only and may change without notice.

The Company, in consultation with the Lead Manager, reserves the right to vary the times and dates of the Offer, including, subject to the Corporations Act and Listing Rules, to close the Offer early, extend the Offer or to accept late Applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without notification to any recipient of this Prospectus or any Applicants. Applications received under the Offer are irrevocable and may not be varied or withdrawn except as required by law. If the Offer is cancelled or withdrawn before the issue of CDIs, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens.

HOW TO INVEST

Applications for CDIs can only be made by completing and lodging the Application Form (other than as expressly provided in this Prospectus).

Instructions on how to apply for CDIs are set out in Section 7 and on the back of the Application Form.

QUESTIONS

If you have any questions in relation to the Offer, contact the Enlitic Offer Information Line during the Offer Period on 1800 131 904 (toll-free within Australia) or +61 1800 131 904 (outside Australia) between 8.30am and 5.30pm (Melbourne time), Monday to Friday (excluding public holidays). If you are unclear in relation to any matter, or you are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant, or other independent and qualified professional adviser before deciding whether to invest.

Key Offer statistics



Offer Price	A\$0.83 per CDI
Ratio of CDIs per Share	1 CDI per Share
Minimum Subscription under the Offer	A\$20 million
Maximum Subscription under the Offer	A\$35 million

	MINIMUM SUBSCRIPTION (A\$20 MILLION)	MAXIMUM SUBSCRIPTION (A\$35 MILLION)
Total number of CDIs available under the Offer	24,096,386	42,168,675
Number of Shares on issue at Completion	85,003,253	103,075,542
Indicative market capitalisation on Completion at the Offer Price	Approximately A\$70,552,700	Approximately A\$85,552,700
Pro forma net debt/(cash) at Completion	Approximately A\$(18,400,000)	Approximately A\$(32,445,000)
Enterprise Value at Completion	Approximately A\$52,152,700	Approximately A\$53,107,700



1.

Investment overview

1. Investment overview



1.1 INTRODUCTION

TOPIC	SUMMARY	FOR MORE INFORMATION
Who is the issuer of this Prospectus?	Enlitic, Inc., a company incorporated in Delaware, U.S.A., (ARBN 672 254 027).	
What does Enlitic do?	<p>Enlitic is a software development company that uses artificial intelligence to develop products that manage medical imaging data in radiology (such as MRI, CT scans, X-ray and ultrasound images) and licences such products to healthcare providers.</p> <p>The Enlitic solution is built upon a software framework, creating a network between applications. It houses an ecosystem that enables and supports the exchange of information or content between different interdependent applications. The framework facilitates communications between modalities, Enlitic applications, Electronic Medical Records and PACS. It features a host of AI-powered applications that enable data standardisation, de-identification, anonymisation and workflow simplification.</p>	Section 3.1
What is Enlitic's product offering?	<p>Enlitic currently offers the following key products:</p> <ol style="list-style-type: none"> 1. ENDEX™ – a medical imaging solution that standardises and structures data from medical images (see Section 3.3(a) for further information). This is Enlitic's core product; and 2. ENCOG™ – de-identifies medical imaging data (see Section 3.3(b) for further information). <p>Enlitic also has in development the following two products:</p> <ol style="list-style-type: none"> 1. ENCODE™ – will seek to improve data quality that impacts coding and reimbursement (see Section 3.3(c) for further information). ENCODE is still under development and is expected to be released in the second half of 2024; and 2. ENSIGHT™ – will seek to leverage interoperability with data analysis (see Section 3.3(d) for further information). ENSIGHT is still under development and is expected to be released in the second half of 2025. <p>Depending on the amount of funds raised under the Offer, the timing for the development of the ENCODE and ENSIGHT products may to some extent be contingent on the ability of the Company to raise further funds in the future. Refer to Section 5.1(a) for the risks regarding the Company's ability to raise further funds.</p>	Section 3.3

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
How do AI techniques apply to Enlitic's product offering?	<ul style="list-style-type: none">• ENDEX – ENDEX uses computer vision to analyse the gross anatomy of a medical image and determine the body part, presence of contrast and laterality. Using natural language processing, ENDEX analyses the metadata and determines modality, patient information, acquisition parameters and other relevant text-based data about the study and series. Fusing these analyses together, the inference engine can create a standardised study and series description whereby every study with the same characteristics is named the same. Similarly, every series acquired with the same acquisition parameters are labelled the same.• ENCOG – ENCOG uses computer vision and natural language processing to detect and protect PHI found in burned-in pixel data or DICOM and image metadata, all whilst preserving clinical relevance, enabling data to be used for research and analysis. The fusion of computer vision and natural language processing analysis allows the ENCOG inference engine to identify protected health data and, based on the type of data (patient name, ID, date of birth, acquisition date) protect the data using different data protection techniques such as randomisation, pseudonymisation, aggregation, tokenisation, data masking or redaction and encryption.• ENCODE – ENCODE will look to use computer vision and natural language processing to determine what the originally coded exam was (natural language processing the original order) and will compare it against the study and series acquired (using computer vision and natural language processing on pixel and metadata) to determine if they match. For example, a study that was coded as a routine Head CT (without contrast) but has contrast applied due to an incidental finding during the exam is identified as a discrepancy and the provider can correct the coding so that accurate billing may be submitted.• ENSIGHT – ENSIGHT will look to use computer vision models, and natural language processing models to analyse the studies acquired at a facility and create a registry of studies, capturing all the relevant data about the studies. A user can then inquire of ENSIGHT for specific datasets, for example all 45–55 year old female patients with a positive lung nodule. ENSIGHT's analytical capabilities will seek to find all patients matching that criterion and pull the studies from their storage location to the user requesting studies. ENSIGHT will seek to manage only the metadata associated with these imaging studies so that the facility maintains control over their data (as no data is moved until requested) and there is no need for large, duplicated storage systems.	Section 3.3



TOPIC	SUMMARY	FOR MORE INFORMATION
What is Enlitic's history?	<p>Enlitic was founded in 2014. Initially, Enlitic developed a radiology point solution featuring numerous AI algorithms focusing on detecting X-ray pathologies. During this period, the Company recognised the importance of addressing issues related to missing, inaccurate, or non-standardised study and series descriptions in medical images.</p> <p>As a result, in 2019, Enlitic shifted its approach to focus on commercialising data management applications that utilised its existing AI algorithms for image recognition. The Company spent the next 3 years researching and developing a product which could standardise data from medical images to fit within a defined, consistent, clinically relevant framework and launched its first commercial product, ENDEX in 2022. To further enhance Enlitic's data management capabilities and expand its product portfolio, it launched ENCOG in 2023.</p> <p>Enlitic has successfully deployed its technology in private radiology reading groups across Europe, the United Kingdom, and healthcare providers in the United States. By partnering with entities in the United States and Japan, the Company is expanding its reach through reseller agreements.</p>	Section 3.2
What is the industry in which Enlitic operates?	<p>Enlitic operates in the global healthcare IT market, which is comprised of businesses that provide products and services for the healthcare sector, such as software, mobile and tele-health technology, cloud-based services, medical devices, remote monitoring devices and assistive technologies. Within this global healthcare IT market, Enlitic specifically operates within the radiology sub-sector. This sub-sector encompasses companies that create and sell products such as PACS, radiology imaging systems, vendor neutral archives and advanced visualisation tools.</p> <p>Enlitic leverages artificial intelligence (AI) in its software products to solve workflow and capacity challenges experienced in radiology departments. AI refers to the simulation of human intelligence in machines or computer systems that can perform tasks that typically require human intelligence. AI enables machines to learn from experience, adapt to new situations, and perform tasks with human-like abilities such as problem-solving, decision-making, speech recognition, language translation, and visual perception. AI systems are designed to mimic human cognitive functions.</p> <p>AI techniques include machine learning, where systems learn from data and improve their performance over time, natural language processing, which enables computers to understand and respond to human language, and computer vision, which allows machines to interpret and make decisions based on visual data.</p>	Section 2.1

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the radiology ecosystem?	<p>The radiology ecosystem can be broken up into two main groups, these being:</p> <ul style="list-style-type: none"> • Healthcare institutions (Enlitic's end users); and • Channel partners (Enlitic's customer acquisition channels). <p>Healthcare institutions can be further broken down into health systems/hospitals and private radiology/teleradiology reading groups.</p>	Section 2.3
What is the global opportunity?	<p>The emergence and growth of AI in the global healthcare IT market, and more specifically, the radiology sub-sector, is being driven by the application of machine learning technology in diagnostic imaging procedures, as well as the rising demand for quantitative medical imaging solutions in clinical practices.</p>	Section 2.4
What does Enlitic's competitive landscape look like?	<p>Currently, Enlitic believes there are no competitors to Enlitic's ENDEX product in the global healthcare IT market in the radiology sub-sector. However, with respect to Enlitic's current or proposed offerings in relation to anonymisation, billing/coding and real-world evidence, there are other competitors. The competitive landscape for Enlitic's products is important to define and helps illustrate Enlitic's competition.</p> <ul style="list-style-type: none"> • Data Standardisation – various organisations, initiatives and technical standards aimed at establishing consistent and interoperable data exchanges within the healthcare and radiology sectors; • Anonymisation – providers of PACS and other vendors provide forms of anonymisation tools and research databases to create anonymisation tools; • Billing/Coding – to mitigate the manual workflow and streamline the coding aspect of the billing process, providers are exploring the potential of automation technologies such as AI and machine learning; and • Real-World Evidence – real-world evidence market is in its early days of development, however, multiple image storage and image exchange vendors are expected to enter the market in the near term. 	Section 2.5



TOPIC	SUMMARY	FOR MORE INFORMATION
What are Enlitic's barriers to entry?	<p>The global healthcare IT market has numerous barriers to entry that can make it challenging for new companies or start-ups to establish themselves. These barriers include:</p> <ul style="list-style-type: none">• Regulatory Compliance;• Technical Expertise;• Research and Development Costs;• Intellectual Property and Patents; and• Market Acceptance.	Section 2.6
How does Enlitic intend to fund its operations?	<p>To date, Enlitic has funded its operations principally through debt funding, issuing securities, seeking research and development tax refunds and by applying for grants. Enlitic is not yet profitable and has historically incurred losses.</p> <p>Going forward, the funds raised from the Offer (together with the Company's existing cash reserves) is expected to fund Enlitic's operations for the period of 15–18 months from Listing. It is likely that the Company will require further financing to meet its business objectives beyond this period. There can be no assurance that such further financing can be obtained on favourable terms, or at all.</p>	Sections 5.1(a), 5.1(d) and 7.1(b)
Will Enlitic pay dividends?	<p>The payment of dividends by the Company is at the complete discretion of the Directors. Given Enlitic's development stage, the Directors have no current intention to declare and pay a dividend.</p> <p>In determining whether to declare future dividends, the Directors will have regard to Enlitic's earnings, overall financial condition and capital requirements. Whilst Enlitic does not anticipate declaring any dividends in the foreseeable future, should it do so, investors should note the taxation implications as set out in detail in Section 9.12 and 9.13.</p> <p>There is no certainty that the Company will ever declare and pay a dividend.</p>	Section 4.10

1. Investment overview continued

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TOPIC	SUMMARY	FOR MORE INFORMATION					
What is the Company's financial position before and after the Offer?	The below table presents the statement of financial position as at 30 June 2023, shown on both a statutory and pro forma basis, adjusted for the impact of the Offer.	Section 4.5					
	Statutory and Pro Forma Historical Statement of Financial Position						
			STATUTORY HISTORICAL	MINIMUM SUBSCRIPTION	MAXIMUM SUBSCRIPTION	MINIMUM SUBSCRIPTION	MAXIMUM SUBSCRIPTION
			Reviewed Balance Sheet 30 Jun 2023	Pro forma Adjustments	Pro forma Adjustments	30 Jun 2023 Pro forma	30 Jun 2023 Pro forma
	US\$'000						
	Cash and cash equivalents		6,545	10,821	19,854	17,366	26,399
	Total Assets		7,233	10,821	19,854	18,054	27,087
Total liabilities	(1,481)	–	–	(1,481)	(1,481)		
Net assets	5,752	10,821	19,854	16,574	25,606		
Total equity	5,752	10,821	19,854	16,574	25,606		
Why is the Offer being conducted?	The Offer is being conducted to:	Section 7.1(b)					
	<ul style="list-style-type: none">• provide the Company with continued and easier access to equity capital;• provide Existing Shareholders with liquidity;• allow the Company to motivate its staff with equity-based remuneration more effectively as an ASX-listed company;• pursue its growth strategy and expenditure program, including:<ul style="list-style-type: none">– further development of Enlitic's product range and core technology platform, including the development of the ENCODE and ENSIGHT products currently under development and generating improved accuracy and precision with ENDEX; and– sales growth and market penetration through business development activities in the United States, Europe, and other critical markets, including the expansion of Enlitic's sales force, product management and implementation, support, and education of sales partners; and• pay the costs of the Offer.						

1. Investment overview continued

1.2 KEY FEATURES OF BUSINESS MODEL

TOPIC	SUMMARY	FOR MORE INFORMATION
What is Enlitic's business model?	<p>The key premises of Enlitic's business model are:</p> <ul style="list-style-type: none">• AI-Driven Medical Imaging: Enlitic's core premise is to leverage advanced AI algorithms and deep learning techniques to analyse medical images with high accuracy and efficiency. Enlitic aims to revolutionise the data management process, leading to improved data quality and more effective healthcare delivery by using AI.• Improved Diagnostic Workflow: Enlitic's business model is built on the premise of enhancing diagnostic workflows and expanding capacity through AI-driven medical imaging analysis. Enlitic aims to aid in more timely diagnoses by providing valuable insights to healthcare professionals and assisting with their workflow.• Partnerships and Collaborations: Enlitic aims to collaborate with healthcare institutions, research centres, and industry partners to validate and implement AI solutions. The Company aims to ensure its technologies align with real-world medical practices and add value to the healthcare ecosystem by establishing strategic partnerships.• Data Security and Privacy: Enlitic places a strong emphasis on data security and patient privacy. Enlitic's business model centres on complying with relevant healthcare regulations and implementing robust data security measures to safeguard sensitive medical information.• Continuous R&D and Improvement: Enlitic's business model involves ongoing research and development efforts to advance AI algorithms continually. The Company aims to continually enhance the performance and capabilities of its solutions by staying at the forefront of AI technology and medical research.• Global Reach and Scalability: Enlitic's business model is designed to have a global reach, allowing it to serve healthcare organisations and providers worldwide. The AI-driven technology is scalable, positioning the Company to be capable of addressing the healthcare needs of diverse populations and regions. <p>There are numerous assumptions underpinning Enlitic's business model, including regarding Enlitic's customer opportunity pipeline, available revenue streams, target customer segments, key partnerships and customer acquisition channels, marketing activities, intellectual property and research and development program as discussed in further detail in Section 3.5.</p>	Section 3.5



TOPIC	SUMMARY	FOR MORE INFORMATION
How does Enlitic generate revenue?	<p>Enlitic currently follows a subscription-based revenue model with contracts typically having a three-year term with a renewal mechanism.</p> <p>This structure provides customers with continuous access to services while offering predictability and stability for both Enlitic and the customer. The subscription fee for each agreement is negotiated on a customer-by-customer basis having regard to relevant circumstances.</p> <p>ENSIGHT (once launched), however, is currently proposed to be deployed as a revenue sharing model with upfront costs incurred by the client.</p> <p>Enlitic sells its products via direct sales, original equipment manufacturers (OEM), distribution partners and AI platform vendors. Enlitic plans to expand this network to also include data migration vendors and data vendors.</p>	Section 3.5
Who are Enlitic's key target customer segments?	<p>Enlitic seeks to expand its existing customer base of healthcare provider end users and distribution partners. The Company's primary target markets are large and medium healthcare institutions across the health systems/hospitals and private radiology/teleradiology reading markets.</p>	Section 3.5(c)
What is Enlitic's growth strategy?	<p>Enlitic expects growth opportunities for the Company will come through five key areas described below:</p> <ol style="list-style-type: none"> 1. New customers: Enlitic is targeting to grow its underlying customer base in the short term via executing on its pipeline of customer opportunities. 2. Increased volumes: Enlitic will seek to drive additional revenue through increasing volumes within its growing customer base. 3. New solutions: Enlitic seeks to create cross-selling and up-selling opportunities as the Company establishes relationships with customers, as well as offer complementary products or services, increasing overall sales and customer loyalty. 4. Revenue sharing: Enlitic is working with customers to develop a data monetisation strategy in collaboration with healthcare providers. By standardising and de-identifying data on behalf of the customer, Enlitic expects to be positioned to broker the sale of data to those companies in need, namely AI vendors and pharmaceutical manufacturers. 5. M&A opportunities: Enlitic will continue to monitor potential adjacent opportunities across new geographies, service capabilities and industry segments. As part of any expansion into these adjacencies, Enlitic may from time to time consider the merits of strategic bolt-on opportunities to accelerate growth. 	Section 3.6
What is the regulatory framework in which Enlitic operates?	<p>To the extent any Enlitic product is required to be registered as a medical device, the Company complies with the relevant regulatory requirements. Enlitic is ISO 13485 MDSAP/EN ISO 13485 certified and ENDEX complies with the medical device and registration requirements as a class 1 medical device for the United States, Europe, the United Kingdom, Australia, New Zealand, and Japan.</p>	Section 3.3

1. Investment overview continued

1.3 KEY INVESTMENT HIGHLIGHTS

TOPIC	SUMMARY	FOR MORE INFORMATION																
AI's opportunity within the radiology workflow process	<p>As demand for medical imaging has grown over the last few decades, industry stakeholders have increasingly embraced new and innovative products and services to improve operational functions, increase efficiency and enhance patient experience and outcomes. Whilst these have undoubtedly had a net beneficial impact on the industry, the evident by-product has been a dramatic increase in radiology workflow complexity.</p> <p>In Enlitic's view, AI and machine learning opportunities exist at all levels of the radiology workflow process and these will be important in achieving efficiency improvements. Key areas that AI and machine learning are proving to be well suited towards include automating repetitive tasks, which reduces the administrative burden on clinicians and can even assist in diagnosis for patients.</p>	Section 2.2																
Enlitic's opportunity for ENDEX	<p>Due to the diversity of customer segments in the market in which Enlitic operates and the variety of end-user markets the Company seeks to serve, Enlitic believes the most appropriate way to represent the potential market opportunity is to establish a Total Serviceable Market (TSM) of the radiology sub-sector of the global healthcare IT market. This TSM specifically relates to the serviceable market for Enlitic's core product, ENDEX, and does not include any other current or future Enlitic service offerings.</p> <p>The TSM for ENDEX has been calculated by multiplying its estimated average annual recurring revenue (Average ARR) per customer agreement by the estimated number of healthcare institutions within Enlitic's assumed serviceable market for each of the health systems/hospitals and private radiology/teleradiology reading rooms. The following sets out the individual values for these calculations:</p> <table><tr><th>CATEGORY</th><th>AVERAGE ARR</th><th>ESTIMATED NO. OF INSTITUTIONS</th><th>TSM</th></tr><tr><td>Health systems/hospitals</td><td>US\$252,000</td><td>12,207</td><td>US\$3.1 billion</td></tr><tr><td>Private radiology/ teleradiology reading rooms</td><td>US\$252,000</td><td>2,544</td><td>US\$641 million</td></tr><tr><td>Total</td><td>–</td><td>14,751</td><td>US\$3.7 billion</td></tr></table> <p>For a more detailed breakdown on each respective market please refer to Section 2.4(b).</p> <p>The estimate of US\$252,000 per customer agreement has been based on data available from Enlitic's existing customer agreements and the anticipated value of the 118 customer pipeline opportunities for ENDEX (see Section 3.5(f)) for further information in respect of the pipeline).</p>	CATEGORY	AVERAGE ARR	ESTIMATED NO. OF INSTITUTIONS	TSM	Health systems/hospitals	US\$252,000	12,207	US\$3.1 billion	Private radiology/ teleradiology reading rooms	US\$252,000	2,544	US\$641 million	Total	–	14,751	US\$3.7 billion	Section 2.4
CATEGORY	AVERAGE ARR	ESTIMATED NO. OF INSTITUTIONS	TSM															
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Private radiology/ teleradiology reading rooms	US\$252,000	2,544	US\$641 million															
Total	–	14,751	US\$3.7 billion															



TOPIC	SUMMARY	FOR MORE INFORMATION
Key channel partners supporting growth	<p>Channel partners are the most diverse group within the radiology ecosystem and are responsible for the construction of hardware, development of software and movement of information across the industry. They have deep penetration into healthcare institutions, both large and small, and underpin the radiology ecosystem in its entirety.</p> <p>These channel partners are key to companies such as Enlitic as they act as providers, vendors, retailers or agents in the on-selling of services, products or technologies, but are not direct end users of Enlitic products. Instead, they provide significant resources and act as a link between the Company and further end users who might otherwise be unavailable.</p> <p>Enlitic's key channel partners are:</p> <ul style="list-style-type: none">• Original equipment manufacturer (OEM) partners;• Distribution partners;• AI platform vendors;• Data migration vendors; and• Data vendors. <p>Looking at use cases, Enlitic's partnership with Marubeni has led to the distribution agreement with Clairvo Technologies, a wholly-owned subsidiary of Marubeni. This partnership is expected to aid the ENDEX product expansion in Japan (refer to Section 9.9 for a description of the Company's arrangements with Marubeni).</p>	Sections 2.3(b) and 3.5(d)
High quality and experienced board and executive management	<p>The Board and executive management bring to Enlitic relevant experience and skills, including sector and business knowledge, financial management and corporate governance experience.</p>	Section 6

1. Investment overview continued

1.4 KEY RISKS

TOPIC	SUMMARY	FOR MORE INFORMATION
Future funding requirements and ability to access capital markets	<p>Enlitic believes that, on Completion of the Offer, it will have sufficient working capital to meet its operational requirements and business objectives over the period of 15–18 months from Listing, and that it is likely that it will require further financing to meet its business objectives beyond this period. There can be no assurance that such further financing can be obtained on favourable terms, or at all.</p> <p>If Enlitic cannot raise funds on acceptable terms, it may not be able to meet its business objectives, grow its business or respond to competitive pressures beyond the indicated period. This may force curtailment of product development and other growth initiatives, operations, or both, or may adversely impact the ability of Enlitic to remain solvent and may force Enlitic to either dispose of operating assets or close entirely. See Section 5.1(e) below in respect of the risk of insolvency.</p> <p>If Enlitic seeks to raise further funds by the issue of new CDIs or Shares (as applicable), this may result in dilution for some or all CDI Holders or Shareholders (as applicable) from Completion of the Offer.</p> <p>Additionally, Enlitic may rely on debt funding to help fund its business operations in the future. If debt funding is used in the future, the Company will face refinancing risk if it is unable to refinance its debt when it falls due. If this occurs, the terms available to Enlitic (including in relation to pricing) on refinancing with a new debt facility may not be as favourable as those under its existing debt facilities at the time and, if there is a deterioration in the level of debt market liquidity, this may prevent the Company from being able to refinance some or all its debt.</p>	Section 5.1(a)
Investment highly speculative	<p>Prospective investors should consider that an investment in Enlitic is highly speculative and should consult their professional advisors before deciding whether to apply for CDIs pursuant to this Prospectus. The CDIs carry no guarantee with respect to the payment of dividends, returns on capital or the market value of those CDIs. The Company does not currently propose to pay dividends and is unlikely to pay a dividend for a period of time, if at all.</p>	Section 5.1(b)
Approval of technology	<p>There are many risks associated with the development of new technology, particularly in the health sector where regulatory and safety standards are paramount. While Enlitic already complies with the relevant regulatory requirements for registration of medical devices in the jurisdictions in which it sells or distributes its products, the regulatory landscape may change or the various approvals required could restrict Enlitic from making certain changes to its product suite or introducing new products.</p>	Section 5.1(c)



TOPIC	SUMMARY	FOR MORE INFORMATION
Future profitability	<p>Enlitic is still in the early stages of sales and commercialisation of its product offering. To date, it has funded its operations principally through debt funding, issuing securities, seeking research and development tax refunds and by applying for grants. Like many early-stage healthcare technology companies, Enlitic is not yet profitable and has historically incurred losses.</p> <p>There is no guarantee that Enlitic will be able to grow its product sales in any jurisdiction. If Enlitic fails to penetrate the Australian and international markets further, it may never become profitable. Additionally, while Enlitic has identified a pipeline of potential customer opportunities (refer to Section 3.5), there is no guarantee that these opportunities will progress to End User Licence Agreements or generate any revenue for Enlitic.</p>	Section 5.1(d)
Solvency	<p>As noted above, Enlitic has historically incurred losses and negative cash flows, and expects ongoing losses and negative cash flows. This is a key driver for Enlitic likely needing to raise future funding in the longer term as described in the risk factor at Section 5.1(a).</p> <p>If Enlitic is unable to generate cash inflows, raise sufficient funds on acceptable terms or access available funding alternatives to meet its longer term future working capital requirements (i.e. beyond 15–18 months from Listing), there is a real risk that, following use of funds raised under the Offer, Enlitic’s ability to continue as a going concern will be adversely affected, with the attendant risk of becoming insolvent.</p>	Section 5.1(e)
Concentration of customers	<p>Enlitic’s customer base currently consists of healthcare providers and distribution partners. Enlitic’s offering to any one of these customers can generate a large proportional amount of revenue, and accordingly, the financial performance of Enlitic is susceptible to the loss of one or more of these customers.</p> <p>Enlitic’s current customers are within the United States, Europe, the United Kingdom, Australia and New Zealand, with distribution channels into Japan. The expansion beyond these jurisdictions may expose Enlitic to risks relating to managing cross-border operations, including but not limited to, staffing, increased costs to protect intellectual property, differing and potentially adverse tax consequences, increased and conflicting regulatory compliance requirements and political instability. Accordingly, any efforts to establish Enlitic’s customer base beyond the existing jurisdictions may not be successful and this, in turn, may materially affect the Company’s ability to implement its growth strategy and financial performance.</p> <p>Additionally, due to the concentration of Enlitic’s customer base, there is an inherent risk that these customers are unable to secure the funding required to invest in Enlitic technologies. The delay or failure of Enlitic’s customers to pay their debts to Enlitic when due may have a material adverse impact on the Company’s future financial performance, cash flows and financial position. The Company maintains provisions for bad debt and doubtful debts, the adequacy of which is regularly reviewed. If these provisions are inadequate, there may be an adverse impact on the Company’s future financial performance and position.</p>	Sections 5.1(e) and 5.1(f)

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Use of artificial intelligence in Enlitic's product offering	<p>The Company's product offering relies on the use of artificial intelligence (AI) in data management applications. The use of AI in Enlitic's product offering can lead to potentially inaccurate or unreliable results from time to time, which can cause customer dissatisfaction and lead to the loss of future customers or termination of existing customers.</p> <p>Further, as AI technology continues to advance and while Enlitic believes there are some barriers to entry within the market in which it operates, competitors may develop AI solutions that compete with Enlitic's product offering. This could have an impact Enlitic's existing and prospective customer base as it may lose market share to competitors who are able to offer an alternative solution.</p>	Section 5.1(g)
Perception of General AI in the Market	<p>Enlitic operates in an industry where the use of AI in radiology has certain connotations of triage and pathology detection. This is not consistent with how AI is utilised in Enlitic's products.</p> <p>Enlitic's position in the market may be adversely affected if potential customers consider Enlitic to be an AI company and pigeonhole Enlitic into a category that does not address Enlitic's true enterprise capabilities. A lack of accurate market positioning has the potential to stall the Company's sales process and may adversely affect the financial performance of the Company. In addition, the Company may need to respond quickly and effectively to market perceptions to overcome the competitive pressures. This may have an adverse effect on Enlitic's financial and/or operational performance.</p>	Section 5.1(h)
Enlitic may fail to retain existing customers and attract new customers	<p>The success of Enlitic's business and implementation of its growth strategy relies on its ability to retain existing customers and attract new customers. There is no guarantee that Enlitic will be able to enter into contracts with new customers on similar terms to its existing customers (including as to initial contract term, subscription fees and renewal mechanisms) or at all. Given Enlitic's business model is currently based on subscription fee revenue, an inability to attract new customers may have a materially adverse impact on Enlitic's financial performance and cash flows.</p> <p>Additionally, Enlitic cannot guarantee that any existing or future customers will not terminate their arrangements with Enlitic during or at the end of their initial contract term or any subsequent term. There is a risk that customers may reduce or cease usage of Enlitic's offerings or that they may not increase their usage, which would result in a reduction (or limited growth) in the revenue generated by Enlitic.</p>	Section 5.1(i)



TOPIC	SUMMARY	FOR MORE INFORMATION
Integration of Enlitic products	<p>To the extent that Enlitic's offering needs to be integrated within a customer's information technology environment, there is a risk that the incorrect or improper integration or use of Enlitic software could result in customer dissatisfaction, customer data loss or corruption, and negatively affect Enlitic's business, operations, financial results and growth prospects. There is also a risk that the incorrect or improper integration or use of Enlitic software or Enlitic's failure to provide adequate integration, maintenance or support services to its customers, may adversely affect Enlitic's reputation and result in a reduction in new sales, recurring sales by existing customers and loss of customers, or negative publicity or legal claims against the Company.</p>	Section 5.1(j)
Pricing risk	<p>Enlitic currently primarily generates revenue by charging subscription fees to its customers for the length of the contract term. Enlitic's customers may try to renegotiate contract terms for more favourable terms or discounts, which would result in a direct reduction in the revenue generated by Enlitic.</p> <p>To stay competitive, Enlitic may need to adjust its pricing models, or invest significantly more in innovation and development in relation to Enlitic's products. Increases in costs of third-party software used by Enlitic and other costs of servicing Enlitic's products may decrease the margin which Enlitic can earn under its pricing models if it is unable to pass on those increases to its customers because of competitive pressures or other reasons. Further, changes in customer behaviour (including, for example, changes in demand for different products), contract terms or changes in customer preferences in how customers choose to interact with Enlitic, may adversely impact the margin Enlitic is able to achieve from its contracts. Any of these factors may adversely affect the financial performance of Enlitic.</p>	Section 5.1(k)
Failure to realise benefits from product research and development	<p>Developing software and technology is expensive and often involves an extended period of time prior to any return on investment (if at all). The continued investment in innovation and related product development opportunities is an important aspect of Enlitic's business. Enlitic believes that it must continue to dedicate resources to innovation to develop Enlitic's software and technology product offering to maintain its competitive position. Enlitic may not, however, receive benefits from this investment for several years or may not receive benefits at all.</p>	Section 5.1(l)

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Commercialisation	<p>There is a risk that Enlitic's products could lose all or part of their commerciality. This could occur because of any one of several factors, including redundancy of products due to alternate products entering the market from a competitor or otherwise. There can be no guarantee that its existing products will continue to be commercially viable. Any loss of commerciality of its products may adversely affect Enlitic's financial performance.</p> <p>In addition, the commercial success of Enlitic's new technology products is reliant on the acceptance and take-up of those products by customers. The level of market acceptance will depend on several factors including:</p> <ul style="list-style-type: none"> • completing the development and production of products in a cost effective and timely manner; • the advantages of Enlitic's products over competitors' and the pricing of Enlitic's products when compared to those of competitors; • the ability of Enlitic to successfully market the products, demonstrating safety, efficacy, and cost effectiveness; • the ability for Enlitic to scale up delivery and implementation levels to meet customer demand; • the individual preferences of the customers; and • the ability of Enlitic's products to perform to expected standards. <p>In addition, the acceptance of Enlitic's new products may be slower than expected or may not gain enough acceptance to reach sufficient critical mass for ongoing commercial production. Enlitic cannot guarantee that any products under development will result in the launch of a commercially viable or successful product.</p>	Section 5.1(m)
Ability to attract and retain skilled staff	<p>Enlitic's long-term growth and performance is dependent on attracting and retaining highly skilled staff, particularly in Enlitic's management and product development teams. Despite having structured incentive programs in place, there is a risk that Enlitic will be unable to attract and retain the necessary staff to pursue its business model, including due to competition in the market. An inability to attract or retain staff could impact management's ability to operate the business and achieve performance targets and strategic growth objectives.</p> <p>Additionally, since Enlitic relies on the technological expertise of its employees to maintain and develop intellectual property, the loss of key staff members may lead to a loss of operational knowledge, technology capabilities, key partner and customer relationships, and industry expertise, as well as delays in product launches and new features or applications.</p>	Section 5.1(n)



TOPIC	SUMMARY	FOR MORE INFORMATION
Market sizing has not been established with precision	<p>Enlitic's estimates of the size and potential value of the total serviceable market is based on internal and third-party estimates.</p> <p>While Enlitic considers the assumptions and the data underlying its estimates to be reasonable, these assumptions and estimates may not be correct and the conditions supporting its assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, the Company's estimates of the size and potential value of the total serviceable market for its current or future products may prove to be incorrect. If the actual number of facilities who would benefit from Enlitic's products, the price at which Enlitic can sell future products, or the size and potential value of the total serviceable market for Enlitic's products is smaller than the Company has estimated, it may impair Enlitic's sales growth and have an impact on its business.</p>	Section 5.1(o)
Enlitic has limited sales and marketing resources	<p>Enlitic currently has limited sales and marketing resources, and will need to, among other things, expand its sales team. It will therefore need to commit increased resources to product sales and marketing to execute its current growth strategy. There is a risk that the Company will be unable to develop sufficient sales and marketing capabilities to effectively commercialise its products.</p>	Section 5.1(p)
Competition	<p>Currently, Enlitic believes there are no competitors to Enlitic's ENDEX product in the global healthcare IT market in the radiology sub-sector. However, with respect to Enlitic's current or proposed offerings in relation to anonymisation, billing/coding and real-world evidence, there are other competitors. The competitive landscape for Enlitic's products is important to define and helps illustrate Enlitic's competition (see Section 2.5 for further details). Enlitic faces several risks in this regard, including:</p> <ul style="list-style-type: none"> • new competitors could enter the market with an incumbent install base and leverage their current technologies into that install base, affecting Enlitic's ability to engage these prospects; • existing or new competitors could offer products at lower prices, which may affect the ability of Enlitic to sustain or increase prices and attract or retain customers; • Enlitic products may fail to meet customer expectations; • Enlitic may fail to increase the adoption and usage of its products; • Enlitic may fail to anticipate and respond to changing opportunities, legislation, technology, or customer requirements in the industry as quickly as competitors; and • existing or new competitors may discover and develop new products or improve existing products, which may improve their competitive positioning relative to Enlitic. <p>Because of these risks, Enlitic's current and future technologies and products may become obsolete or uncompetitive resulting in adverse effects on revenue, margins, and profitability.</p>	Section 5.1(q)

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Protection of intellectual property rights	<p>The protection of the intellectual property relied upon by Enlitic is critical to its business and commercial success. The value of many Enlitic products depends on granted patents, trademarks, and other intellectual property rights such as licenses to exploit intellectual property rights which Enlitic may have been granted by third parties, as well as unregistered intellectual property such as know-how and trade secrets.</p> <p>If the Company is unable to protect or enforce the intellectual property rights embodied in its products, there is a risk that other companies will incorporate the intellectual property into their technology, which could adversely affect the Company's ability to compete.</p> <p>There is a risk that Enlitic may be unable to detect the unauthorised use of intellectual property rights in all instances, with respect to trade secrets and software. There is also a risk that the Company will be unable to register or otherwise protect new intellectual property rights in the future, or that the relevant intellectual property authorities may re-examine the patentability of Enlitic's licensed or owned patents.</p> <p>There is also a risk that Enlitic's intellectual property may be compromised in several ways, including:</p> <ul style="list-style-type: none"> • Enlitic's current or former employees may breach, or may have breached, requirements regarding confidentiality and the protection of intellectual property; • Enlitic's third-party vendors may gain insights into Enlitic's intellectual property, including Enlitic's proprietary systems, and use these findings to develop alternative technologies that compete with Enlitic; • unauthorised parties may obtain or copy some or all of Enlitic's intellectual property which may ultimately result in competitors adopting and commercialising such intellectual property; • competitors may develop alternative intellectual property that closely mirrors or circumvents Enlitic's intellectual property and therefore offer very similar services which are competitive to those provided by Enlitic; and/or • Enlitic's inadvertent failure to protect its intellectual property sufficiently. <p>Any such breaches or competing technologies could erode Enlitic's competitive position, which could have a material adverse impact on Enlitic's business, operating and financial performance, and/or growth.</p> <p>If Enlitic believes its intellectual property rights have been infringed, it may initiate, or otherwise be involved in litigation against third parties for infringement, or to establish the validity of Enlitic's rights. Any litigation, whether successful, could be costly, time-consuming, and potentially difficult to enforce, and would divert the efforts of its personnel.</p>	Section 5.1(r)



TOPIC	SUMMARY	FOR MORE INFORMATION
Breach of third party intellectual property rights	<p>There is a risk that third parties may allege that Enlitic (or its products) has infringed their intellectual property rights. To the extent Enlitic gains greater market visibility, Enlitic faces a higher risk of being the subject of intellectual property infringement claims.</p> <p>If a third party accuses Enlitic of infringing its intellectual property rights or commences litigation against Enlitic for patent infringement or other intellectual property rights, Enlitic may incur significant costs in defending such action. As noted above, any such litigation could be costly, time-consuming, and potentially difficult to enforce. In the event of a successful infringement claim against Enlitic, it may be required to cease certain relevant activities, pay significant damages and obtain one or more licenses from the prevailing third party, and it may be subject to an injunction preventing the supply of Enlitic's products. This could result in delays in product introductions and loss of substantial resources while it attempts to develop alternative products, which could have a significant negative effect on Enlitic's business and financial position. The Company has not budgeted for potential legal costs of intellectual property claims and significant legal costs would have a negative effect on the Company's financial position.</p>	Section 5.1(s)
Unforeseen expenditure	<p>Expenditure may need to be incurred that has not been foreseen by Enlitic, which may adversely affect the expenditure proposals of Enlitic and its proposed business plans.</p>	Section 5.1(t)
Litigation, disputes, and claims	<p>Enlitic may be subject to litigation and other disputes and claims in the ordinary course of its business, including employment disputes, contractual disputes, indemnity claims, occupational health and safety claims, or criminal or civil proceedings. Even if the Company is ultimately successful, there is a risk that such litigation, disputes or claims could materially adversely affect Enlitic's business, operating and financial performance, including as a result of the payment of any settlement sums or fines, operational impacts and reputational damage.</p> <p>As at the Prospectus Date, Enlitic is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against Enlitic.</p>	Section 5.1(u)

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Security breaches and loss of data	<p>Given the nature of Enlitic's business, it collects and stores sensitive customer information, including procedure-based information, personal and medical information, insurance information and other potentially personally identifiable information. Although Enlitic takes measures to protect sensitive information from unauthorised access or disclosure, there is a risk that any system failure of software or services provided could compromise Enlitic's data security and integrity. Similarly, deliberate, malicious, or otherwise unauthorised access or hacking of these systems or networks would similarly compromise Enlitic's security and integrity.</p> <p>There can be no assurance that the Company's efforts to detect and prevent these events will be successful, and any of these events could materially and adversely affect the Company's business, financial condition, and results of operations. These events may also expose the Company to reputational damage, legal claims, termination of customer contracts and/or regulatory scrutiny and fines.</p> <p>Additionally, any security or data issues experienced by other biotech or software companies globally could adversely impact customers' trust in providing access to sensitive data generally, which could adversely impact the Company's ability to provide its offering and generate revenue.</p>	Section 5.1(v)
Failures or disruptions in technology	<p>The Company depends on the performance, reliability, and availability of its technology systems. Enlitic may in the future experience website and cloud service disruptions, storage failures, outages, and other performance problems related to these vendors. If these services are unavailable, Enlitic could suffer interruptions to its business, damage to its reputation, be exposed to legal liability, and lose customers, all of which could negatively affect Enlitic's business.</p> <p>In addition, Enlitic relies on hosted cloud technologies provided by Amazon Web Services and may use other cloud services in the future to operate critical functions of its business and services. Any increase in price from, or termination of contracts for any reason with third party service providers could negatively impact Enlitic's operating and financial performance and reputation. In such circumstances, Enlitic may be required to undertake additional development tasks internally or find new suppliers of such services, who may offer less favourable terms.</p>	Section 5.1(w)



TOPIC	SUMMARY	FOR MORE INFORMATION
Compliance with laws and regulations	<p>Given the nature of the Company's business, it is subject to a wide range of legal and regulatory requirements which are constantly evolving, including privacy laws and intellectual property laws in numerous jurisdictions. There is potential that the Company may become subject to additional legal or regulatory requirements if its business, operations, or geographic outreach expands in the future, or if laws and regulations change in respect of the jurisdictions in which it operates.</p> <p>There is a risk that new legislation or changes to the legal and regulatory landscape may make it uneconomic for the Company to continue to operate, or expand into, those jurisdictions in accordance with its strategy. This may materially impact the Company's financial position.</p>	Section 5.1(x)
Climate risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company, including the emergence of new or expanded regulations associated with transitioning to a lower-carbon economy and market changes related to climate change mitigation.</p>	Section 5.1(y)
Insurance	<p>Enlitic plans to maintain insurance coverage that it considers appropriate for its needs. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at competitive premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate. The Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition, and results of the Company.</p>	Section 5.1(z)
Failure to identify, execute and realise benefits from M&A or strategic partnerships	<p>Enlitic may in the future pursue mergers and acquisitions (M&A), or enter strategic partnerships, in order to realise benefits. There is a risk that Enlitic may not be successful in identifying attractive opportunities, or that Enlitic's competitors are more successful in this regard. Furthermore, the identification, evaluation and negotiation of these opportunities may require significant time and effort from key members of management and employees, and may result in disruptions to the business.</p> <p>To the extent that future M&A is implemented, there is also a risk that Enlitic will be unsuccessful in integrating new businesses or assets into its existing products in a timely manner or at all, or that the new businesses or assets will not result in the anticipated benefits.</p>	Section 5.1(aa)

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Taxation risk – residency for taxation purposes	<p>A company incorporated outside of Australia will be a resident of Australia where it carries on business in Australia and has either its: (a) central management and control in Australia, or (b) voting power controlled by shareholders who are residents of Australia.</p> <p>As an entity incorporated in the United States, Enlitic is a United States tax resident. If it is also an Australian tax resident under Australia's domestic law, then it will be a dual resident. As the Double Taxation Agreement (DTA) between Australia and the United States does not contain a 'tiebreaker' provision for assigning the company's residency to one of the Contracting States, the DTA will not allocate taxing rights. Therefore, at first instance, Enlitic will need to rely on Australian or United States domestic law to prevent double taxation (for example, via a foreign tax credit or foreign income exemption).</p> <p>The consequences of Enlitic being deemed an Australian tax resident may include:</p> <ul style="list-style-type: none"> • an obligation to file an Australian corporate income tax return; • being subject to Australian taxation on income, including capital gains, from all sources, whether in or out of Australia. Enlitic may be eligible to claim a foreign income tax offset and pay 'top-up tax' (broadly calculated by reference to the difference between the Australian tax and the United States tax rate) if it were paying tax in both Australia and the United States; • being able to pass on the benefit of Australian tax paid by attaching franking credits to dividends paid; • being eligible to be a member of an income tax consolidated group; and/or • not being subject to Australia's transfer pricing provisions on transactions between Enlitic and its wholly owned Australian subsidiary. 	Section 5.1(bb)
Other key risks	<p>The above risks are a summary of some of the key risks, but not an exhaustive list of all the risks associated with the Company or an investment in the CDIs. Full details of the risks summarised in this Section 1.4 and other key risks are included in Section 5, and investors are recommended to review all those risks carefully before making an investment decision.</p>	Section 5



1.5 DIRECTORS AND SENIOR MANAGEMENT

TOPIC	SUMMARY	FOR MORE INFORMATION
Who are the proposed Directors of Enlitic from Completion of the Offer?	<p>The Directors of Enlitic from Completion of the Offer are proposed to be as follows:</p> <ul style="list-style-type: none">• Lawrence B. Gozlan – Non-executive Chairman• Riichi Yamada – Non-executive Director and nominee of Marubeni• Michael Sistenich – Executive Director; Chief Executive Officer• Sergio Duchini – Non-executive Director <p>It is proposed that Sergio Duchini will join the Board as a Non-executive Director of the Company with effect from Completion. The Company also intends to appoint an additional independent Non-executive Director following its Listing.</p>	Section 6.1
Who are the senior management of Enlitic?	<p>The key management personnel of Enlitic are as follows:</p> <ul style="list-style-type: none">• Michael Sistenich – Executive Director; Chief Executive Officer• John Marshall – Chief Operating Officer• Darren Scotti – Chief Financial Officer and Company Secretary• Dan Kozimor – Chief Technology Officer	Section 6.2

1. Investment overview continued

1.6 SIGNIFICANT INTERESTS OF KEY PEOPLE AND RELATED PARTY TRANSACTIONS

TOPIC	SUMMARY	FOR MORE INFORMATION																																																																																				
What are the interests of the Directors and proposed Directors (or their related entities) in the Company?	<table><tr><th>DIRECTOR OR PROPOSED DIRECTOR*</th><th colspan="2">INTERESTS AS AT PROSPECTUS DATE</th><th colspan="2">% AS AT PROSPECTUS DATE</th><th colspan="2">% AS AT COMPLETION¹</th></tr><tr><th></th><th>Shares</th><th>Options/Warrants</th><th>Un-diluted</th><th>Fully diluted</th><th>Un-diluted</th><th>Fully diluted</th></tr><tr><td colspan="7">Minimum Subscription (A\$20 million)</td></tr><tr><td>Lawrence B. Gozlan</td><td>Nil</td><td>2,855,988 Options</td><td>N/A</td><td>3.34%</td><td>N/A</td><td>2.61%</td></tr><tr><td>Michael Sistenich</td><td>91,811</td><td>5,280,136 Options 9,564 Preference Warrants</td><td>0.15%</td><td>6.30%</td><td>0.11%</td><td>4.91%</td></tr><tr><td>Riichi Yamada</td><td>Nil</td><td>Nil</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Sergio Duchini</td><td>Nil</td><td>100,000 Options</td><td>N/A</td><td>0.12%</td><td>N/A</td><td>0.09%</td></tr><tr><td colspan="7">Maximum Subscription (A\$35 million)</td></tr><tr><td>Lawrence B. Gozlan</td><td>Nil</td><td>2,855,988 Options</td><td>N/A</td><td>3.34%</td><td>N/A</td><td>2.24%</td></tr><tr><td>Michael Sistenich</td><td>91,811</td><td>5,280,136 Options 9,564 Preference Warrants</td><td>0.15%</td><td>6.30%</td><td>0.09%</td><td>4.22%</td></tr><tr><td>Riichi Yamada</td><td>Nil</td><td>Nil</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Sergio Duchini</td><td>Nil</td><td>100,000 Options</td><td>N/A</td><td>0.12%</td><td>N/A</td><td>0.08%</td></tr></table>	DIRECTOR OR PROPOSED DIRECTOR*	INTERESTS AS AT PROSPECTUS DATE		% AS AT PROSPECTUS DATE		% AS AT COMPLETION ¹			Shares	Options/Warrants	Un-diluted	Fully diluted	Un-diluted	Fully diluted	Minimum Subscription (A\$20 million)							Lawrence B. Gozlan	Nil	2,855,988 Options	N/A	3.34%	N/A	2.61%	Michael Sistenich	91,811	5,280,136 Options 9,564 Preference Warrants	0.15%	6.30%	0.11%	4.91%	Riichi Yamada	Nil	Nil	N/A	N/A	N/A	N/A	Sergio Duchini	Nil	100,000 Options	N/A	0.12%	N/A	0.09%	Maximum Subscription (A\$35 million)							Lawrence B. Gozlan	Nil	2,855,988 Options	N/A	3.34%	N/A	2.24%	Michael Sistenich	91,811	5,280,136 Options 9,564 Preference Warrants	0.15%	6.30%	0.09%	4.22%	Riichi Yamada	Nil	Nil	N/A	N/A	N/A	N/A	Sergio Duchini	Nil	100,000 Options	N/A	0.12%	N/A	0.08%	Section 6.3(a)(v)
	DIRECTOR OR PROPOSED DIRECTOR*	INTERESTS AS AT PROSPECTUS DATE		% AS AT PROSPECTUS DATE		% AS AT COMPLETION ¹																																																																																
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	<p>* And/or their associated entities.</p> <p>1. This assumes the Directors and the proposed Director do not subscribe for any CDIs under the Offer.</p> <p>The Directors and the proposed Director are entitled to remuneration and fees on the terms set out in Section 6. Additionally, the Directors and the proposed Director will be eligible to participate in the Company’s incentive plan.</p>																																																																																					
	What significant benefits are payable to Directors and other persons connected with the Company or the Offer and what significant interests do they hold?	For Shares (and other interests) expected to be held by Directors on Completion, refer to Section 6.3(a)(v).																																																																																				
Directors and senior management are entitled to remuneration and fees as disclosed in Section 6.3(a) and 6.4 and are entitled to participate in the incentive arrangements described in Section 6.5.																																																																																						
Advisers and other service providers are entitled to fees for services and have other interests as disclosed in Section 6.3(b).																																																																																						
								Section 6																																																																														



TOPIC	SUMMARY	FOR MORE INFORMATION
Will there be a controlling interest in the Company from Listing?	No, there will not be a controlling interest in the Company from Listing.	Section 7.2
Will any CDIs (or underlying Shares) be subject to restrictions on disposal following Completion?	<p>None of the CDIs issued pursuant to the Offer will be subject to any escrow restrictions.</p> <p>However, as set out in further detail in Section 7.9, the ASX may determine that certain Securities will be classified as ‘restricted securities’ for the purposes of Chapter 9 of the ASX Listing Rules, and may be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>In addition, Marubeni has agreed to be subject to voluntary escrow restrictions until 12 months from Listing (subject to certain exceptions) in respect of certain Shares.</p> <p>The Company will announce to the ASX full details of any Securities which are subject to mandatory and voluntary escrow restrictions, including the class of those Securities, quantity, and duration of escrow.</p> <p>On an undiluted basis, it is expected that between approximately 20.4% (Minimum Subscription) and 16.8% (Maximum Subscription) of the Company’s Shares will be subject to mandatory or voluntary escrow from Completion. The Company therefore confirms its free float from Listing will be not less than 20%.</p>	Section 7.9
Are there any other related party arrangements in place?	There are no related party arrangements in place other than the director arrangements otherwise described in Section 6.	Section 6.6

1.7 OVERVIEW OF THE OFFER

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Offer?	<p>The Offer is an initial public offering of between 24,096,386 and 42,168,675 CDIs over Shares in the Company (at a ratio of one CDI to one Share) at an Offer Price of A\$0.83 per CDI. The Offer seeks to raise between approximately A\$20 million to A\$35 million (before costs).</p> <p>The CDIs offered under this Prospectus will represent between approximately 28.35% of Shares on issue at Completion (on an undiluted basis assuming a A\$20 million raise) and approximately 40.91% of Shares on issue at Completion (on an undiluted basis assuming a A\$35 million raise).</p>	Section 7.1

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION																		
Is the Offer underwritten?	<p>If the Company and MST Financial receive valid Applications for CDIs under the Offer of between A\$19,000,000 and A\$24,000,000, the Offer will be partially underwritten by MST Financial to the amount of A\$1,000,000.</p> <p>These underwriting arrangements are described more fully in Section 7.8.</p> <p>MST Financial may terminate the underwriting arrangements in certain circumstances which are set out in Section 7.8(c).</p>	Section 7.8																		
Is there a Minimum Subscription?	<p>Yes, the Minimum Subscription for the Offer is A\$20 million.</p> <p>If the Minimum Subscription is not raised within four months of the Prospectus Date, the Company will withdraw the Offer and refund Application Monies (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>	Section 7.1																		
What is the proposed capital structure of Enlitic with effect from Listing?	<p>The capital structure of Enlitic with effect from Listing is expected to be as set out below.</p> <p>As set out below, Options and Warrants will remain on issue from Listing. The exercise of any of these Options and/or Warrants will result in a dilution to CDI Holders and Shareholders (as applicable). At Completion of the Offer, Shareholders may be diluted by up to 22.4% (Minimum Subscription) and 19.3% (Maximum Subscription) as a result of the exercise of Options and/or Warrants on issue as at the Prospectus Date.</p> <p>The exercise price of:</p> <ul style="list-style-type: none"> the Options varies between US\$0.11 to US\$2.84 per Option (see Schedule 3 for further details); the Common Warrants varies between US\$1.16 to US\$2.84 per Common Warrant (see Schedule 4 for further details); and the Preference Warrants is US\$1.04555 per Preference Warrant. <p>Please refer to Section 9.4 for Enlitic's capital structure as at the Prospectus Date.</p> <table> <tr> <th>SECURITY</th><th colspan="2">NUMBER ON ISSUE FROM LISTING</th></tr> <tr> <th></th><th>Minimum Subscription (A\$20 million)</th><th>Maximum Subscription (A\$35 million)</th></tr> <tr> <td>Shares</td><td>85,003,253</td><td>103,075,542</td></tr> <tr> <td>Options¹</td><td>13,339,332</td><td>13,339,332</td></tr> <tr> <td>Warrants²</td><td>11,236,975</td><td>11,236,975</td></tr> <tr> <td>Total</td><td>109,579,560</td><td>127,651,849</td></tr> </table> <p>Notes:</p> <ol style="list-style-type: none"> All Options will convert into Shares on a 1 for 1 basis. A summary of the terms of the Options is set out in Schedule 3. All Common Warrants will convert into Shares on a 1 for 1 basis. A summary of the terms of the Common Warrants is set out in Schedule 4. The terms of all Preference Warrants on issue as at the Prospectus Date (which are set out in Schedule 5) are proposed to be amended such that they convert into Shares on a 1 for 1 basis rather than series C preference stock (and all other terms otherwise remain unchanged). Any Preference Warrants whose holders do not agree to such amendment will remain on issue on their existing terms. 	SECURITY	NUMBER ON ISSUE FROM LISTING			Minimum Subscription (A\$20 million)	Maximum Subscription (A\$35 million)	Shares	85,003,253	103,075,542	Options ¹	13,339,332	13,339,332	Warrants ²	11,236,975	11,236,975	Total	109,579,560	127,651,849	Section 9.5
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TOPIC	SUMMARY	FOR MORE INFORMATION
What are CDIs?	<p>CDIs are a type of depositary receipt that allow investors to obtain all the economic benefits of Share ownership without holding legal title to the Shares themselves. A CDI represents the beneficial interest in underlying stock in a foreign company, such as the Company. Shares underlying the CDIs are held by an Australian depositary nominee, on the branch registry in Australia as the legal owner on behalf and for the benefit of the CDI Holder.</p> <p>The issue of CDIs instead of Shares is necessary because ASX uses an uncertificated electronic system called 'CHESS' for the clearance and settlement of trades on ASX. The use of uncertificated electronic share trading systems such as ASX's CHESS system are not recognised under Delaware Law and are therefore unable to be used to transfer the ownership of title in stock of Delaware incorporated entities such as the Company.</p> <p>Each CDI will be equivalent to one Share. Due to certain United States securities laws, you will not be able to sell CDIs issued to you under the Offer into the United States or to U.S. Persons for a period of at least 12 months from the Allotment Date, unless the resale of the CDI is registered under the U.S. Securities Act or a resale exemption is available.</p>	Sections 7 and 9
What rights and liabilities attach to the CDIs being offered?	The Shares underlying the CDIs will rank equally with the Shares currently on issue in the Company. A description of the CDIs and the underlying Shares, including the rights and liabilities attaching to them, is set out in Section 7.14.	Section 7.14
What is the price payable for the CDIs?	Successful Applicants under the Offer will pay the Offer Price, being A\$0.83 per CDI.	Section 7.3

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION																																													
What is the proposed use of funds raised under the Offer?	<p>The Offer proceeds, together with the Company's existing cash reserves, are intended to be applied in accordance with the following expenditure program.</p> <table> <tr> <th></th><th>MINIMUM SUBSCRIPTION (A\$20 MILLION)</th><th>MAXIMUM SUBSCRIPTION (A\$35 MILLION)</th></tr> <tr> <td colspan="3">Source of funds</td></tr> <tr> <td>Proceeds of the Offer</td><td>A\$20,000,000</td><td>A\$35,000,000</td></tr> <tr> <td>Existing cash reserves of the Company</td><td>A\$1,100,000</td><td>A\$1,100,000</td></tr> <tr> <td>Total</td><td>A\$21,100,000</td><td>A\$36,100,000</td></tr> <tr> <td colspan="3">Use of funds</td></tr> <tr> <td>Research and development program (see Section 3.5(h))</td><td>A\$5,413,669 (25.66%)</td><td>A\$9,253,500 (25.63%)</td></tr> <tr> <td>Quality and regulatory compliance costs</td><td>A\$809,666 (3.84%)</td><td>A\$1,268,000 (3.51%)</td></tr> <tr> <td>Strategic development</td><td>A\$590,000 (2.80%)</td><td>A\$1,040,000 (2.88%)</td></tr> <tr> <td>Sales and marketing (see Section 3.5(e))</td><td>A\$4,921,666 (23.33%)</td><td>A\$9,137,625 (25.31%)</td></tr> <tr> <td>Customer service</td><td>A\$2,502,000 (11.86%)</td><td>A\$4,562,875 (12.64%)</td></tr> <tr> <td>Corporate costs</td><td>A\$2,504,666 (11.87%)</td><td>A\$4,088,000 (11.32%)</td></tr> <tr> <td>Working capital and administrative costs</td><td>A\$1,308,333 (6.20%)</td><td>A\$2,725,000 (7.55%)</td></tr> <tr> <td>Costs of the Offer</td><td>A\$3,050,000 (14.45%)</td><td>A\$4,025,000 (11.15%)</td></tr> <tr> <td>Total</td><td>A\$21,100,000 (100%)</td><td>A\$36,100,000 (100%)</td></tr> </table> <p>Based on the proposed Offer and the Minimum Subscription, the Board is satisfied that it should have sufficient funds to carry out a program of work described in its expenditure program (above) over the 15–18 month period commencing from the date of Official Quotation. It is likely that the Company will require further financing to meet its business objectives beyond this period. There can be no assurance that such further financing can be obtained on favourable terms, or at all (refer to Section 5.1(a) in the Risk factors for further detail).</p> <p>The Company has not entered into contracts for several of the material items covered by the expenditure program, nor does it have binding quotations in relation to such items. Rather, the Board has determined that following the successful Completion of the Offer, the Company will be well positioned to negotiate the exact terms for such contracts.</p>		MINIMUM SUBSCRIPTION (A\$20 MILLION)	MAXIMUM SUBSCRIPTION (A\$35 MILLION)	Source of funds			Proceeds of the Offer	A\$20,000,000	A\$35,000,000	Existing cash reserves of the Company	A\$1,100,000	A\$1,100,000	Total	A\$21,100,000	A\$36,100,000	Use of funds			Research and development program (see Section 3.5(h))	A\$5,413,669 (25.66%)	A\$9,253,500 (25.63%)	Quality and regulatory compliance costs	A\$809,666 (3.84%)	A\$1,268,000 (3.51%)	Strategic development	A\$590,000 (2.80%)	A\$1,040,000 (2.88%)	Sales and marketing (see Section 3.5(e))	A\$4,921,666 (23.33%)	A\$9,137,625 (25.31%)	Customer service	A\$2,502,000 (11.86%)	A\$4,562,875 (12.64%)	Corporate costs	A\$2,504,666 (11.87%)	A\$4,088,000 (11.32%)	Working capital and administrative costs	A\$1,308,333 (6.20%)	A\$2,725,000 (7.55%)	Costs of the Offer	A\$3,050,000 (14.45%)	A\$4,025,000 (11.15%)	Total	A\$21,100,000 (100%)	A\$36,100,000 (100%)	Section 7.1
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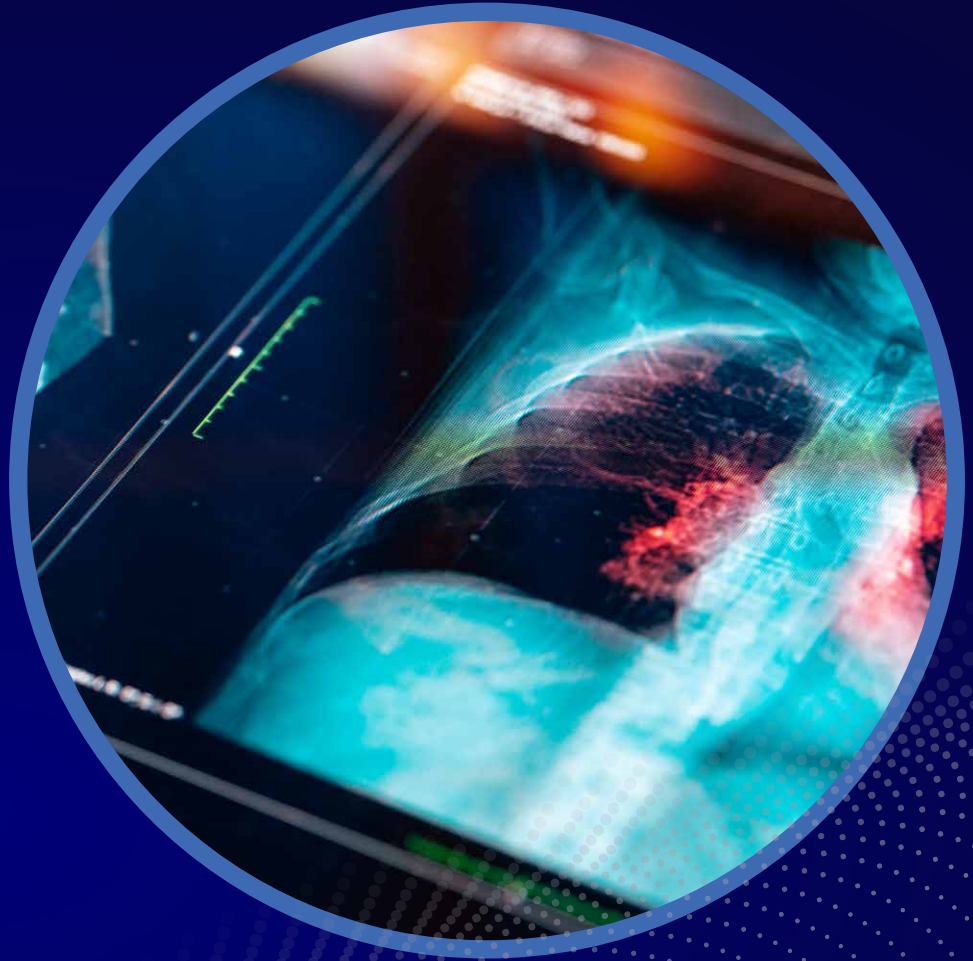
TOPIC	SUMMARY	FOR MORE INFORMATION
What is the proposed use of funds raised under the Offer? continued	The use of funds set out above represents Enlitic's current intentions based upon its present plans and business conditions. The amounts and timing of the actual expenditures may vary significantly and will depend upon numerous factors, including the timing and level of sales success from Enlitic's product development efforts, operational and development activities, regulatory developments, and market and general economic conditions (refer to Section 5 for further discussion of the potential risks). Considering this, the Board reserves its right to alter the way the funds are applied.	Section 7.1
How is the Offer structured?	<p>The Offer comprises:</p> <ul style="list-style-type: none"> • Broker Firm Offer, which is open only to Australian resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate; • Priority Offer, which is open to selected investors in Australia and certain other jurisdictions who have received a Priority Offer Invitation; and • Institutional Offer, which consists of an invitation to bid for CDIs made to Institutional Investors in Australia and several other eligible jurisdictions. 	Section 7.1
Will the CDIs be quoted on the ASX?	<p>The Company applied to ASX for admission to the Official List of, and quotation of its CDIs by, ASX under the code 'ENL' on 9 November 2023.</p> <p>If approval is not granted for Official Quotation within three months after the Company applies for admission (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>	Section 7.13
Who is the Lead Manager for the Offer?	The Lead Manager is MST Financial.	Section 7.8
What is the allocation policy?	<p>The allocation of CDIs between the Broker Firm Offer and the Institutional Offer will be determined by the Company and the Lead Manager.</p> <ul style="list-style-type: none"> • For Broker Firm Offer participants, the relevant Broker will decide as to how they allocate CDIs among their retail clients. • The allocation policy relating to the Priority offer will be determined by the Company and the Lead Manager. • The allocation of CDIs among Applicants in the Institutional Offer will be determined by the Company and the Lead Manager. 	Section 7

1. Investment overview continued

TOPIC	SUMMARY	FOR MORE INFORMATION
Is there any brokerage, commission, or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of CDIs under the Offer.	Section 7.3
What are the tax implications of investing in the CDIs?	<p>The tax consequences of any investment in CDIs will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest.</p> <p>Summaries of certain Australian tax consequences of participating in the Offer and investing in CDIs are set out in Section 9.12 and 9.13.</p>	Sections 9.12 and 9.13
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be mailed to successful Applicants by post on or about 18 December 2023.	Section 7.13
What is the minimum Application size under the Offer?	There is no minimum application size under the Offer.	Section 7.3
How can I apply?	<p>Broker Firm Offer Applicants</p> <p>Broker Firm Offer Applicants may apply for CDIs by completing the Application Form included in or accompanying this Prospectus, and lodging it with the Broker who invited them to participate in the Offer.</p> <p>Note that you must be a client of a participating broker to participate in the Broker Firm Offer.</p> <p>Priority Offer Applicants</p> <p>Applicants under the Priority Offer may apply for CDIs by following the instructions on how to apply in the Priority Offer invitation.</p> <p>Institutional Offer Applicants</p> <p>The Lead Manager separately advised Institutional Investors of the Application procedure under the Institutional Offer.</p> <p>To the extent permitted by law, an Application received under the Offer is irrevocable.</p> <p>There is no general offer to the public.</p>	Section 7



TOPIC	SUMMARY	FOR MORE INFORMATION
Are there conditions to the Offer?	<p>The Offer is conditional on:</p> <ul style="list-style-type: none">• the Minimum Subscription for the Offer being raised; and• ASX approving (including conditional approval) the application for admission to the Official List. <p>If the Minimum Subscription is not raised within four months of the Prospectus Date, or ASX approval is not given within three months after such application is made (or any longer period permitted by law), the Company will withdraw the Offer and refund Application Monies (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>	Section 7.3
When can I sell my CDIs on the ASX?	<p>It is expected that trading of the CDIs on ASX will commence on or about 18 December 2023 on a normal settlement basis.</p> <p>It is the responsibility of each Applicant to confirm their own holdings before trading on ASX. Any applicant who sells CDIs before it receives an initial holding statement does so at its own risk.</p>	Important Dates and Section 7.13
Can the Offer be withdrawn?	<p>The Company reserves the right not to proceed with the Offer at any time before the issue of CDIs to successful Applicants under the Offer.</p> <p>If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).</p>	Section 7.3
Where can I find out more information about this Prospectus or the Offer?	<p>If you have any questions in relation to the Offer, call the Enlitic Offer Information Line during the Offer Period on:</p> <ul style="list-style-type: none">• 1800 131 904 (toll-free within Australia); or• +61 1800 131 904 (outside Australia), <p>between 8.30am and 5.30pm (Melbourne time), Monday to Friday (excluding public holidays).</p> <p>All enquiries in relation to the Broker Firm Offer should be directed to your broker.</p> <p>If you have any questions about whether to invest, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer, or other professional adviser before deciding whether to invest.</p>	



2.

Industry overview

2. Industry overview



2.1 INTRODUCTION

Enlitic operates in the global healthcare IT market, which is comprised of businesses that provide products and services for the healthcare sector, such as software, mobile and tele-health technology, cloud-based services, medical devices, remote monitoring devices and assistive technologies. Within this global healthcare IT market, Enlitic specifically operates within the radiology sub-sector. This sub-sector encompasses companies that create and sell products such as PACS, radiology imaging systems, vendor neutral archives and advanced visualisation tools.

Enlitic leverages artificial intelligence (**AI**) in its software products to solve workflow and capacity challenges experienced in radiology departments. AI refers to the simulation of human intelligence in machines or computer systems that can perform tasks that typically require human intelligence. AI enables machines to learn from experience, adapt to new situations, and perform tasks with human-like abilities such as problem-solving, decision-making, speech recognition, language translation, and visual perception. AI systems are designed to mimic human cognitive functions.

AI techniques include machine learning, where systems learn from data and improve their performance over time, natural language processing, which enables computers to understand and respond to human language, and computer vision, which allows machines to interpret and make decisions based on visual data.

Enlitic's core software product, ENDEX, uses the techniques described above to standardise the study and series descriptions of medical images, allowing healthcare providers to realise benefits of providing improved data quality to other stakeholders within the enterprise. ENDEX uses computer vision to analyse the gross anatomy and uses natural language processing to analyse the metadata, and is able to infer certain characteristics about the study and series (modality type, body part, presence of contrast) to create a standard nomenclature for the study and series. Through the machine learning models, Enlitic applies these inferences against medical image studies and series to create a common data model that improves searchability and display protocols. This in turn improves the quality of the medical imaging data.

2.2 THE RADIOLOGY SECTOR

(a) Overview

Radiology is a field of medicine that involves the use of various technologies to visualise the internal structures and functions of the human body. These imaging techniques and technologies are essential tools for diagnosing and monitoring a wide range of medical conditions. Medical imaging assists healthcare professionals in gaining valuable insights into the body's anatomy, detecting abnormalities, diagnosing issues and planning appropriate treatments.

There are several types of medical imaging techniques, each offering different perspectives and information about the body. Some common medical imaging modalities include X-ray imaging, Computed Tomography (**CT**) exam, Magnetic Resonance Imaging (**MRI**), ultrasound imaging, nuclear medicine imaging and mammography.

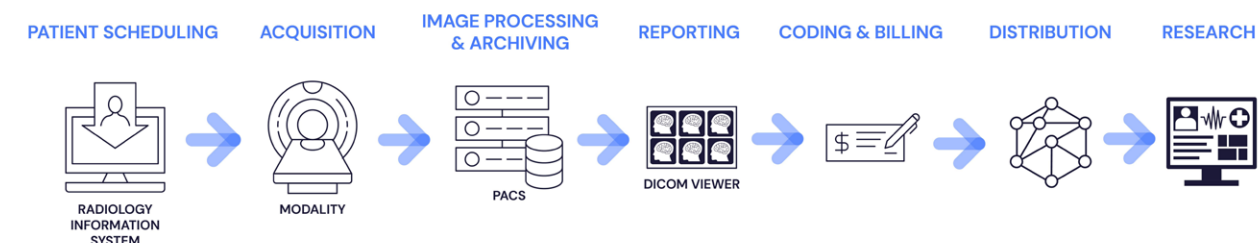
(b) Radiology workflow overview

As demand for medical imaging has grown over the last few decades, industry stakeholders have increasingly embraced new and innovative products and services to improve operational functions, increase efficiency and enhance patient experience and outcomes. Whilst these have undoubtedly had a net beneficial impact on the industry, the evident by-product has been a dramatic increase in radiology workflow complexity.

Radiology workflow is a systematic process that represents the steps taken by the radiologist for the patient experience from start to finish. This workflow is complex with numerous touchpoints. The process itself may vary slightly depending on the facility and the specific imaging procedure, however, the graphic below and accompanying description provides a general overview.

2. Industry overview continued

Figure 2.1: Radiology workflow



1. **Patient Scheduling:** this is the scheduling of the patient's imaging appointment.
2. **Acquisition:** the patient is taken to the imaging suite, where the technologist performs the imaging procedure.
3. **Image Processing and Archiving:** patient studies from the acquisition stage are processed to help aid in the diagnosis of the study. Images are archived in the PACS, a digital database that stores and manages medical images.
4. **Reporting:** the images are sent to the radiologist for interpretation.
5. **Coding and Billing:** prior to the acquisition, the proposed type of study is coded for future billing. Once the exam is complete, the organisation submits the study for reimbursement based on the image acquired.
6. **Distribution:** the radiology report is sent to the referring physician or healthcare provider, who requested the imaging study.
7. **Research:** medical imaging data can be (depending on the facility's activities) sent to a database in an anonymised format for the purposes of research. This may be a real-world evidence database, a registry or a teaching file.

There are numerous points throughout the above workflow that can have the potential to inhibit the process. Enlitic believes that efficiencies gained in this process should deliver more favourable outcomes.

Another key consideration is the increased stress levels amongst radiologists, resulting in staff retention issues. Radiologists are experiencing high rates of burn out, with sources of job-related stress for radiologists including a steadily increasing workload alongside the advent of PACS, increasingly growing data sets to analyse, greater expectations for report turnaround times, conflicting demands on time and inadequate staffing.

In Enlitic's view, there are many challenges faced in the radiology workflow process and the adoption of AI will be important in achieving improvements in that process as set out in further detail below.

(c) AI in the radiology workflow process

Key areas that AI and machine learning are proving to be well suited towards include automating repetitive tasks, which reduces the administrative burden on clinicians and even assist in diagnosis for patients.

AI and machine learning are potentially applicable at all levels of the radiology workflow process outlined in Figure 2.1, as set out in further detail below.

(i) Patient scheduling

Exams are scheduled based on the radiologist's estimation of the total amount of time required. This scheduling is completed at the beginning of the radiology workflow process and is typically based off limited patient interaction and diagnosis, often resulting in underestimation of scheduling time. This is further exacerbated in cases of complex situations. Furthermore, urgent or emergency scans that are not accounted for must also be scheduled. Schedules can quickly back up and, as a result, patients are often left waiting for their exam.

AI may enhance the efficiency of scheduling, reduce wait times and optimise the resources through predictive scheduling, prioritisation, waitlist management and staff availability.



(ii) Acquisition

At the point the technologist acquires a study, they generally manually enter data or select data from predefined choices. Often these predefined choices do not correlate to the acquisition and are not clinically relevant. In some cases, the technologist may incorrectly select an acquisition protocol for the wrong body part, in turn labelling the study incorrectly.

Using AI, the image pixel data, metadata and DICOM data may be analysed then correctly identified and labelled. This should result in decreased administrative work in the backend and increases the accuracy at which studies are labelled.

(iii) Image Processing and Archiving

The patient studies from the acquisition stage of the process are routed to workstations and the studies are analysed based on their descriptions. When studies are incomplete, inaccurate, or mislabelled, the routing rules fail to move the data to the correct workstation requiring manual intervention get the data to the right place for analysis.

Using computer vision and natural language processing to examine the studies, AI can standardise descriptions, ensuring that these are consistent for the same type of study. The result of this should be that the image process and archiving routing rules will work better and allocate the outputs correctly, recouping capacity for staff.

(iv) Reporting

PACS are the display stations that radiologist use to do their reporting. PACS utilise a concept called hanging protocols that automatically arrange patient studies, based on their descriptions, in a manner that radiologists choose. Where there are inconsistent descriptions and mislabelling, hanging protocols often fail to work, resulting in radiologists manually dragging and dropping the images themselves into their desired display format and applying the tools they wish to use. Alternatively, they will call the internal administrator of the PACS to fix their hanging protocols. This takes valuable time away from staff and the reporting task.

Through standardising study descriptions via AI, hanging protocols, not unlike routing rules, can be configured to work more reliably as studies are more consistent in their labelling and will match against the hanging protocols better.

Enlitic's core product, ENDEX, operates at this critical intersection within the radiology workflow process. ENDEX standardises and structures data from medical images to fit within a defined, consistent, clinically relevant framework (including uniform descriptions and display protocols).

(v) Coding and Billing

If the originally coded exam does not match the actual exam acquired, reimbursement can be denied. Healthcare providers have teams of people that correlate the report with the code and submit the results for reimbursement. There are many situations where there is a discrepancy, and the data does not match, leading to a potential loss in revenue.

AI can play a role in identifying what was originally ordered, what was acquired and what was ultimately billed. This ensures that everything correlates, whilst flagging any discrepancies prior to billing to help reduce the revenue cycle management efforts. Enlitic's product which is currently in the development phase and expected to be released in the second half of 2024, ENCODE, operates at this stage in the radiology workflow process.

(vi) Report Distribution

Once the report has been dictated and verified it is sent to the referring or ordering physician. Whilst these physicians are medical professionals, not all are experts in radiology and therefore, study and series descriptions that lack clinical value can be confusing. The physicians may struggle to find the right series they need and may consult with radiologists to figure out how to navigate the patient study. This is ultimately a time burden to the physician, the radiologist and the patient.

AI can be applied in such scenarios via applying clinically relevant, standardised information. This is likely to result in the study descriptions being more logical whilst still maintaining the important details of the study.

2. Industry overview continued

(vii) Research

Studies being sent for research purposes can carry a plethora of issues. Firstly, data submitted must conform to strict data standards. The content must be complete and accurate, and this requires time from staff to review the studies for submission. Studies being submitted must also follow privacy and security requirements to prevent a breach of Protected Health Information (PHI) regulations. The patient data must also be anonymised, de-identified or both prior to submission.

Often PHI is found in unlikely locations within the dataset. It may be “burned-in” into the pixels or it may be in a field normally reserved for another function. Without advanced tools, many organisations conduct the process of cleansing data manually, increasing the likelihood of omissions, errors and potential breaches.

There are many free applications on the market today that can automate some of this process. However, they are fixed in what fields they consider for patient information. If the study descriptions were not properly indicated or articulated, these free applications would miss this data and a potential breach of privacy could occur.

Leveraging its tools, AI can detect PHI in the pixel data or in the metadata and scrub it as required by the anonymisation rules. There are several different ways to protect the data automatically, saving staff time and decreasing the risk of potential liability from them completing the task manually.

Enlitic’s second key product, ENCOG, operates at this level within the radiology workflow process.

(viii) Beyond the radiology workflow process

By standardising data prior to submission, the value of the data increases as it is complete and consistent. This enables researchers to find and utilise the data in a much more meaningful way. By then anonymising the data, the risk of breach of privacy requirements is decreased.

This presents an opportunity for a data monetisation strategy that stretches beyond the radiology workflow process, enabling organisations to sell their anonymised data to industry bodies such as large pharmaceutical companies, device manufacturers or any organisation that needs medical imaging data. The creation of a real-world evidence (RWE) database allows researchers to benefit from everyday clinical and patient experiences, rather than from data generated in controlled clinical trials or research settings.

2.3 THE RADIOLOGY ECOSYSTEM

The radiology ecosystem can be broken up into two main groups, these being:

1. Healthcare institutions (Enlitic’s end users); and
2. Channel partners (Enlitic’s customer acquisition channels).

These groups are interdependent and integrate to form the complex systems underpinning the radiology industry we see today.

(a) Healthcare institutions

Healthcare institutions refer to the systems that house the necessary infrastructure to facilitate the processing, diagnosing and treatment of patients. These healthcare institutions are numerous, often have several different modalities, generate large volumes of imaging studies and are technologically and strategically advanced. They also typically encounter significant challenges due to the sheer volume of studies and diversity of medical imaging inputs, therefore it is likely they could realise significant benefits from the implementation of AI solutions such as ENDEX.

Healthcare institutions can be further broken down into health systems/hospitals and private radiology/teleradiology reading groups. These healthcare institutions are Enlitic’s ultimate end users and customers of the Enlitic product offering.



(i) Health systems/hospitals

A health system, or hospital, is a complex organisational structure that encompasses various healthcare facilities, services and professionals working together to provide comprehensive medical care to a community or population. Hospitals are designed to deliver a wide range of healthcare services, including preventive, diagnostic, therapeutic and rehabilitative care, with the goal of promoting and maintaining the health and well-being of individuals and communities.

Hospitals play a significant role in the radiology ecosystem by centralising and coordinating various aspects of imaging services. It is not uncommon for hospitals to have numerous different radiology PACS active at one time, often resulting in a wide range of different hanging protocols and data labelling. The volume and diversity of medical imaging content generated makes health systems and hospitals an ideal customer for data standardisation technologies.

(ii) Private radiology and teleradiology reading groups

Private radiology and teleradiology reading groups are specialised medical entities that offer remote interpretation and reporting of medical imaging studies, such as CT scans, MRIs, X-rays and ultrasounds images. These groups provide radiology expertise to healthcare facilities, hospitals, clinics, and other medical institutions that may not have on-site radiologists or need additional support for reading and interpreting imaging studies.

(b) Channel partners

Channel partners are the most diverse group within the radiology ecosystem and are responsible for the construction of hardware, development of software and movement of information across the industry. They have deep penetration into healthcare institutions, both large and small, and underpin the radiology ecosystem in its entirety.

These channel partners are key to companies such as Enlitic as they act as providers, vendors, retailers or agents in the on-selling of services, products or technologies, but are not direct end users of Enlitic products. Instead, they provide significant resources and act as a link between the Company and further end users who might otherwise be unavailable.

Key channel partners relevant to Enlitic's operations include:

- Original Equipment Manufacturers;
- Distribution partners;
- AI platform vendors;
- Data migration vendors; and,
- Data vendors.

2.4 MARKET OPPORTUNITY

(a) Global opportunity

The emergence and growth of AI in the global healthcare IT market, and more specifically, the radiology sub-sector, is being driven by the application of machine learning technology in diagnostic imaging procedures, as well as the rising demand for quantitative medical imaging solutions in clinical practices.

(b) Enlitic's opportunity for ENDEX

Due to the diversity of customer segments in the global radiology market and variety of end-user markets the Company seeks to serve, Enlitic believes the most appropriate way to represent the potential market opportunity is to establish a Total Serviceable Market (**TSM**) of the radiology sub-sector of the global healthcare IT market. This TSM specifically relates to the serviceable market for Enlitic's core product, ENDEX, and does not include any other current or future Enlitic service offerings.

2. Industry overview continued

Figure 2.2: Enlitic market opportunity for ENDEX



The TSM for ENDEX has been calculated by Enlitic as follows:

- Enlitic has estimated an average annual recurring subscription revenue (**Average ARR**) of US\$252,000 per customer agreement for the ENDEX product. This estimate has been based on data available from Enlitic's existing customer agreements and the anticipated value of the 118 customer pipeline opportunities for ENDEX (see Section 3.5(f) for further information in respect of the pipeline); and
- multiplying Average ARR by the estimated number of healthcare institutions within Enlitic's assumed serviceable market for each of health systems/hospitals and private radiology/teleradiology reading groups, as set out in the tables below.

(i) Health systems/hospitals

Due to the diversity of segments, Enlitic believes the most appropriate way to represent the opportunity in the health systems and hospital market is to reference the number of healthcare providers and the relevant size of these facilities based on bed size. Only large and medium hospitals have been included within Enlitic's calculation of the TSM for health systems and hospitals. Small hospitals have been excluded from the TSM calculation as they are sub-scale relative to Enlitic's growth strategy.

Based on 12,207 large and medium hospitals and the Average ARR, Enlitic estimates a TSM for health systems and hospitals at US\$3.07 billion.

Table 2.1: Estimated serviceable health systems/Hospital market size

	USA	UK	W. EUROPE	ANZ	TOTAL
Medium (101-499 beds)	2,959	672	4,478	596	8,705
Large (500+ beds)	429	864	2,060	149	3,502
Total	3,388	1,536	6,538	745	12,207
TSM	–	–	–	–	US\$3.076B



(ii) Private radiology/teleradiology reading groups

Private radiology groups are broken down into private non-affiliated outpatient facilities and teleradiology organisations.

Non-affiliated outpatient facilities are clinics that specialise in medical imaging services and diagnostic procedures that do not require patients to stay overnight or require a bed. These centres operate independently from hospitals and may be privately owned or run by a group of physicians.

A smaller portion of this market segment is also encompassed by teleradiology reading groups who contract their services to hospital groups. There are approximately 40 global teleradiology providers that would benefit from implementation of Enlitic's technology. There are still several hundred more providers within the teleradiology space, however these groups lack scale and are beyond the scope of Enlitic's capacity.

For the purpose of defining ENDEX's TSM within the private radiology/teleradiology reading group market, Enlitic has included only large to mid-size private radiology groups. The data available does not provide a breakdown between small, medium and large private outpatient facilities, hence in determining the number of private outpatient facilities which are large to mid-size, Enlitic has applied the same ratio as that of medium and large hospitals to total hospitals.

With respect to teleradiology organisations, Enlitic has identified that the 40 largest hospital affiliated teleradiology organisations are prime targets within Enlitic's serviceable market for ENDEX.

As set out in the table below, based on 2,504 private outpatient facilities (which has been calculated pursuant to the approach set out above) and 40 teleradiology organisations and the Average ARR, Enlitic estimates a TSM for private radiology and teleradiology reading groups at US\$641 million.

Table 2.2: Estimate serviceable private radiology/teleradiology reading groups market size

	TOTAL
Private Outpatient Facilities	2,504
Teleradiology Organisations	40
Total	2,544
TSM	US\$641M

2.5 COMPETITIVE LANDSCAPE

Currently, Enlitic believes there are no competitors to Enlitic's ENDEX product in the global healthcare IT market in the radiology sub-sector. However, with respect to Enlitic's current or proposed offerings in relation to anonymisation, billing/coding and real-world evidence, there are other competitors. The competitive landscape for Enlitic's products is important to define and helps illustrate Enlitic's competition.

(a) Data Standardisation

The competitive landscape for data standardisation in radiology involves various organisations, initiatives and technical standards aimed at establishing consistent and interoperable data exchanges within the healthcare and radiology sectors. However, when it comes to standardising nomenclature and medical image study and series descriptions, there are no vendors with a go to market strategy that address the enterprise challenges that data standardisation can solve. Unlike ENDEX, other vendors that use medical image data do not provide value propositions or marketing content that speaks to solving issues such as hanging protocols, data routing or billing and coding.

2. Industry overview continued

(b) Anonymisation

The market currently offers a range of data anonymisation tools, both paid and free. The anonymisation market is driven by the following factors:

- the need to protect patient privacy and comply with data protection regulations;
- medical researchers and clinicians often needing access to diverse medical image datasets for research, training, and collaboration; and
- the development of AI and machine learning algorithms.

Most PACS providers provide some form of anonymisation tools for rounds or teaching files. These tend to be single study tools and do not scale to large volumes. In addition to the PACS vendors, there are vendors that work with providers to create research databases and will provide anonymisation services. These vendors also tend to offer cloud services and require data to be offsite for usage and access. Some of the common large cloud providers offer these services as an adjunct to their primary business of cloud storage. What is common amongst most of these vendors is that they do not use AI to detect and protect PHI.

ENCOG's use of computer vision and natural language processing to identify protected health information wherever it may be found in a medical image differentiates itself from other vendors and products who are static and require manual configuration and intervention.

(c) Billing/Coding

Existing billing and revenue cycle management solutions can present challenges due to their complexity and often require manual intervention. To mitigate the manual workflow and streamline the coding aspect of the billing process, providers are exploring the potential of automation technologies such as AI and machine learning. Fully automating the process from encounter to coding has not yet been achieved, however this is the area where Enlitic believes that AI and machine learning are poised to make their most significant contributions in the context of revenue cycle management and billing processes.

ENCODE will look at the image data to determine if the coded exam matches the acquired exam and flags any discrepancies for the billing department earlier in the process.

(d) Real-World Evidence

Real-World Evidence (RWE) in healthcare refers to information collected from various sources outside of randomised clinical trials, including electronic medical records, imaging data, lab results, claims, and data from personal health devices. While RWE has significant potential to impact healthcare, its use comes with complex challenges. The market for RWE is vast and diverse, with numerous vendors offering different products and services.

The RWE market is in its early days of development and the competitive landscape is very segmented, especially when considering medical imaging. Electronic health vendors tend to dominate the market, however the potential for specialist partnerships exists. Wider partnerships between clinical RWE and generalist RWE providers will be required to meet the market demands for imaging. Multiple image storage and image exchange vendors are expected to enter the market in the near term.

ENSIGHT's use of a common data model that will seek to capture relevant, standardised and de-identified medical imaging data while maintaining that data across multiple facilities potentially distinguishes it from other software applications that may be developed. This may also provide a cost advantage (no need for huge archives) and allows customers to maintain control of their data.



2.6 BARRIERS TO ENTRY

The global healthcare IT market has numerous barriers to entry that can make it challenging for new companies or start-ups to establish themselves. These barriers include:

1. **Regulatory Compliance:** Healthcare is a highly regulated industry with strict rules and standards. Any AI solution that deals with patient data, diagnoses or provides treatment recommendations must comply with a myriad of healthcare regulations. Achieving regulatory compliance can be costly and time-consuming.
2. **Technical Expertise:** Developing AI solutions for healthcare requires a deep understanding of both the AI and healthcare domains. Companies need access to expertise in machine learning, medical informatics, and healthcare regulations. Hiring and retaining specialised talent can be a challenge.
3. **Research and Development Costs:** Developing AI solutions for healthcare typically involves extensive research, development, and testing. The costs associated with conducting clinical trials, data collection, and algorithm refinement can be substantial.
4. **Intellectual Property and Patents:** Existing companies may hold patents and intellectual property rights related to AI technologies in healthcare, creating barriers for new entrants. Licensing or navigating patent landscapes can be difficult.
5. **Market Acceptance:** Establishing trust and gaining acceptance in the healthcare industry is challenging. Healthcare professionals may be cautious about adopting new technologies, particularly when they impact patient care. Convincing healthcare providers, insurers, and patients of the benefits of AI (if at all) can take time.

While these barriers can be significant, the AI healthcare market also presents opportunities for innovation and improving patient care. Overcoming these challenges often requires a combination of technical expertise, regulatory compliance, collaboration with healthcare professionals, and a deep understanding of the unique dynamics of the healthcare industry.



3.

Company overview

3. Company overview



3.1 INTRODUCTION

Enlitic is a software development company that uses AI to develop software products that manage medical imaging data in radiology (such as MRI, CT scans, X-ray and ultrasound images) and licences such products to healthcare providers. Enlitic's mission is to revolutionise healthcare by leveraging AI and data, empowering evidence-based decision-making, enhancing research, and transforming healthcare delivery.

The Enlitic solution is built upon a software framework, creating a network between applications. It houses an ecosystem that enables and supports the exchange of information or content between different interdependent applications. The framework facilitates communications between modalities, Enlitic applications, Electronic Medical Records and PACS. It features a host of AI-powered applications that enable data standardisation, de-identification, anonymisation and workflow simplification.

The Company's current portfolio addresses the challenges of incomplete, inaccurate, and patient-identified medical imaging studies by standardising and de-identifying such studies, while also overcoming issues regarding the interoperability of different systems, devices and applications.

Medical vocabulary standardisation is important for improving interoperability, patient safety, and clinical outcomes. While technical interoperability has been addressed through standards like DICOM, HL7, and Fast Health Interoperability Resources, clinical interoperability is still lacking. For example, different clinicians label similar exams differently, making it challenging to search for similar cohorts, posing a dilemma for healthcare providers and creating inefficiencies.

Innovative analytical tools like AI and machine learning are important in improving the efficacy and use of the vast amounts of healthcare data generated. These tools help healthcare organisations understand patient needs, identify patterns and trends, and develop personalised and effective treatments.

3.2 HISTORY AND PRODUCT DEVELOPMENT

Enlitic was founded in 2014. Initially, Enlitic developed a radiology point solution featuring numerous AI algorithms focusing on detecting X-ray pathologies. During this period, the Company recognised the importance of addressing issues related to missing, inaccurate, or non-standardised study and series descriptions in medical images.

As a result, in 2019, Enlitic shifted its approach to focus on commercialising data management applications that utilised its existing AI algorithms for image recognition. The Company spent the next 3 years researching and developing a product which could standardise data from medical images to fit within a defined, consistent, clinically relevant framework and launched its first commercial product, ENDEX in 2022. To further enhance Enlitic's data management capabilities and expand its product portfolio, it launched ENCOG in 2023.

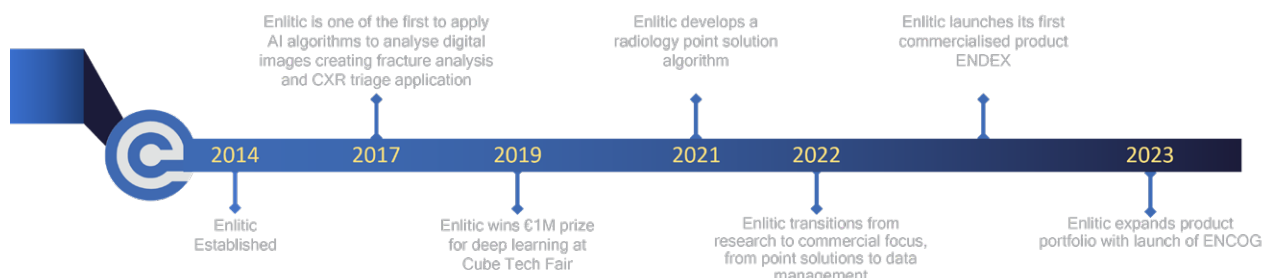
Enlitic products have been developed using an agile development process. Agile development is an iterative and flexible approach to software development that prioritises collaboration, adaptability, and customer satisfaction. Unlike traditional methods, such as the "waterfall" model (where the entire project is planned upfront and delivered in a linear sequence), agile development embraces changing requirements and promotes the delivery of small, functional increments of the software at regular intervals.

Agile projects are divided into small increments or iterations, typically called "sprints," with each iteration resulting in a potentially shippable product increment. This allows for continuous feedback and adaptation throughout the development process. End-users are actively involved throughout the development process. Their feedback is collected regularly, allowing for adjustments to be made based on changing priorities or requirements.

Enlitic has successfully deployed its technology in private radiology reading groups across Europe, the United Kingdom, and healthcare providers in the United States. By partnering with entities in the United States and Japan, the Company is expanding its reach through reseller agreements.

3. Company overview continued

Figure 3.1: Timeline of key milestones for Enlitic



3.3 ENLITIC'S PRODUCT OFFERING

Enlitic currently offers the following key products:

- **ENDEX™** – a medical imaging solution that standardises and structures data from medical images (see Section 3.3(a) for further information). This is Enlitic's core product.
- **ENCOG™** – de-identifies medical imaging data (see Section 3.3(b) for further information).

Enlitic also has in development the following two products:

- **ENCODE™** – will seek to improve data quality that impacts coding and reimbursement (see Section 3.3(c) for further information).
- **ENSIGHT™** – will seek to leverage interoperability with data analysis (see Section 3.3(d) for further information).

ENDEX and ENCOG were launched in 2022 and 2023 respectively, ENCODE and ENSIGHT are in development and are expected to be released in the second half of 2024 and in the second half 2025 respectively. Currently, Enlitic's primary focus is driving the adoption of ENDEX and ENCOG in the United States, Europe, and Australia/New Zealand.

Depending on the amount of funds raised under the Offer, the timing for the development of the ENCODE and ENSIGHT products may to some extent be contingent on the ability of the Company to raise further funds in the future. Refer to Section 5.1(a) for the risks regarding the Company's ability to raise further funds.

Table 3.1: Overview of Enlitic's proposed product offering

PRODUCT	ENDEX	ENCOG	ENCODE	ENSIGHT
Description	Data Standardisation	Data De-identification	Coding & Reimbursement	Connectivity & Analysis
Status	Live – March 2022	Live – March 2023	Expected H2 CY2024	Expected H2 CY 2025
Years to develop	5	3	N/A	N/A
Pipeline	118	10	–	–
Revenue model	3–5 year subscription	3-year subscription	Expected 3-year subscription	Expected revenue share



(a) ENDEX

ENDEX is a medical imaging solution that analyses image and metadata of DICOM medical images and standardises the study and series descriptions.

Descriptions of medical images are often mislabelled, incomplete or inaccurate and create poor data quality that adversely impacts workflows, display protocols and staffing resources. To address these challenges, ENDEX uses computer vision to analyse the gross anatomy of a medical image and determine the body part, presence of contrast and laterality. Using natural language processing, ENDEX analyses the metadata and determines modality, patient information, acquisition parameters and other relevant text-based data about the study and series. Fusing these analyses together, the inference engine can create a standardised study and series description whereby every study with the same characteristics is named the same. Similarly, every series acquired with the same acquisition parameters are labelled the same.

With standardised nomenclature, PACS can automatically display studies and series consistently, thereby reducing the time radiologists would otherwise waste manually manipulating that data. Administrators of PACS may also save time otherwise spent fixing displays or rerouting data.

Figure 3.2: Data standardisation overview



ENDEX can also enrich data for research or monetisation strategies, and with data that is standardised and clinically relevant, the ability to analyse such data becomes much easier. ENDEX provides a comprehensive solution to radiology departments' data governance issues, allowing for more efficient workflows, improved data quality, and enhanced value for research or monetisation.

Enlitic has announced that it will engage in a project with RadLex, an RSNA committee, to align the ENDEX outputs to the RadLex® standards.

TMC Case Study

TMC was one of Enlitic's first customers to implement ENDEX.

TMC's initial results demonstrated great improvements and time savings in radiologists' reporting workflows and, as they expanded the usage of ENDEX, even more significant improvements were observed. These positive outcomes have motivated TMC (with the support of Enlitic) to conduct a scientific paper to thoroughly assess the accuracy and efficiency gains achieved by the use of ENDEX.

The objective of the paper is to measure the impact of ENDEX on radiologists' reporting times by standardising study and series descriptions accurately. Additionally, the paper aims to determine the efficiency gains resulting from the use of ENDEX in improving reporting workflows. The research will be observational in nature, with an independent third-party medical professional reviewing anonymised data provided by TMC, and specific study designs will be implemented to assess the accuracy and time-saving benefits of ENDEX in modifying DICOM information. The findings from this scientific paper will provide valuable insights into the benefits of employing ENDEX in the healthcare setting.

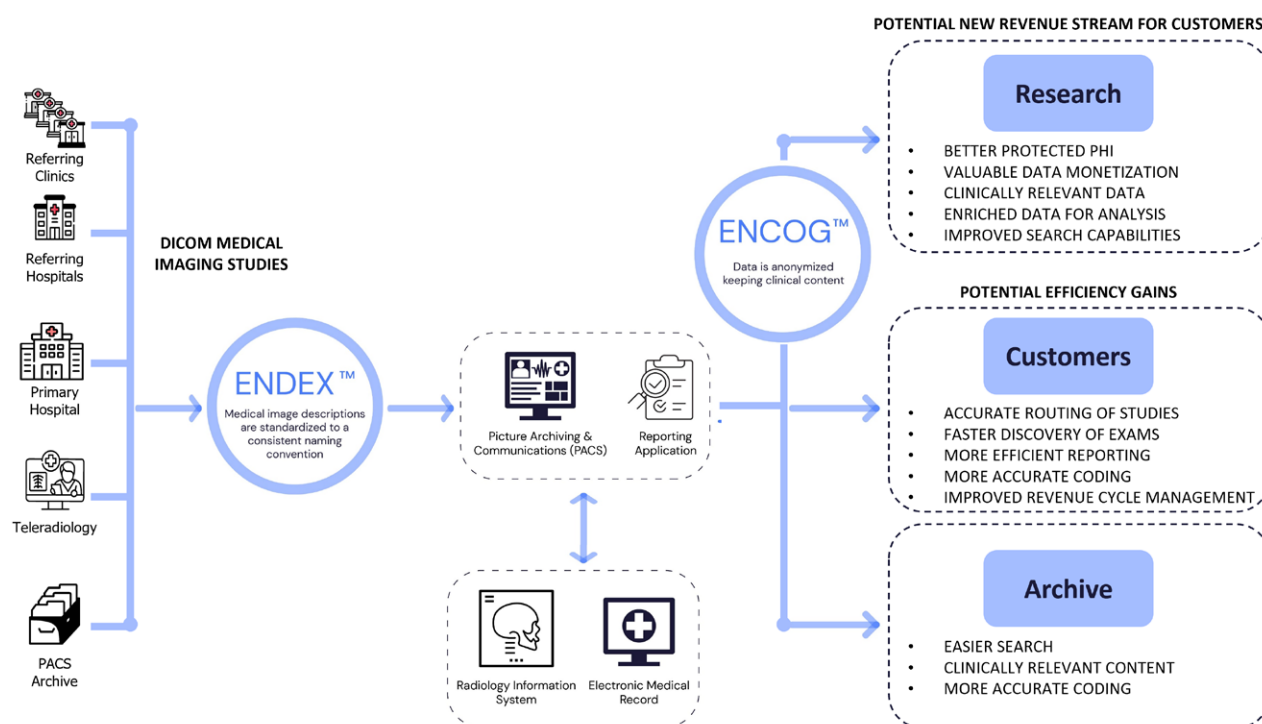
3. Company overview continued

(b) ENCOG

ENCOG de-identifies or anonymises medical imaging data while retaining clinically relevant information, saving time and resources. Traditional anonymisation tools can delete data indiscriminately or require manual intervention to identify PHI, leading to poor quality data, loss of essential information and inefficiencies.

ENCOG uses computer vision and natural language processing to detect and protect PHI found in burned-in pixel data or DICOM and image metadata, all whilst preserving clinical relevance, enabling data to be used for research and analysis. The fusion of computer vision and natural language processing analysis allows the ENCOG inference engine to identify protected health data and, based on the type of data (patient name, ID, date of birth, acquisition date) protect the data using different data protection techniques such as randomisation, pseudonymisation, aggregation, tokenisation, data masking or redaction and encryption. ENCOG supports multiple modalities, including MRI, CT scans, X-rays and ultrasound images, and can be used for rounds/teaching files, clinical trials, training algorithms/validation testing, national disease registries, and real-world evidence databases.

Figure 3.3: ENDEX and ENCOG workflow



(c) ENCODE

ENCODE will seek to leverage the data standardisation from ENDEX to compare the patient data that was acquired against what was billed for reimbursement. ENCODE will look to use computer vision and natural language processing to determine what the originally coded exam was (natural language processing the original order) and will compare it against the study and series acquired (using computer vision and natural language processing on pixel and metadata) to determine if they match. For example, a study that was coded as a routine Head CT (without contrast) but has contrast applied due to an incidental finding during the exam is identified as a discrepancy and the provider can correct the coding so that accurate billing may be submitted.

Patient findings often require last-minute changes in acquisition protocols and these changes are not always reflected in the billing system. For example, a patient who is scheduled for a routine head CT might demonstrate an unexpected finding and the radiologist orders the use of contrast while the patient is still on the CT table. The issue arises where the CT technologist fails to enter this change into the system and the contrast addition goes unbilled. ENCODE will seek to reduce these missed billing opportunities.



ENCODE will seek to examine study and series descriptions and compare these against the coding that was assigned to the study to determine if what was acquired is being correctly submitted for reimbursement. Leveraging the standardised, consistent study descriptions generated by ENDEX, ENCODE will seek to identify discrepancies using advanced algorithms to analyse the data. The system can flag potential errors for review by a medical coding specialist, who can then investigate and resolve any issues.

The ENCODE product is in the development stage but is expected to be released in the second half of 2024. Depending on the amount of funds raised under the Offer, the timing for the development of ENCODE may to some extent be contingent on the ability of the Company to raise further funds in the future. Refer to Section 5.1(a) for the risks regarding the Company's ability to raise further funds.

(d) ENSIGHT

ENSIGHT will seek to connect healthcare providers' medical imaging databases to overcome true interoperability challenges. Patient studies acquired at different facilities can have differentiated study and series descriptions while being acquired using the same parameters. This makes searching for cohorts of patients sharing similar characteristics difficult, if not impossible.

ENSIGHT will seek to overcome these challenges by connecting multiple facilities together and building a real-world evidence database with standardised, de-identified and/or anonymised patient studies. The computer vision models, and natural language processing models will seek to analyse the studies acquired at a facility and create a registry of studies, capturing all the relevant data about the studies. A user can then inquire of ENSIGHT for specific datasets, for example all 45–55 year old female patients with a positive lung nodule. ENSIGHT's analytical capabilities will seek to find all patients matching that criterion and pull the studies from their storage location to the user requesting studies. ENSIGHT will seek to manage only the metadata associated with these imaging studies so that the facility maintains control over their data (as no data is moved until requested) and there is no need for large, duplicated storage systems. The ENSIGHT real-world evidence database will enable facilities to identify patterns and trends, support research, optimise operations and realise a data monetisation strategy.

The ENSIGHT product is in the development stage but is expected to be released in the second half of 2025. Depending on the amount of funds raised under the Offer, the timing for the development of ENSIGHT may to some extent be contingent on the ability of the Company to raise further funds in the future. Refer to Section 5.1(a) for the risks regarding the Company's ability to raise further funds.

(e) Regulatory framework

To the extent any Enlitic product is required to be registered as a medical device, the Company complies with the relevant regulatory requirements. Enlitic is ISO 13485 MDSAP/EN ISO 13485 certified and ENDEX complies with the medical device and registration requirements as a class 1 medical device for the United States, Europe, the United Kingdom, Australia, New Zealand, and Japan.

3.4 EXISTING CUSTOMERS

Enlitic is in the early stages of commercialisation and has in a short period since the entry of its first contract in September 2021, entered into contracts with 8 customers; 7 of which relate to ENDEX and 1 standalone contract relating to ENCOG.

Four of Enlitic's existing customers are healthcare providers, who are end users of the Enlitic products in their facilities. The balance of Enlitic's customers are distribution partners, which leverage their customer base and local expertise to distribute Enlitic's product offering to end user customers.

3. Company overview continued

Figure 3.4: ENDEX and ENCOG customers

CLIENT	OVERVIEW	CONTRACT DATE	CUSTOMER TYPE
Telemedicine Clinic  <small>a Unilabs company</small>	TMC is Europe's largest teleradiology reporting provider, delivering over one million sub-specialist reports annually.	September 2021	Healthcare Provider
Marubeni 	Marubeni Corporation uses their business networks to conduct importing and exporting activities encompassing a diverse range of industries.	January 2023	OEM
Sentara Health 	Sentara is a not-for-profit health system serving Virginia and North Carolina, with 12 hospitals, outpatient care centers, imaging centers and more.	March 2023	Healthcare Provider
Multi, Inc.  <small>Simplifying Healthcare Technology Management</small>	Multi provides healthcare technology to customers throughout the United States and is bringing the Enlitic solutions to their customers.	April 2023	OEM
Vital Radiology Services 	Vital is known for providing high-quality teleradiology services in the United Kingdom.	April 2023	Healthcare Provider
Clairvo Technologies 	Clairvo, a wholly owned subsidiary of Marubeni, is commercializing Enlitic technologies in Japan.	May 2023	OEM
Southeast Alaska Regional Health Consortium  <small>SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM</small>	SEARHC is a non-profit health consortium which serves the health interests of the residents of Southeast Alaska.	July 2023	Healthcare Provider
Blackford Analysis 	Blackford, pioneers in the radiology AI space, provide access to a core platform, tailored services and a portfolio of 100+ applications, globally.	September 2023	OEM

3.5 BUSINESS MODEL

(a) Overview

The key premises that form the foundation of Enlitic's business model are:

- **AI-Driven Medical Imaging:** Enlitic's core premise is to leverage advanced AI algorithms and deep learning techniques to analyse medical images with high accuracy and efficiency. Enlitic aims to revolutionise the data management process, leading to improved data quality and more effective healthcare delivery by using AI.



- **Improved Diagnostic Workflow:** Enlitic's business model is built on the premise of enhancing diagnostic workflows and expanding capacity through AI-driven medical imaging analysis. Enlitic aims to aid in more timely diagnoses by providing valuable insights to healthcare professionals and assisting with their workflow.
- **Partnerships and Collaborations:** Enlitic aims to collaborate with healthcare institutions, research centres, and industry partners to validate and implement AI solutions. The Company aims to ensure its technologies align with real-world medical practices and add value to the healthcare ecosystem by establishing strategic partnerships.
- **Data Security and Privacy:** Enlitic places a strong emphasis on data security and patient privacy. Enlitic's business model centres on complying with relevant healthcare regulations and implementing robust data security measures to safeguard sensitive medical information.
- **Continuous R&D and Improvement:** Enlitic's business model involves ongoing research and development efforts to advance AI algorithms continually. The Company aims to continually enhance the performance and capabilities of its solutions by staying at the forefront of AI technology and medical research.
- **Global Reach and Scalability:** Enlitic's business model is designed to have a global reach, allowing it to serve healthcare organisations and providers worldwide. The AI-driven technology is scalable, positioning the Company to be capable of addressing the healthcare needs of diverse populations and regions.

The Enlitic solution is built upon a software framework, creating a network between applications. It houses an ecosystem that enables and supports the exchange of information or content between different interdependent applications. The framework facilitates communications between modalities, Enlitic applications, Electronic Medical Records and PACS. It features a host of AI-powered applications that enable data standardisation, de-identification and anonymisation and workflow simplification.

(b) Revenue streams

Enlitic currently follows a subscription-based revenue model with contracts typically having a three-year term with a renewal mechanism.

This structure provides customers with continuous access to services while offering predictability and stability for both Enlitic and the customer. The subscription fee for each agreement is negotiated on a customer-by-customer basis having regard to relevant circumstances.

ENSIGHT (once launched), however, is currently proposed to be deployed as a revenue sharing model with upfront costs incurred by the client.

(c) Target customer segments

Enlitic seeks to expand its existing customer base of healthcare provider end users and distribution partners. The Company's primary target markets are large and medium healthcare institutions. These healthcare institutions refer to health systems/hospitals and private radiology and teleradiology reading groups.

1. **Health systems/hospitals:** health systems/hospitals are equipped with a wide range of services, including emergency care, surgery, intensive care units, diagnostic imaging, and various medical specialties. These organisations leverage Enlitic's AI-powered data management solutions to enhance the accuracy and efficiency of medical imaging analysis, such as, CT scans, MRIs, X-ray and ultrasound images as well as other diagnostic tests.
2. **Private radiology/teleradiology reading groups:**
 - (a) **Private outpatient facilities:** these clinics provide medical services and are smaller and more focused than healthcare institutions and hospitals, catering to specific services such as radiology. The clinics are privately-owned facilities that may collaborate with healthcare providers to create a seamless coordination of patient care. Enlitic's technology helps streamline radiology workflows and improve diagnostic outcomes by assisting radiologists in finding patients, displaying studies, and improving their efficiency.
 - (b) **Teleradiology organisations:** teleradiology organisations leverage Enlitic's technology to facilitate remote diagnostics and improve healthcare delivery in underserved areas. These organisations suffer from inconsistent naming conventions more than others due to the nature of their business in collaborating with multiple unrelated sites generating data.

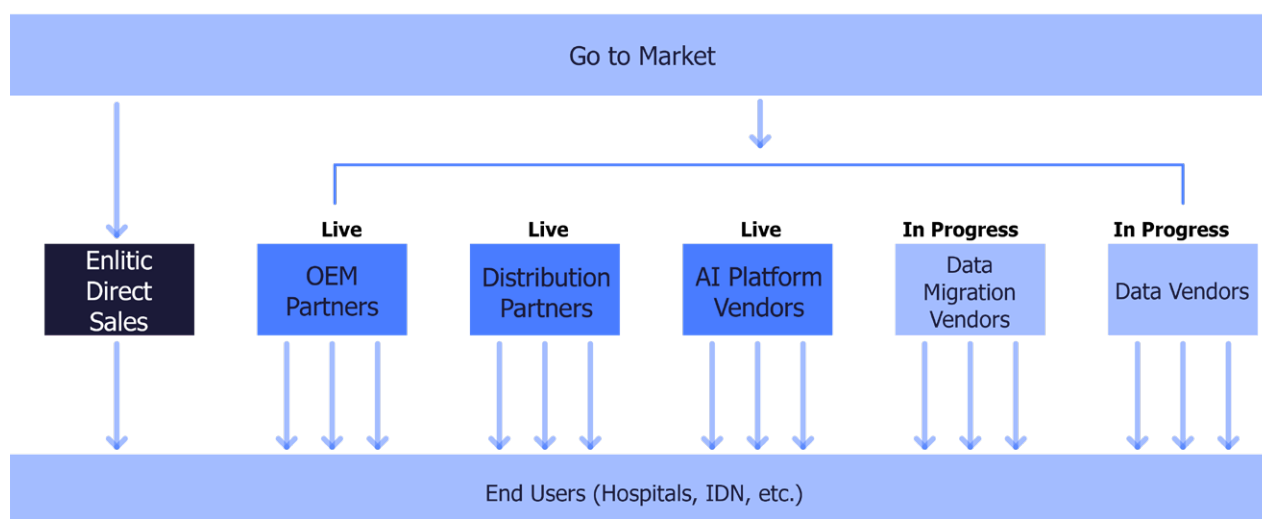
3. Company overview continued

(d) Key partnerships and customer acquisition channels

In addition to sales of products made directly by Enlitic, key partnerships play a pivotal role in Enlitic's market expansion strategies and provide access to resources such as distribution channels contributes to driving its revenue growth. For example, Enlitic's partnership with Marubeni has led to the distribution agreement with Clairvo Technologies, a wholly-owned subsidiary of Marubeni. This partnership is expected to aid the ENDEX product expansion in Japan (refer to Section 9.9 for a description of the Company's arrangements with Marubeni).

Other key partnerships include healthcare technology companies (or 'Original Equipment Manufacturers' (OEMs) who develop PACS (technology used in healthcare to store, manage and transmit digital medical images and related patient information). Enlitic collaborates with these OEMs to integrate its AI algorithms, expanding the reach of the OEM's diagnostic capabilities. PACS providers, AI platform vendors, data migration and data vendor companies are also included in this segment. This segment also represents a potential route to market indirectly while providing the OEM with competitive differentiation.

Figure 3.5: Key channel partners



(e) Customer relationships and marketing

Enlitic seeks to attract new customers through a variety of sales and marketing activities, including inside sales cold calling, trade show participation and a wide range of digital marketing activities. The Enlitic sales team works with prospective customers to demonstrate the product suite, highlight the benefits of the Company's offerings, and the legal team negotiate contracts with those customers.

Enlitic employs various strategies, such as personalised communication, attentive support, and feedback mechanisms, to build and maintain positive relationships with its customers. By prioritising customer-centricity, the Company intends to create lasting partnerships, gain valuable insights, and adapt to evolving customer preferences to promote continued success and growth in the market. Post-implementation surveys are sent to customers to gauge satisfaction after deployment. Enlitic has on-going conversations with customers to ensure adequate satisfaction.

(f) Customer opportunity pipeline

Enlitic currently has a robust pipeline of potential customers across all phases of the sales cycle. There is no guarantee that any of these opportunities may result in binding customer contracts (for example, through entering into End User License Agreements), and if such conversion into customer contracts was to occur, the timing of when such conversions may occur and for systems going live is uncertain.



Figure 3.6: Pipeline distribution and potential size of revenue opportunity¹

Pipeline Stage	#	TCV		Pipeline Stage	#	TCV
LEADS	1,689	N/A		PENDING PROGRESSION	38	\$35.2M USD
WORKING LEAD	1,370	N/A		OPEN OPPORTUNITY	80	\$61.5M USD
MARKETING QUALIFIED	213	N/A				
SALES QUALIFIED	194	N/A				
OPPORTUNITIES	118	\$96.7M USD		TOTAL	118	\$96.7M USD

In relation to the above pipeline stages, Enlitic notes the following:

- **Lead** – a ‘Lead’ represents an entity that advises they want to learn more about Enlitic through filling out a form or providing contact information.
- **Working Lead** – a Lead is regarded as a ‘Working Lead’ once a member of Enlitic schedules a discovery call with the entity.
- **Marketing Qualified Lead** – a Working Lead is regarded as a ‘Marketing Qualified Lead’ once the entity establishes interest in following up for more information.
- **Sales Qualified Lead** – a Marketing Qualified Lead is regarded as a ‘Sales Qualified Lead’ once a demonstration of the relevant Enlitic product is scheduled and/or performed.
- **Opportunity** – a Sales Qualified Lead is regarded as an ‘Opportunity’ once the sales team determines there is sufficient interest to indicate a desire to purchase or subscribe for an Enlitic product.

An Opportunity is regarded as ‘**Pending Progression**’ where the relevant potential customer has shown an initial interest in Enlitic’s products but has placed the sales process on a temporary hold due to their own internal factors, such as, IT capacity or budget constraints.

An Opportunity is regarded as an ‘**Open Opportunity**’ where the relevant potential customer has actively engaged with Enlitic in the sales process.

Opportunities that are considered Pending Progression are not considered to be lost as the potential customer continues to work through the logistics of being able to proceed with Enlitic. Whether it be waiting for a new budget cycle or completing a current project, these potential customers have indicated an interest to work with Enlitic in the future.

Open Opportunities are moving through the sales cycle and are actively being worked on with the sales team with the potential to result in a contract.

1. As at 31 October 2023.

3. Company overview continued

The dollar values indicated above in Figure 3.6 in respect of those customer pipeline opportunities treated as 'Pending Progression' and 'Open Opportunities' represent the Company's estimate (based on initial discussions and assessments with each potential customer) of TCV of each customer pipeline opportunity in those categories if every such opportunity was to result in a signed End User Licence Agreement (and have assumed each such End User Licence Agreement has a term of 3 years). There is no guarantee that any of the customer pipeline opportunities treated as 'Pending Progression' and 'Open Opportunities' will result in any contracted clients or contracted revenue, and the dollar values indicated do not in any way represent an estimate of likely future revenue arising from those. It merely provides an indication of the potential size of the revenue opportunity presented by the customer pipeline opportunities treated as 'Pending Progression' and 'Open Opportunities'.

(g) Intellectual Property

Enlitic's intellectual property encompasses a range of protected assets including:

- **Patents:** Enlitic holds patents for specific AI algorithms, machine learning models, and innovative techniques used in medical imaging analysis and diagnostic technologies. These patents provide legal protection for the Company's unique inventions, preventing others from using or replicating these proprietary methods.
- **Software Copyrights:** The software code developed by Enlitic for the AI solutions is protected by copyright. This safeguards the software from unauthorised copying or distribution, ensuring the Company has exclusive control over the product offerings.
- **Trademarks:** Enlitic registers trademarks for the company name, logo and its product names.
- **Data Rights:** Enlitic has rights to the vast medical imaging datasets used to train their AI models. These datasets are curated, labelled, and pre-processed to ensure the AI algorithms achieve high accuracy and reliability.

Intellectual property plays a critical role in safeguarding Enlitic's innovations and investments, allowing the Company to maintain a competitive edge amongst AI-driven healthcare solutions.

(h) Research and Development

Research and development are at the core of Enlitic's operations, driving advancements in innovative AI-driven healthcare solutions. Key aspects of Enlitic's research and development efforts are as follows:

- **Innovative AI Algorithms:** Enlitic's R&D team focuses on developing state-of-the-art AI algorithms and machine learning models for medical imaging analysis. These algorithms are designed to analyse several types of medical images, including CT scans, MRIs, X-rays and ultrasounds plus more, to assist healthcare professionals in accurate diagnosis and decision-making.
- **Data-driven Approach:** Enlitic's research and development heavily relies on vast and diverse datasets of medical images, often curated, and annotated by expert clinicians. These datasets play a crucial role in training and fine-tuning the AI models to achieve high accuracy and robustness.
- **Deep Learning and Neural Networks:** deep learning is a principal component of Enlitic's AI technology. The R&D team develops and optimises deep neural networks, which enables the AI system to learn complex patterns and representations from medical data.
- **Model Optimisation and Generalisation:** ensuring that AI models are optimised for performance, speed, and efficiency is a vital aspect of Enlitic's research and development efforts. Moreover, the focus on achieving model generalisation allows the algorithms to be effective on diverse patient populations and across various medical imaging devices.
- **Continual Learning and Improvement:** Enlitic's AI models undergo continual learning and improvement. As they are exposed to more data and real-world scenarios, the R&D team incorporates feedback and updates to enhance the models' diagnostic capabilities continually.
- **Clinical Validation and Collaboration:** Enlitic collaborates with medical professionals, research institutions, and healthcare facilities to validate the clinical efficacy of the AI solutions. These collaborations ensure that the AI technology aligns with the needs of healthcare providers and positively impacts patient outcomes.



- **Ethical and Regulatory Considerations:** given the sensitive nature of medical data, Enlitic's R&D team prioritises ethical considerations and adherence to relevant healthcare regulations and privacy standards.

Enlitic's commitment to research and development drives continuous innovation and allows the Company to offer innovative AI solutions that aid healthcare professionals in improving their efficiency. The focus on research and development reflects the Company's dedication to revolutionising healthcare through the application of AI technology.

Enlitic has also enlisted a group of experienced and knowledgeable external experts to form an Advisory Board. The Advisory Board brings diverse perspectives and industry insights to the Company. The Advisory Board's primary function is to offer objective advice and recommendations to the Company's leadership team. The Advisory Board members come from various backgrounds, including technology, business, and clinical fields, and each member contributes their unique expertise to address specific challenges and opportunities faced by the Company.

Leveraging the collective wisdom of the Advisory Board, Enlitic can make well-informed decisions, capitalise on emerging opportunities, and stay ahead of the competition. Moreover, the Advisory Board's external perspective allows the company to gain valuable feedback, identify blind spots, and refine its approach to better serve customers and achieve long-term success.

3.6 GROWTH STRATEGY

Enlitic expects growth opportunities for the Company will come through the five key areas described below:

1. **New customers:** Enlitic is targeting to grow its underlying customer base in the short term via executing on its pipeline of customer opportunities. In doing so, the Company seeks to reach a larger pool of potential customers, expanding its serviceable market and leading to increased sales opportunities and revenue potential. Further, Enlitic aims to leverage its direct and OEM sales force to reach customers across key global markets.
2. **Increased volumes:** Enlitic will seek to drive additional revenue growth through increasing volumes with its growing customer base. The Company will look to identify prospects where ENDEX or ENCOG can fulfil a further demand under an existing contract – namely data standardisation or de-identification. This targeted approach allows the Company to concentrate its resources and efforts on gaining a strong presence in the ENDEX and ENCOG markets.
3. **New solutions:** Enlitic seeks to create cross-selling and up-selling opportunities as the Company establishes relationships with customers, as well as offering complementary products or services, increasing overall sales and customer loyalty. Throughout this process, Enlitic will continuously collect feedback, analyse market trends, and improve its offerings to meet evolving customer needs.
4. **Revenue sharing:** Enlitic is working with customers to develop a data monetisation strategy in collaboration with healthcare providers. By standardising and de-identifying data on behalf of the customer, Enlitic expects to be positioned to broker the sale of data to those companies in need, namely AI vendors and pharmaceutical manufacturers. Building on the capabilities of ENSIGHT, Enlitic will seek to create a revenue sharing model with the customer and provide access to this RWE database to vendors. Revenue sharing models in this sector are not common but the market has shown indications of adoption of and growth in such arrangements, but is still immature.
5. **M&A opportunities:** Enlitic will continue to monitor potential adjacent opportunities across new geographies, service capabilities and industry segments. As part of any expansion into these adjacencies, Enlitic may from time to time consider the merits of strategic bolt-on opportunities to accelerate growth.



4.

Financial information

4. Financial information



4.1 FINANCIAL INFORMATION

The financial information contained in this Section 4 includes historical financial information for Enlitic for the financial years ended 31 December 2021 (**FY2021**) and 31 December 2022 (**FY2022**) and for the six months ended 30 June 2023 (**1HY2023**) and the comparative period six months ended 30 June 2022 (**1HY2022**) and forecast financial information for Enlitic for the six months ending 31 December 2023 (**2HY2023F**) and the year ending 31 December 2023 (**FY2023F**) (representing the sum of actual financial results for the six months ended 30 June 2023 and forecast results for the six months ending 31 December 2023). Enlitic has a 31 December financial year end.

This Section 4 contains a summary of:

- statutory historical financial information, comprising:
 - Enlitic’s statutory historical consolidated income statements for FY2021, FY2022, 1HY2022 and 1HY2023 (**Statutory Historical Income Statements**);
 - Enlitic’s statutory historical consolidated cash flow statements for FY2021, FY2022, 1HY2022 and 1HY2023 (**Statutory Historical Cash Flows**); and
 - Enlitic’s statutory historical consolidated statement of financial position as at 30 June 2023 (**Statutory Historical Statement of Financial Position**),(together, the **Statutory Historical Financial Information**); and
- pro forma historical financial information, comprising:
 - Enlitic’s pro forma historical consolidated income statements for FY2021, FY2022, 1HY2022 and 1HY2023 (**Pro Forma Historical Income Statements**); and
 - Enlitic’s pro forma historical consolidated cash flow statements for FY2021, FY2022, 1HY2022 and 1HY2023 (**Pro Forma Historical Cash Flows**); and
 - Enlitic’s pro forma historical consolidated statement of financial position as at 30 June 2023 (**Pro Forma Historical Statement of Financial Position**),(together, the **Pro Forma Historical Financial Information**),

(together, the Statutory Historical Financial Information and the Pro Forma Historical Financial Information are referred to as the **Historical Financial Information**);

- statutory forecast financial information comprising:
 - Enlitic’s statutory forecast consolidated income statement for 2HY2023F and FY2023F (**Statutory Forecast Income Statements**); and
 - Enlitic’s statutory forecast consolidated cash flow statement for 2HY2023F and FY2023F (**Statutory Forecast Cash Flows**),(together, the **Statutory Forecast Financial Information**);
- the pro forma forecast financial information, comprising:
 - Enlitic’s pro forma forecast consolidated income statement for 2HY2023F and FY2023F (**Pro Forma Forecast Income Statement**); and
 - Enlitic’s pro forma forecast consolidated cash flow statement for 2HY2023F and FY2023F (**Pro Forma Forecast Cash Flows**),(together, the **Pro Forma Forecast Financial Information**),

(together, the Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information are referred to as the **Forecast Financial Information**).

4. Financial information continued

The Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information is together referred to as the “**Financial Information**”.

In addition, this Section 4 summarises:

- the basis of preparation and presentation of the Financial Information (see Section 4.2);
- information regarding certain non-IFRS financial measures (see Section 4.2(d));
- the key pro forma operating and financial metrics (see Section 4.3(a));
- the pro forma adjustments to the Statutory Historical Financial Information (see Sections 4.3, 4.4 and 4.5);
- information regarding liquidity and capital resources (see Section 4.5(a));
- information regarding Enlitic’s contractual obligations, commitments and contingent liabilities (see Section 4.5(b));
- the Directors’ best estimate general and specific assumptions underlying the Forecast Financial Information (Sections 4.6) and key sensitivities in respect of the Forecast Financial Information (Section 4.8);
- management’s discussion and analysis of the Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information (see Section 4.7);
- a description of Enlitic’s critical accounting policies (see Section 4.9); and
- Enlitic’s dividend policy (see Section 4.10).

The information in Section 4 should also be read in conjunction with the risk factors set out in Section 5 and other information contained in this Prospectus.

All amounts disclosed in this Section 4 and Schedule 2 are presented in United States dollars and, unless otherwise noted, are rounded to the nearest dollar. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

4.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

(a) Overview and preparation and presentation of the Financial Information

The Directors are responsible for the preparation and presentation of the Financial Information.

The Historical Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flow and financial position of Enlitic.

The Statutory Historical Financial Information has been prepared in accordance with the recognition and measurement principles of IFRS issued by the IASB and Enlitic’s accounting policies. Enlitic’s significant accounting policies are described in Schedule 2.

Once Listing has occurred, future financial information of the Company will be prepared in accordance with IFRS (and the audit of that financial information will be conducted in accordance with Australian Auditing Standards), except in the circumstances set out in Section 5.2(c).

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles of IFRS, other than that it includes certain adjustments which have been prepared in a manner consistent with IFRS, that reflect (a) the exclusion of certain transactions that occurred in the relevant periods and (b) the impact of certain transactions as if they had occurred on or before 30 June 2023.

The Pro Forma Historical Financial Information does not reflect the actual financial results and cash flows of Enlitic for the periods indicated. The Directors of Enlitic believe that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the business presented on a consistent basis.



The Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The Forecast Financial Information presented in this Prospectus is unaudited. The basis of preparation and presentation of the Forecast Financial Information, to the extent possible, is consistent with the basis of preparation and presentation for the Historical Financial Information unless noted.

The Financial Information is presented in an abbreviated form and it does not include all of the presentation and disclosures, statements or comparative information required by IFRS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

In addition to the Financial Information, Section 4 describes certain non-IFRS financial measures that Enlitic uses to manage and report on the business that are not defined under or recognised by IFRS.

Independent Limited Assurance Report

The Financial Information has been reviewed by RSM in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information as stated in its Independent Limited Assurance Report set out in Section 8. Investors should note the scope and limitations of the Independent Limited Assurance Report.

(b) Preparation of the Historical Financial Information

The Historical Financial Information has been presented on both a statutory and a pro forma basis.

The Statutory Historical Financial Information for FY2021 and FY2022 for Enlitic has been derived from the FY2021 and FY2022 audited general purpose financial statements of Enlitic.

The Statutory Historical Financial Information for 1HY2022 and 1HY2023 for Enlitic has been derived from the 1HY2023 reviewed general purpose interim financial statements of Enlitic (inclusive of 1HY2022 comparatives).

The financial statements of Enlitic for FY2021 and FY2022 were audited by RSM Australia Pty Ltd in accordance with Australian Auditing Standards. RSM Australia Pty Ltd has issued unqualified audit opinions on these financial statements.

The financial statements of Enlitic for 1HY2023 were reviewed by RSM Australia Pty Ltd in accordance with Australian Auditing Standards. RSM Australia Pty Ltd has issued an unqualified reviewed conclusion on these financial statements.

Without modification of its audit opinions or review conclusion, RSM Australia Pty Ltd's audit/review reports included a paragraph drawing attention to the fact that there were events or conditions, along with other matters disclosed in the financial statements indicating that a material uncertainty existed that may cast doubts on Enlitic's ability to continue as a going concern.

The Pro Forma Historical Financial Information has been prepared for the purpose of inclusion in this Prospectus. The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information of Enlitic and adjusted for the effects of the pro forma adjustments.

Table 4.3 in Section 4.3 sets out the pro forma adjustments made to the Statutory Historical Income Statements and a reconciliation of the Statutory Historical Income Statements to the Pro Forma Historical Income Statements.

Table 4.6 in Section 4.4 sets out the pro forma adjustments to the Statutory Historical Cash Flows and a reconciliation of the Statutory Historical Cash Flows to the Pro Forma Historical Cash Flows. Pro forma adjustments were made to the Statutory Historical Cash Flows to reflect the cash impact of the pro forma adjustments to the Statutory Historical Cash Flows.

Table 4.8 in Section 4.5 sets out the pro forma adjustments to the Statutory Historical Statement of Financial Position, and a reconciliation of the Statutory Historical Statement of Financial Position to the Pro Forma Historical Statement of Financial Position. Pro forma adjustments were made to the Statutory Historical Statement of Financial Position to reflect the impact of the Offer as if they had occurred as at 30 June 2023.

In preparing the Financial Information, Enlitic's accounting policies have been consistently applied throughout the periods presented.

Investors should note that past results are not a guarantee of future performance.

4. Financial information continued

Going Concern

The Financial Information for HY2023 has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharge of liabilities in the normal course of business.

The Directors believe that there are reasonable grounds that Enlitic will be able to continue as a going concern taking into account the proceeds raised under the Offer.

(c) Preparation of the Forecast Financial Information

The Forecast Financial Information has been prepared and presented on both a pro forma and statutory basis for 2HY2023F and FY2023F, as follows:

- the Statutory Forecast Financial Information for 2HY2023F reflect the Director's best estimate forecasts for 2HY2023F;
- the Statutory Forecast Financial Information presented for FY2023F represents the sum of actual results for 1HY2023 and forecast results for 2HY2023F; and
- the Pro Forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information after adjusting for the pro forma adjustments.

A reconciliation of the Statutory Forecast Financial Information to the Pro Forma Forecast Financial Information is provided in Table 4.3 in Section 4.3 and Table 4.6 in Section 4.4.

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of Forecast Financial Information, to the extent applicable, is consistent with the basis of preparation and presentation of the Historical Financial Information, unless otherwise noted.

The Forecast Financial Information has been prepared by the Directors based on an assessment of current economic and operating conditions and best estimate assumptions regarding future events and actions as set out in Sections 4.6(a), 4.6(b) and 4.8. The Forecast Financial Information is subject to the risks set out in Section 5. The inclusion of these assumptions and these risks is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur.

Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information, and that this may have a material positive or negative effect on Enlitic's actual financial performance or financial position. In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of Enlitic, the Directors and management, and are not reliably predictable. Accordingly, neither Enlitic, the Directors, nor any other person can give investors any assurance that the outcomes discussed in the Forecast Financial Information will arise.

The Forecast Financial Information should be read in conjunction with the specific assumptions as set out in Section 4.6(b), the general assumptions as set out in Section 4.6(a), the sensitivities as set out in Section 4.8, the risk factors as set out in Section 5 and other information within this Prospectus.

Enlitic has no intention to update or revise the Forecast Financial Information or other forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.



(d) Explanation of certain non-IFRS financial measures

To assist in the evaluation of the performance of Enlitic, certain measures are used to report on the Company that are not recognised under IFRS. These measures are collectively referred in this Section 4 and under Regulatory Guide 230 *Disclosing Non-IFRS Financial Information* published by ASIC as “non-IFRS financial measures”. The principal non-IFRS financial measures that are referred to in this Prospectus are as follows:

- **LBITDA** is losses before interest (net finance income), taxation, depreciation and amortisation. Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation, amortisation and before interest and taxation.
- **LBIT** is losses before interest (net finance income) and taxation.
- **Operating cash flow** is LBITDA after the removal of non-cash items in EBITDA (e.g. share-based payment expenses and movements in provision) and changes in working capital.
- **Free cash flow** is operating cash flows less capital expenditure cash flows.
- **Working capital** includes trade and other receivables, inventory and other current assets less trade and other payables, other liabilities and provisions.
- **MRR or Monthly Recurring Revenue** represents the total monthly revenue to be generated from current contracts that Enlitic has with its customer base.
- **ARR or Annual Recurring Revenue** is calculated as MRR multiplied by 12.
- **TCV or Total Contract Value** represents the total contracted minimum licence revenue to be charged over the term (generally 3 years of contracts entered into with customers) of the contract plus ancillary revenue (as applicable).

Although the Directors believe that these measures provide useful information about the financial performance of Enlitic, they should be considered as supplements to the income statement or cash flow statement measures that have been presented in accordance with IFRS and not as a replacement for them. As these non-IFRS financial measures are not based on IFRS, they do not have standard definitions, and the way Enlitic calculated these measures may differ from similarly titled measures used by other companies. Investors and readers of this Prospectus should therefore not place undue reliance on these non-IFRS financial measures.

4. Financial information continued

4.3 PRO FORMA HISTORICAL INCOME STATEMENTS AND PRO FORMA FORECAST INCOME STATEMENTS

Table 4.1 sets out a summary of the Pro Forma Historical Income Statements of Enlitic for FY2021, FY2022, 1HY2022 and 1HY2023 and the Pro Forma Forecast Income Statement of Enlitic for 2HY2023F and FY2023F. The Pro Forma Historical and Forecast Income Statements are reconciled to the respective historical and forecast income statements in Section 4.3(b).

Table 4.1: Summary of Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement

PRO FORMA CONSOLIDATED HISTORICAL AND PRO FORMA FORECAST US\$	NOTES	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
Revenue							
Consultancy	1	1,293,967	886,557	454,057	178,903	140,144	319,047
Subscription Revenue	2	–	16,667	–	93,663	232,149	325,812
Total Revenue	4	1,293,967	903,224	454,057	272,566	372,293	644,859
Other Income	3	546,423	119,843	101,073	31,058	–	31,058
Expenses	5						
Employee expenses		(11,064,111)	(11,508,303)	(6,287,552)	(5,212,244)	(4,950,988)	(10,163,232)
Marketing		(227,874)	(319,236)	(201,799)	(160,838)	(41,674)	(202,512)
Professional Fees		(2,626,310)	(2,869,914)	(1,349,110)	(1,230,255)	(1,289,731)	(2,519,986)
Administration expenses		(3,549)	(3,574)	(7,922)	(3,931)	–	(3,931)
Other expenses		(1,173,244)	(1,630,045)	(698,663)	(470,730)	(787,476)	(1,258,206)
Subscriptions		(871,829)	(930,391)	(456,221)	(451,901)	(301,134)	(753,035)
Exchange loss		(464)	(181)	(102)	(3,970)	–	(3,970)
Travel		(185,465)	(502,831)	(238,242)	(262,851)	(339,500)	(602,351)
Fair Value loss on derivative		–	–	–	–	–	–
Ongoing incremental listed company costs		(1,102,206)	(1,102,206)	(551,103)	(551,103)	(400,735)	(951,838)
Total operating expenses		(17,255,052)	(18,866,681)	(9,790,714)	(8,347,823)	(8,111,238)	(16,459,061)
LBITDA		(15,414,662)	(17,843,614)	(9,235,584)	(8,044,199)	(7,738,945)	(15,783,144)
Depreciation and amortisation		(1,076,801)	(819,570)	(492,784)	(242,607)	(96,395)	(339,002)
LBIT		(16,491,463)	(18,663,184)	(9,728,368)	(8,286,806)	(7,835,340)	(16,122,146)
Finance costs		(27,177)	(20,009)	(12,978)	(2,872)	–	(2,872)
Loss before income tax		(16,518,640)	(18,683,193)	(9,741,346)	(8,289,678)	(7,835,340)	(16,125,018)
Income tax expense		–	–	–	–	–	–
LPAT		(16,518,640)	(18,683,193)	(9,741,346)	(8,289,678)	(7,835,340)	(16,125,018)



Notes:

1. Consultancy revenue primarily relates to a historical contract Enlitic had with the United States Department of Defence, Defence Innovation Unit to pilot its AI platform in select Defence Health Agency and Veterans Affairs Medical Treatment Facilities. This avenue of revenue ceased in FY2022, with Enlitic focusing on developing recurring revenue streams from the licencing of its products. Consultancy revenue in 1HY2023 and 2HY2023F (FY2023F combined) and a small component within FY2022 relates to one off training and installation services revenue associated with the adoption of ENDEX and ENCOG by Enlitic's customers.
2. Subscription revenue relates to subscription revenue from licencing of ENDEX and ENCOG.
3. Other revenue for FY2021 primarily relates to R&D rebates received. Other revenue for other periods primarily relates to rental income received.
4. Refer to Section 4.6(b)(i) – Management Discussion & Analysis for a detailed breakdown and discussion of revenue.
5. Refer to Section 4.6(b)(ii) – Management Discussion & Analysis for a detailed breakdown and discussion of expenses.
6. Ongoing incremental listed costs represent estimated incremental costs of being a listed company and have been adjusted into the pro forma income statement for the period prior to the estimated date of Listing.

(a) Key operating and financial metrics

Table 4.2 sets out Enlitic's key pro forma historical operating and financial metrics for FY2021, FY2022, 1HY2022 and 1HY2023 and forecast key operating and financial metrics for 2HY2023F and FY2023F.

Table 4.2: Pro forma historical and Pro forma forecast key operating and financial metrics

PRO FORMA CONSOLIDATED HISTORICAL AND PRO FORMA FORECAST US\$	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
Revenue						
Consultancy	1,293,967	886,557	454,057	178,903	140,144	319,047
Subscription revenue	–	16,667	–	93,663	232,149	325,812
Total Revenue	1,293,967	903,224	454,057	272,566	372,293	644,859
Period end MRR	–	–	–	19,167	97,423	97,423
Period end ARR	–	–	–	230,004	1,169,076	1,169,076
Operating expenses	(17,255,052)	(18,866,681)	(9,790,714)	(8,347,823)	(8,111,238)	(16,459,061)
LBITDA	(15,414,662)	(17,843,614)	(9,235,584)	(8,044,199)	(7,738,945)	(15,783,144)

4. Financial information continued

(b) Pro forma adjustments to the Statutory Historical Income Statement and the Statutory Forecast Income Statements

Table 4.3 sets out the pro forma adjustments that have been made to the Statutory Historical Income Statements and Statutory Forecast Income Statement.

Table 4.3: Pro forma adjustments to the Statutory Historical Income Statements and Statutory Forecast Income Statements

US\$ PERIOD	NOTES	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
Statutory Professional Fees		(2,626,310)	(2,869,914)	(1,349,110)	(1,665,089)	(2,412,488)	(4,077,577)
Legal fees associated with former executive	1	–	–	–	434,834	–	434,834
Non-recurring IPO Costs	2	–	–	–	–	1,122,757	1,122,757
Pro Forma Professional Fees		(2,626,310)	(2,869,914)	(1,349,110)	(1,230,255)	(1,289,731)	(2,519,986)
Statutory Fair Value loss on derivative		(33,140)	(243,098)	(99,295)	–	–	–
Fair value loss on derivative	3	33,140	243,098	99,295	–	–	–
Pro Forma Fair Value loss on derivative		–	–	–	–	–	–
Statutory Ongoing incremental listed company costs		–	–	–	–	–	–
Incremental listed company costs		(1,102,206)	(1,102,206)	(551,103)	(551,103)	(400,735)	(951,838)
Pro Forma Ongoing incremental listed company costs		(1,102,206)	(1,102,206)	(551,103)	(551,103)	(400,735)	(951,838)
Statutory Finance costs		(1,252,348)	(7,236,743)	(1,683,285)	(56,017)	–	(56,017)
Finance costs associated with convertible notes		1,225,171	7,216,734	1,670,307	53,145	–	53,145
Pro Forma Finance costs		(27,177)	(20,009)	(12,978)	(2,872)	–	(2,872)
Statutory LPAT		(16,674,745)	(25,040,819)	(10,959,845)	(8,226,554)	(8,557,362)	(16,783,916)
Legal fees associated with former executive	1	–	–	–	434,834	–	434,834
Non-recurring IPO Costs	2	–	–	–	–	1,122,757	1,122,757
Incremental listed company costs	3	(1,102,206)	(1,102,206)	(551,103)	(551,103)	(400,735)	(951,838)
Fair value loss on derivative	4	33,140	243,098	99,295	–	–	–
Finance costs associated with convertible notes	5	1,225,171	7,216,734	1,670,307	53,145	–	53,145
Tax impact of Pro Forma adjustments	6	–	–	–	–	–	–
Pro Forma LPAT		(16,518,640)	(18,683,193)	(9,741,346)	(8,289,678)	(7,835,340)	(16,125,018)



Notes:

1. During 1HY2023 Enlitic incurred legal costs in relation to a former executive of the Company in connection with an ongoing dispute, which the Company does not consider to be material. As these costs do not relate to the ongoing operations of the Company they have been added back in the pro forma income statements.
2. Costs expensed in relation to the Offer are not included in the pro forma income statements on the basis that they do not represent an ongoing cost of Enlitic and have, therefore, been added back from the statutory income statements.
3. Ongoing incremental listed costs represent estimated incremental costs of being a listed company and have been adjusted into the pro forma income statements for the period prior to the estimated date of Listing.
4. The fair value loss on derivative relates to movements in the fair value of the financial derivative (equity conversion feature) within the convertible notes issued by Enlitic in FY2021 and FY2022. The convertible notes were converted into equity in 1HY2023 and these costs are not considered to be reflective of the ongoing operational costs of Enlitic and, therefore have been added back in the pro forma income statements.
5. The finance costs associated with convertible notes primarily relate to the amortisation of upfront advisor costs associated with the issuance of the convertible notes together with the amortisation of the initial fair value of the financial derivative (equity conversion feature) within the convertible note. The convertible notes were converted into equity in 1HY2023 and these costs are not considered to be reflective of the ongoing operational costs of Enlitic and, therefore have been added back in the pro forma income statements.
6. Given the current loss-making position of Enlitic, the pro forma adjustments have no tax impact.

(c) Summary of Statutory Historical Income Statements and Statutory Forecast Income Statements

Table 4.4 sets out Enlitic's Statutory Historical Income Statements for FY2021, FY2022, 1HY2022 and 1HY2023 and Enlitic's Statutory Forecast Income Statement for 2HY2023F and FY2023F.

Table 4.4: Summary of Statutory Historical Income Statements and Statutory Forecast Income Statements

STATUTORY HISTORICAL AND FORECAST US\$	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
Revenue						
Consultancy	1,293,967	886,557	454,057	178,903	140,144	319,047
Subscription Revenue	–	16,667	–	93,663	232,149	325,812
Total Revenue	1,293,967	903,224	454,057	272,566	372,293	644,859
Other Income	546,423	119,843	101,073	31,058	–	31,058
Expenses						
Employee expenses	(11,064,111)	(11,508,303)	(6,287,552)	(5,212,244)	(4,950,988)	(10,163,232)
Marketing	(227,874)	(319,236)	(201,799)	(160,838)	(41,674)	(202,512)
Professional Fees	(2,626,310)	(2,869,914)	(1,349,110)	(1,665,089)	(2,412,488)	(4,077,577)
Administration expenses	(3,549)	(3,574)	(7,922)	(3,931)	–	(3,931)
Other expenses	(1,173,244)	(1,630,045)	(698,663)	(470,730)	(787,476)	(1,258,206)
Subscriptions	(871,829)	(930,391)	(456,221)	(451,901)	(301,134)	(753,035)
Exchange loss	(464)	(181)	(102)	(3,970)	–	(3,970)
Travel	(185,465)	(502,831)	(238,242)	(262,851)	(339,500)	(602,351)
Fair Value loss on derivative	(33,140)	(243,098)	(99,295)	–	–	–
Total operating expenses	(16,185,986)	(18,007,573)	(9,338,906)	(8,231,554)	(8,833,260)	(17,064,814)
LBITDA	(14,345,596)	(16,984,506)	(8,783,776)	(7,927,930)	(8,460,967)	(16,388,897)
Depreciation and amortisation	(1,076,801)	(819,570)	(492,784)	(242,607)	(96,395)	(339,002)
LBIT	(15,422,397)	(17,804,076)	(9,276,560)	(8,170,537)	(8,557,362)	(16,727,899)
Finance costs	(1,252,348)	(7,236,743)	(1,683,285)	(56,017)	–	(56,017)
Loss before income tax	(16,674,745)	(25,040,819)	(10,959,845)	(8,226,554)	(8,557,362)	(16,783,916)
Income tax expense	–	–	–	–	–	–
LPAT	(16,674,745)	(25,040,819)	(10,959,845)	(8,226,554)	(8,557,362)	(16,783,916)

4. Financial information continued

4.4 PRO FORMA HISTORICAL CASH FLOWS AND PRO FORMA FORECAST CASH FLOWS

Table 4.5 sets out Enlitic's Pro Forma Historical Cash Flows for FY2021, FY2022, 1HY2022 and 1HY2023 and Enlitic's Pro Forma Forecast Cash Flows for 2HY2023F and FY2023F. The pro forma cash flow information has been constructed using the indirect method (i.e. reconciling EBITDA to operating cash flows).

Table 4.5: Summary of Pro Forma Historical Cash Flows and Pro Forma Forecast Cash Flows

PRO FORMA CONSOLIDATED HISTORICAL AND PRO FORMA CONSOLIDATED FORECAST US\$	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
LBITDA	(15,414,662)	(17,843,614)	(9,235,584)	(8,044,199)	(7,738,945)	(15,783,144)
Share-based payments expense	1,050,501	271,947	137,391	132,447	128,977	261,424
Changes in working capital	448,668	(85,191)	(369,242)	782,167	(236,788)	545,379
Interest paid	(27,177)	(19,079)	(12,978)	(2,872)	–	(2,872)
Finance costs	–	(930)	–	–	–	–
Operating cash flow	(13,942,670)	(17,676,867)	(9,480,413)	(7,132,457)	(7,846,756)	(14,979,213)
Investing Cash Flows						
Capital expenditure	(158,558)	(160,416)	(96,295)	(352)	(90,196)	(90,548)
Receipts from investments	–	(15,041)	(15,041)	–	–	–
Free cash flow	(14,101,228)	(17,852,324)	(9,591,749)	(7,132,809)	(7,936,952)	(15,069,761)

(a) Pro forma adjustments to the Statutory Historical Cash Flows and Statutory Forecast Cash Flows

Table 4.6 sets out the pro forma adjustments that have been made to the Statutory Historical Cash Flows and Statutory Forecast Cash Flows to reflect the post-tax cash impact of the pro forma earnings adjustments. These adjustments are summarised and explained in the table below.

Table 4.6: Pro forma adjustments to the Statutory Historical Cash Flows and Statutory Forecast Cash Flows

US\$	NOTES	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
Statutory Operating cash flow		(12,840,464)	(16,574,661)	(8,929,310)	(7,016,188)	(7,446,021)	(14,462,209)
Legal fees associated with former executive	1	–	–	–	434,834	–	434,834
Incremental listed company costs	2	(1,102,206)	(1,102,206)	(551,103)	(551,103)	(400,735)	(951,838)
Tax impact of Pro Forma adjustments	3	–	–	–	–	–	–
Pro Forma Operating cash flow		(13,942,670)	(17,676,867)	(9,480,413)	(7,132,457)	(7,846,756)	(14,979,213)

Notes:

- During 1HY2023 Enlitic incurred legal costs in relation to a former executive of the Company in connection with an ongoing dispute which the company does not consider to be material. As these costs do not relate to the ongoing operations of the Company they have been added back in the pro forma income statements.
- Ongoing incremental listed costs represent estimated incremental costs of being a listed company and have been adjusted into the pro forma income statements for the period prior to the estimated date of Listing.
- Given the current loss-making position of Enlitic, the pro forma adjustments have no tax impact.



(b) Summary of Statutory Historical Cash Flows and Statutory Forecast Cash Flows

Table 4.7 sets out Statutory Historical Cash Flows for FY2021, FY2022, 1HY2022 and 1HY2023 and Statutory Forecast Cash Flows for 2HY2023F and FY2023F.

Table 4.7: Summary of Statutory Historical Cash Flows and Statutory Forecast Cash Flows

STATUTORY CONSOLIDATED HISTORICAL AND STATUTORY CONSOLIDATED FORECAST US\$	FY2021	FY2022	1HY2022	1HY2023	2HY2023F	FY2023F
LBITDA	(14,345,596)	(16,984,506)	(8,783,776)	(7,927,930)	(8,460,967)	(16,388,897)
Offer costs in LBITDA	–	–	–	–	1,122,757	1,122,757
Share-based payments expense	1,050,501	271,947	137,391	132,447	128,977	261,424
Fair Value loss on derivative	33,140	243,098	99,295	–	–	–
Changes in working capital	448,668	(85,191)	(369,242)	782,167	(236,788)	545,379
Interest paid	(27,177)	(19,079)	(12,978)	(2,872)	–	(2,872)
Finance costs	–	(930)	–	–	–	–
Operating cash flow	(12,840,464)	(16,574,661)	(8,929,310)	(7,016,188)	(7,446,021)	(14,462,209)
Investing Cash Flows						
Capital expenditure	(158,558)	(160,416)	(96,295)	(352)	(90,196)	(90,548)
Receipts from investments	–	(15,041)	(15,041)	–	–	–
Free cash flow	(12,999,022)	(16,750,118)	(9,040,646)	(7,016,540)	(7,536,217)	(14,552,757)

4.5 STATUTORY HISTORICAL STATEMENTS OF FINANCIAL POSITION AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

Table 4.8 sets out the Statutory Historical Statement of Financial Position of Enlitic and the pro forma adjustments that have been made to prepare the Pro Forma Historical Statement of Financial Position for Enlitic. These adjustments take into account the effect of the proceeds of the Offer and related transaction costs and pro forma adjustments as if they had occurred as at 30 June 2023.

The pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of Enlitic's view of its financial position upon Completion of the Offer or at a future date. Further information on the sources and uses of funds of the Offer is contained in Section 7.1.

4. Financial information continued

Table 4.8: Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 30 June 2023

US\$	NOTES	STATUTORY HISTORICAL BALANCE SHEET 30 JUN 2023	MINIMUM SUBSCRIPTION PRO FORMA ADJUSTMENTS	MAXIMUM SUBSCRIPTION PRO FORMA ADJUSTMENTS	MINIMUM SUBSCRIPTION 30 JUN 2023 PRO FORMA	MAXIMUM SUBSCRIPTION 30 JUN 2023 PRO FORMA
Current assets						
Cash and cash equivalents	1, 2	6,544,865	10,821,138	19,853,861	17,366,003	26,398,726
Trade and other receivables		95,888	–	–	95,888	95,888
Other current assets		309,178	–	–	309,178	309,178
Total current assets		6,949,931	10,821,138	19,853,861	17,771,069	26,803,792
Non current assets						
Property, plant and equipment		182,649	–	–	182,649	182,649
Right-of-use assets		90,674	–	–	90,674	90,674
Intangible assets		9,708	–	–	9,708	9,708
Total non current assets		283,031	–	–	283,031	283,031
Total assets		7,232,962	10,821,138	19,853,861	18,054,100	27,086,823
Current liabilities						
Trade and other payables		(1,376,970)	–	–	(1,376,970)	(1,376,970)
Lease liabilities – current		(103,561)	–	–	(103,561)	(103,561)
Total current liabilities		(1,480,531)	–	–	(1,480,531)	(1,480,531)
Total liabilities		(1,480,531)	–	–	(1,480,531)	(1,480,531)
Net assets		5,752,431	10,821,138	19,853,861	16,573,569	25,606,292
Equity						
Issued capital	1, 3	100,310,117	11,943,895	20,982,357	112,254,012	121,292,474
Reserves		3,248,018	–	–	3,248,018	3,248,018
Accumulated losses	1, 3	(97,805,704)	(1,122,757)	(1,128,496)	(98,928,461)	(98,934,200)
Total equity		5,752,431	10,821,138	19,853,861	16,573,569	25,606,292

Notes:

- The Minimum Subscription (A\$20 million) and the Maximum Subscription (A\$35 million), and associated costs of the Offer, have been translated into US\$ utilising a current rate of US\$:A\$ of 1:1.56 resulting in an Offer size expressed in US\$ of US\$12.8m (Minimum Subscription) and US\$22.4m (Maximum Subscription).
- Pro-forma cash will, as a result of the Offer increase by:
 - US\$10.8m under the Minimum Subscription calculated as cash raised of US\$12.8m less cash costs of the offer of US\$2.0m; and
 - US\$19.9m under the Maximum Subscription calculated as cash raised of US\$22.4m less cash costs of the offer of US\$2.6m (subject to US\$0.1m rounding difference).
- Based on the Offer, one-off listing and capital raising costs of US\$2.0m (Minimum Subscription) to US\$2.6m (Maximum Subscription) are estimated to be incurred.
Cash costs that are directly related to raising new equity of US\$0.9m (Minimum Subscription) to US\$1.5m (Maximum Subscription) have been capitalised against issued capital. Cash costs not directly related to raising of new equity (i.e. the Listing of existing equity through the issuance of CDIs) of US\$1.1m (Minimum Subscription and Maximum Subscription) have been recognised as an expense. Given the current loss position of Enlitic, the tax deductibility of the one-off listing costs is not accounted for in the pro-forma balance sheet, as the tax deductibility of the costs will be dependent on the future profitability of Enlitic.



(a) Liquidity and capital resources

Following Completion, the Company will have, on a pro forma basis, cash of between US\$17.4m (Minimum Subscription) and US\$26.4m (Maximum Subscription) as at 30 June 2023.

The Company expects that it will have sufficient cash to meet its short and medium-term operational requirements and other business needs.

(b) Contractual obligations, commitments and contingent liabilities

The Company had no contractual obligations as at 30 June 2023 or the Prospectus Date.

During the prior periods, the Group has filed amended payroll tax returns to rectify tax offsets relating to prior years. As at 30 June 2023 and the date of the Prospectus, the Group may be liable for a payroll tax payment of approximately US\$101,000 (excluding interest and penalties) relating to prior years, if the outcome of the assessment of the amended payroll tax returns are not in the Group's favour.

4.6 FORECAST FINANCIAL INFORMATION

The Forecast Financial Information has been prepared based on the significant accounting policies adopted by Enlitic which are in accordance with IFRS and are disclosed in Schedule 2. It is assumed that there will be no changes to Accounting Standards, the Corporations Act or other financial reporting requirements that may have a material effect on Enlitic accounting policies during the forecast period.

The Forecast Financial Information is based upon various best estimate assumptions concerning future events, including those set out below. In preparing the Forecast Financial Information, Enlitic has considered current contracted revenue, the status of current negotiations with new customers, bottom-up budgets expenditure and, current economic conditions. Enlitic believes that it has prepared the Forecast Financial Information with due care and attention and considers all assumptions when taken as a whole to be reasonable at the time of preparing this Prospectus, including each of the general assumptions set out in Section 4.6(a).

The Forecast Financial Information for FY2023F reflects actual results for 1HY2023 and a forecast for the remainder of FY2023F. However, actual results are likely to vary from those forecasts and any variation may be materially positive or negative. The assumptions upon which the Forecast Financial Information are based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of Enlitic and its Directors, and are not reliably predictable.

Accordingly, none of Enlitic, its Directors, or any other person can give any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 4.8, the risk factors set out in Section 5 and the Independent Limited Assurance Report set out in Section 8.

4. Financial information continued

(a) General assumptions

In preparing the Forecast Financial Information, the following general best estimate assumptions have been adopted:

- no material changes in the competitive and operating environments in which Enlitic operates;
- no significant deviation from current market expectations under U.S., Australian and international economic conditions that Enlitic and its current and potential customers operate;
- no material changes in United States, Australian or international government legislation, tax legislation, regulatory requirements or government policy, that will have a material impact on the financial performance or cash flows, financial position, accounting policies, financial reporting or disclosures of Enlitic;
- no changes in applicable IFRS, other mandatory professional reporting requirements or the Corporations Act which would have a material effect on the Company's reported financial performance or cash flows, financial position, accounting policies, financial reporting or disclosures;
- no material changes in key personnel, including key management personnel; it is also assumed that Enlitic maintains its ability to recruit and retain the personnel required to support future growth;
- no material industrial strikes, employee relations disputes or other disturbances, funding-related shutdown of the United States federal government (resulting in contract delays with government customers), environmental costs, contingent liabilities or legal claims arise or are settled to the detriment of Enlitic;
- no material adverse impact in relation to litigation (existing or otherwise);
- no material acquisitions, disposals, restructurings or investments;
- no material changes to Enlitic's corporate or funding structure other than as set out in, or contemplated by, this Prospectus;
- no significant disruptions to the continuity of operations of Enlitic or other material changes in its business;
- no material changes in the healthcare data solutions industry that would have a material impact on the demand for or prices of Enlitic's services;
- no material amendment to any material contract, agreement or arrangement relating to the Company's business;
- no material industrial strikes, employee relations disputes or other disturbances, funding-related shutdown of the United States federal government (resulting in contract delays with government customers), environmental costs, contingent liabilities or legal claims arise or are settled to the detriment of Enlitic;
- none of the risks listed in Section 5 has a material adverse impact on the operations of Enlitic; and
- the Offer proceeds to completion in accordance with the timetable set out in Important Dates on page 8 of this Prospectus.

(b) Specific assumptions

The details of the specific assumptions that have been used in the preparation of the Forecast Financial Information in respect of FY2023F are set out below:

(i) Revenue assumptions

In preparing the revenue forecast, management has reviewed and included current contracted revenue and has also made an assessment of new customer contracts that have been or are expected to be both signed within the forecast period and to then commence generating revenue based on anticipated implementation and go-live dates.



The new customer contracts that are expected to be signed within the forecast period are in the following stages with the respective clients:

- Proof of Concept – when the customer is in the testing phase of the product; or
- End User Licence Agreement Negotiation and Reviews – customer subscription agreement currently undergoing legal review by the customer.

Therefore, Enlitic management considers that there are reasonable grounds to expect these customers to progress to revenue generation within the forecast period, with the key risk being the exact timing that services will commence. Section 4.8 sets out a sensitivity analysis which outlines a downside scenario in relation to revenue forecasts where no revenue is generated from new customer contracts (either due to contracts not being signed or commencement of contract revenue being delayed) where the assumptions in the Pro Forma Forecast Financial Information are that these new contracts will commence generating consulting and/or subscription revenue prior to 31 December 2023.

Refer to Management Discussion and Analysis in Section 4.7 for detailed historical revenue analysis and forecast details.

(ii) Operating expenses

Employee expenses: Historical costs have been used as the basis for the forecast taking into account the anticipated headcount and employee positions required going forward as Enlitic commercialises its products. The forecast assumes the same rates of pay and bonus and stock option award structure in 2HY2023 as 1HY2023.

Professional Fees: Historical costs have been used to inform the forecast and overall professional fees for FY2023F (excluding one off Offer costs) are forecast, adjusted for inflation, to be consistent with actual costs for FY2022. Professional fees within the Statutory Forecast Income Statement for 2HY2023 include Offer costs not directly related to the raising of new equity (i.e. the listing on the ASX of existing equity through the issuance of CDIs) of US\$1.1m which have been estimated based on quotations from the relevant advisors or directors' best estimates.

Other expenses: Historical costs have been used to inform the forecast, taking into account a reduction from recruitment fees as Enlitic increased head count not expected to recur in the 2HY2023F period.

Subscription fees: Historical costs have been used to inform the forecast, taking into account some cost reductions Enlitic is forecast to achieve due finalising a process of moving data servers in-house to reduce data centre fees.

Travel: Historical costs have been used to inform the forecast, taking into account expected global executive travel.

Marketing: Forecast based on Enlitic's marketing budget, with the majority of Enlitic's marketing costs related to attendance at trade conferences.

(iii) Depreciation and amortisation

Depreciation has been forecast based on the current depreciation profile and an assumed level of capital expenditure spent over the forecast period.

4. Financial information continued

4.7 MANAGEMENT DISCUSSION AND ANALYSIS OF THE PRO FORMA HISTORICAL FINANCIAL INFORMATION AND PRO FORMA FORECAST FINANCIAL INFORMATION

This Section 4.7 includes a discussion of key factors that affected Enlitic's operating and financial performance during the period of the Historical Financial Information and key factors forecast to affect Enlitic's operating and financial performance during 2HY2023F and FY2023F.

The discussion in this Section focuses on the pro forma Financial Information. The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected or are forecast to affect the Company's historical and forecast operating and financial performance, or everything that may affect the Company's operations and financial performance in the future. The information in this Section 4.7 should be read in conjunction with the risk factors set out then Section 5 and other information contained in this Prospectus.

(a) Revenue

Enlitic's revenue as shown in Table 4.1 has been broken down into two categories.

- **Consultancy revenue** primarily relates to a historical contract Enlitic had with the United States Department of Defence, Defence Innovation Unit to pilot its AI platform in select Defence Health Agency and Veterans Affairs Medical Treatment Facilities. This avenue of revenue ceased in FY2022, with Enlitic focussing on developing recurring revenue streams from the licencing of ENDEX, ENCOG, ENCODE and other products. From FY2023, consultancy revenue includes one off training and installation revenue.
- **Subscription revenue** relates to subscription revenue from licencing of ENDEX and ENCOG.

Given consultancy revenue as it related to the United States Department of Defence, Defence Innovation Unit, is no longer an avenue that Enlitic is undertaking, the revenue discussions below are focussed on the ongoing business of Enlitic as it relates to subscription and related services/consultancy revenue.

(i) Subscription and services/consultancy revenue

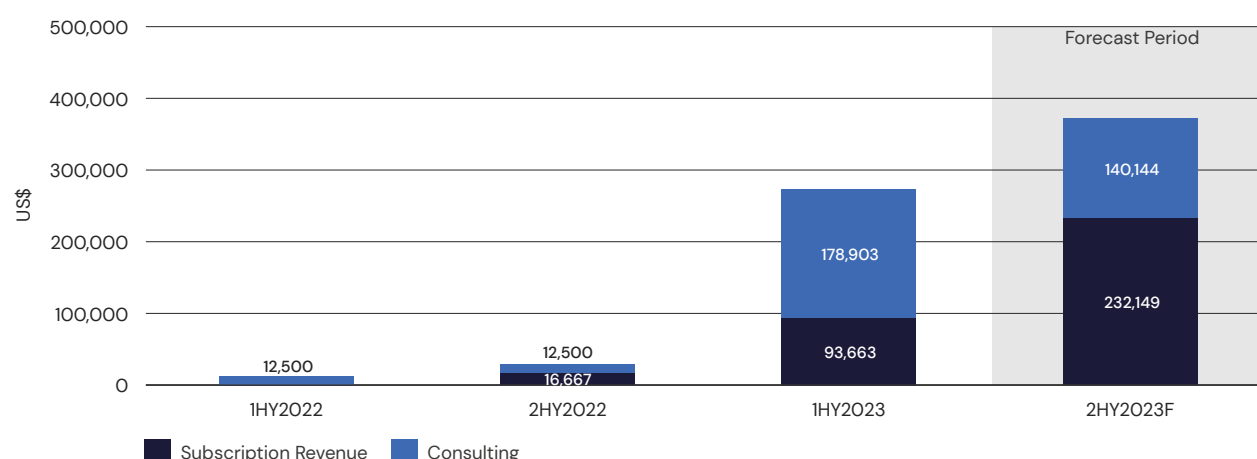
When Enlitic enters into contracts with customers, revenue can be broadly split into two components:

- **Subscription revenue:** where Enlitic charges the customer a recurring fee processed either monthly or annually for the use of Enlitic's current products – ENDEX and ENCOG. Enlitic generally enters into a 3-year contract with customers which includes a minimum subscription charge together with the ability to earn additional revenue where use of the system is above certain benchmarks which vary on a contract-by-contract basis.
- **Consultancy Income:** where the Company charges professional services fees for:
 - **Implementation cost** to install the product; and
 - **Training cost** to train customers on how to use the products.

Services/Consultancy income is considered non-recurring in nature and these services are provided at the onset of the contract.



The figure below sets out a split of the Company's Pro Forma Historical Financial Information subscription and services/consultancy revenue for 1HY2022, 2HY2022, 1HY2023 and 2HY2023F (for comparability only half-year periods are presented). As noted previously the below figure excludes consultancy revenue attributable to the United States Department of Defence, Defence Innovation Unit contract in FY2021 and FY2022.



Subscription revenue has grown throughout 1HY23 as Enlitic has signed contracts with customers and 'gone live' with the use of the systems following installation and training. Revenue from each contract is recognised evenly over the period of the invoiced period. Enlitic expects to sign further contracts over the forecast period with revenue starting to be recognised from those contracts on a monthly basis based on the best estimates of the following:

- The month that implementation and training is forecast to occur for consulting revenue; and
- The date that the implementation is expected to be complete and the product becomes operational (i.e. 'go live') for the commencement of ongoing subscription revenue.

Annual recurring revenue calculated on a simple basis of MRR x 12 is forecast to increase from US\$230k at the end of June 2023² to US\$1.2m at 31 December 2023³ noting that a number of contracts have increasing minimum revenue amounts at the end of each year of the contract such that ARR will increase in the absence of any further customer contracts being signed.

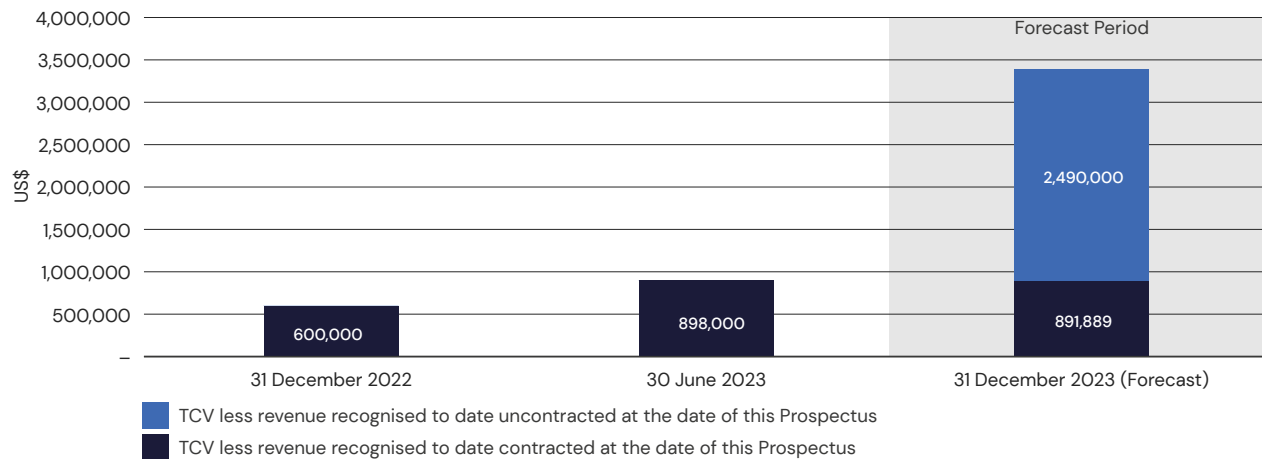
As noted earlier, the key risk in relation to the forecast revenue is the exact timing that services will commence which will drive when revenue commences being recognised. Section 4.8 sets out a sensitivity analysis which outlines a downside scenario in relation to revenue forecasts where no revenue is generated from new customer contracts (either due to contracts not being signed or commencement of contract revenue being delayed) where the assumptions in the Pro Forma Forecast Financial Information are that these new contracts will commence generating consulting and/or subscription revenue prior to 31 December 2023.

2. Calculated as MRR at the end of June 2023 of US\$19,200 x 12 = US\$230,000.

3. Calculated as forecast MRR for the month of December 2023 of US\$97,400 x 12 = US\$1,200,000 (rounded).

4. Financial information continued

The figure below sets out a summary of actual and forecast aggregate contracted TCV (excluding revenue recognised to date for each contract) at 31 December 2022, 30 June 2023 and 31 December 2023.



The above TCV/Forecast TCV (excluding revenue recognised to date for each contract) represents the contracted minimum licence revenue to be charged over the term (generally 3 years) of contracts entered into with customers, less revenue recognised to date on each contract, and does not factor in any potential additional revenue that may be generated should use of the system exceed agreed levels. The above TCV also does not factor in any probability of renewal of the contracts.

Based on the status of contract negotiations with potential customers at the Prospectus Date, Enlitic forecasts entering into a number of contracts with larger customers within its sales pipeline between the Prospectus Date and 31 December 2023, which will result in the growth in TCV outlined above. Whilst this represents best estimates based on the status of contract negotiations with potential customers at the Prospectus Date, it should be noted that there is no guarantee that these contracts will ultimately be signed and that the uncontracted TCV will eventuate and generate future revenue.

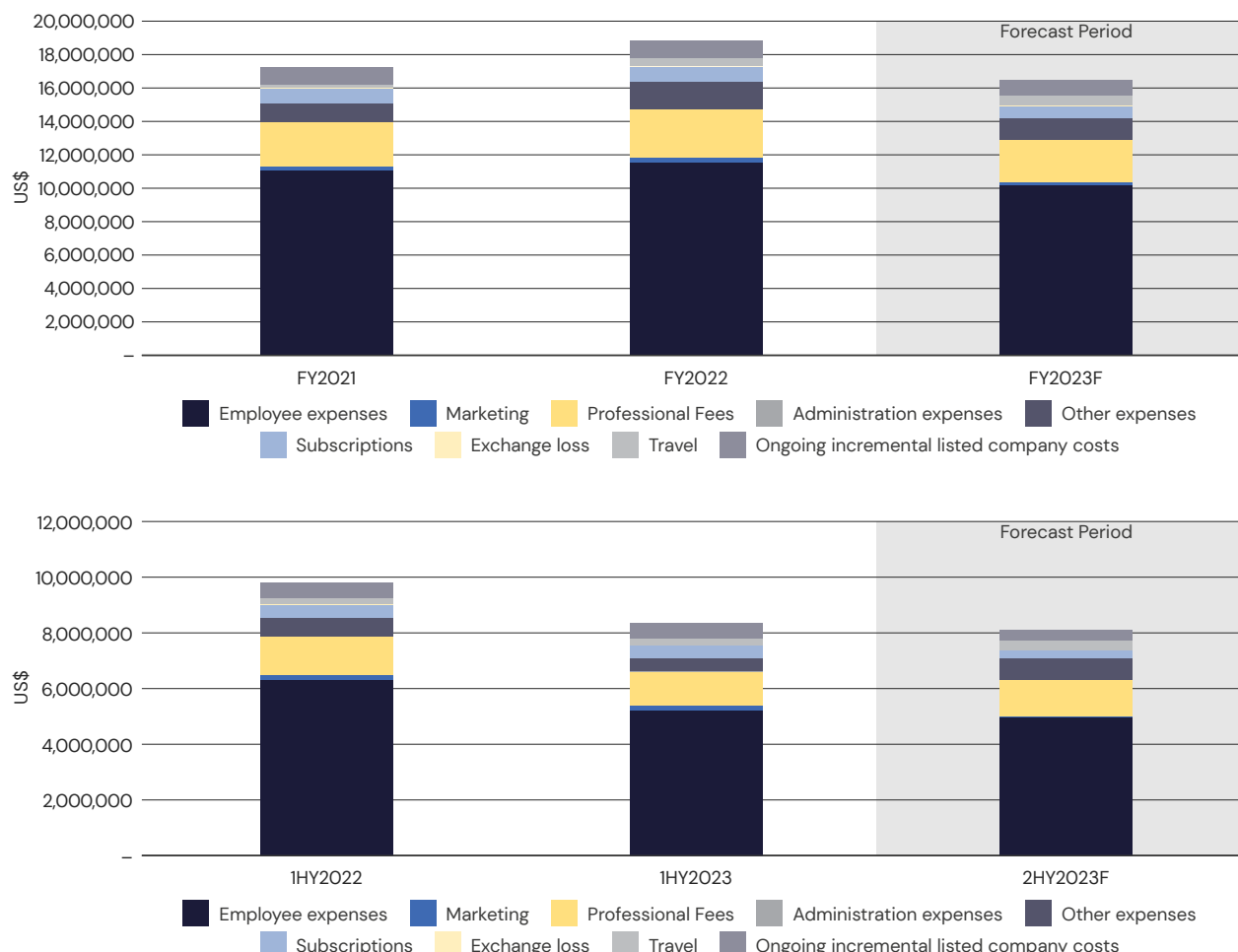
Enlitic also has entered into a contract with Blackford Analysis Ltd. This contract is not forecast to generate any revenue until FY2024 and, therefore, has not been included in the Pro forma Forecast Financial Information. This contract contains no minimum revenue clauses and, therefore, Enlitic has not included any revenue from this contract in the 2HY2023F forecast nor has any TCV for this contract been included in the chart above.

Enlitic has a pipeline of further potential customer opportunities it is in the process of developing. Further information in relation to Enlitic's potential customer pipeline is set out in Section 3.5(f).



(b) Operating expenses

The figures below set out a breakdown of pro forma historical operating expenses. For comparability the figures are split between full-year periods and half year periods.



(i) Employment expenditure

Employment expenditure includes salaries and wages, employee benefits, share-based payment expenses and payroll taxes.

Wages and salaries increased in FY2022 compared to FY2021 driven by an increase in headcount from 56 at December 2021 to 63 at December 2022 as Enlitic focussed on the product development for ENDEX, ENCOG and ENCODE. The headcount has subsequently decreased to 57 over FY2023F as Enlitic commences the process to commercialise and roll out the products.

(ii) Professional fees

Professional fees include legal costs, product development costs from outsourced professionals, board remuneration, patents/trademark fees and regulatory consulting.

4. Financial information continued

(iii) Other expenses

Other expenses include conference costs, occupancy costs, insurance and other general administrative costs. Conference costs, where Enlitic attends trade conferences to market its solutions, make up around 60% of total other expenses and were reduced in FY2021 due to the impact of COVID-19 lockdowns.

(iv) Subscriptions

Subscriptions expenses relate to data centre fees, software licences and technical subscriptions. Throughout FY2022 Enlitic has moved off-site servers which incurred higher server rental costs in-house which is forecast to generate cost savings in 2HY2023F.

(v) Travel

Travel costs relate to Enlitic executives' travels between the United States, Australia and Canada and travel for conferences.

Travel costs are forecast to increase over the forecast period to cover increased international executive travel.

4.8 SENSITIVITY ANALYSIS

The Forecast Financial Information included in Sections 4.3 to 4.6 is based upon a number of estimates and assumptions as described in Sections 4.6(a) and 4.6(b). These estimates and assumptions are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Enlitic, the Directors and management. These estimates are also based on assumptions with respect to future business decisions, which are subject to change.

Set out below is a summary of the key sensitivities of the Pro Forma Forecast Revenue/LBITDA for FY2023F to changes in a number of key assumptions.

The changes in the key assumptions (noting that the sensitivities only apply from November onwards) set out in the sensitivity analysis are intended to provide a guide only and are not intended to be indicative of the complete range of variations that may be experienced. Variations in actual performance could exceed the ranges shown. For the purpose of this analysis, each sensitivity is presented in terms of the impact of each on FY2023F Pro Forma Forecast Revenue and LBITDA and as set out below.

The sensitivities presented comprise of the following scenarios:

- No revenue is generated from new customer contracts (either due to contracts not being signed or commencement of contract revenue being delayed) where the assumptions in the Pro Forma Forecast Financial Information are that these new contracts will commence generating consulting and/or subscription revenue prior to 31 December 2023.
- Employment costs increasing/decreasing by 1% combined with other operating expenses increasing/decreasing by 5%.

Care should be taken when interpreting these sensitivities. The impact on changes to the variables presented has been considered in isolation from changes in other variables. In practice, a change to one variable is likely to have a flow on impact to other variables and may also impact the decision making of management.



Table 4.9: Summary of key sensitivities

US\$		NEGATIVE SENSITIVITY		POSITIVE SENSITIVITY	
Assumption	Notes	FY2023F Pro Forma Revenue impact	FY2023F Pro Forma LBITDA impact	FY2023F Pro Forma Revenue impact	FY2023F Pro Forma LBITDA impact
No revenue is generated from new customer contracts (either due to contracts not being signed or commencement of contract revenue being delayed) where the assumptions in the Pro Forma Forecast Financial Information are that these new contracts will commence generating consulting and/or subscription revenue prior to 31 December 2023. (downside sensitivity only).	1	(193,367)	(193,367)	N/a	N/a
Employment costs +1/-1% of forecast and other operating costs +5%/-5% of forecast	2	–	(62,680)	–	62,680

Notes:

- Enlitic considers the key risk in relation to forecast revenue is the timing of the commencement of implementation and operation ('go live') of the product, which can be impacted by a number of factors with the month of commencing billing then impacted. Therefore, the revenue forecast to be recognised in the 2HY2023F period may ultimately be recognised in the following financial year should implementation be delayed. There is also a risk that contracts expected to be signed between the Prospectus Date and 31 December 2023 may not ultimately be signed and generate future revenue.
- Given the nature of employment costs, Enlitic considers a 1% movement to represent a reasonable sensitivity, with a 5% sensitivity applied to other costs.

4.9 CRITICAL ACCOUNTING POLICIES

Preparing financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions about the application of accounting policies that affect the reported revenues and expenses, carrying values of assets and liabilities and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods. Judgements which Enlitic has made in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next financial year are disclosed, where applicable, in the relevant notes to the financial statements. The key areas in which critical estimates and judgements are applied are in respect of tax, as described in the significant accounting policies outlined in Schedule 2.

4.10 DIVIDEND POLICY

The payment of dividends by the Company is at the complete discretion of the Directors. Given Enlitic's development stage, the Directors have no current intention to declare and pay a dividend.

In determining whether to declare future dividends, the Directors will have regard to Enlitic's earnings, overall financial condition and capital requirements. Whilst Enlitic does not anticipate declaring any dividends in the foreseeable future, should it do so, investors should note the taxation implications as set out in detail in Section 9.12 and 9.13.

There is no certainty that the Company will ever declare and pay a dividend.



5.

Risk factors

5. Risk factors



This Section 5 describes potential risks associated with Enlitic's business and the industry and markets in which Enlitic operates and risks associated with an investment in CDIs. Enlitic is subject to a number of risks both specific to Enlitic's business activities and of a general nature, which may, either individually or in combination, adversely impact Enlitic's future operating and financial performance and financial condition, as well as the value of the CDIs. This Section 5 does not purport to list every risk faced by Enlitic now or in the future. Many of these risks, or the consequences of such risks, are outside the control of Enlitic, the Directors and management. If one or more of these risks eventuates, then the future operating and financial performance of Enlitic and the value of your investment in CDIs may be adversely affected.

The selection of risks outlined in this Section 5 is based on an assessment of the probability of the risk occurring, the impact of the risk on Enlitic should the risk materialise and Enlitic's ability to mitigate the risk. This assessment is based on the knowledge of Directors and management as at the Prospectus Date. There is no guarantee or assurance that the importance of the risks will not change or other risks that may adversely impact Enlitic will not emerge.

There can be no guarantee that Enlitic will achieve its stated objectives, successfully implement its business strategy, or that the Forecast Financial Information or any forward-looking statement contained in this Prospectus will be achieved or eventuate. You should note that past performance may not be a reliable indicator of future performance.

An investment in Enlitic is not risk free. Before applying for CDIs, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in Enlitic and whether the CDIs are a suitable investment for you having regard to your investment objectives, financial circumstances and taxation position. Before deciding whether to apply for CDIs, you should read this Prospectus in its entirety and seek professional guidance from your stockbroker, solicitor, accountant, taxation adviser, financial adviser or other independent and qualified professional adviser.

5.1 SPECIFIC RISKS

(a) Future funding requirements and ability to access capital markets

Enlitic believes that, on Completion of the Offer, it will have sufficient working capital to meet its operational requirements and business objectives over the period of 15–18 months from Listing, and that it is likely that it will require further financing to meet its business objectives beyond this period. There can be no assurance that such further financing can be obtained on favourable terms, or at all.

If Enlitic cannot raise funds on acceptable terms, it may not be able to meet its business objectives, grow its business or respond to competitive pressures beyond the indicated period. This may force curtailment of product development and other growth initiatives, operations, or both, or may adversely impact the ability of Enlitic to remain solvent and may force Enlitic to either dispose of operating assets or close entirely. See Section 5.1(e) below in respect of the risk of insolvency.

If Enlitic seeks to raise further funds by the issue of new CDIs or Shares (as applicable), this may result in dilution for some or all CDI Holders or Shareholders (as applicable) from Completion of the Offer.

Additionally, Enlitic may rely on debt funding to help fund its business operations in the future. If debt funding is used in the future, the Company will face refinancing risk if it is unable to refinance its debt when it falls due. If this occurs, the terms available to Enlitic (including in relation to pricing) on refinancing with a new debt facility may not be as favourable as those under its existing debt facilities at the time and, if there is a deterioration in the level of debt market liquidity, this may prevent the Company from being able to refinance some or all its debt.

(b) Investment highly speculative

Prospective investors should consider that an investment in Enlitic is highly speculative and should consult their professional advisors before deciding whether to apply for CDIs pursuant to this Prospectus. The CDIs carry no guarantee with respect to the payment of dividends, returns on capital or the market value of those CDIs. The Company does not currently propose to pay dividends and is unlikely to pay a dividend for a period of time, if at all.

5. Risk factors continued

(c) Approval of technology

There are many risks associated with the development of new technology, particularly in the health sector where regulatory and safety standards are paramount. While Enlitic already complies with the relevant regulatory requirements for registration of medical devices in the jurisdictions in which it sells or distributes its products, the regulatory landscape may change or the various approvals required could restrict Enlitic from making certain changes to its product suite or introducing new products.

(d) Future profitability

Enlitic is still in the early stages of sales and commercialisation of its product offering. To date, it has funded its operations principally through debt funding, issuing securities, seeking research and development tax refunds and by applying for grants. Like many early-stage healthcare technology companies, Enlitic is not yet profitable and has historically incurred losses.

There is no guarantee that Enlitic will be able to grow its product sales in any jurisdiction. If Enlitic fails to penetrate the Australian and international markets further, it may never become profitable. Additionally, while Enlitic has identified a pipeline of potential customer opportunities (refer to Section 3.5), there is no guarantee that these opportunities will progress to End User Licence Agreements or generate any revenue for Enlitic.

(e) Solvency

As noted above, Enlitic has historically incurred losses and negative cash flows, and expects ongoing losses and negative cash flows. This is a key driver for Enlitic likely needing to raise future funding in the longer term as described in the risk factor at Section 5.1(a).

If Enlitic is unable to generate cash inflows, raise sufficient funds on acceptable terms or access available funding alternatives to meet its longer term future working capital requirements (i.e. beyond 15-18 months from Listing), there is a real risk that, following use of the funds raised under the Offer, Enlitic's ability to continue as a going concern will be adversely affected, with the attendant risk of becoming insolvent.

(f) Concentration of customers

Enlitic's customer base currently consists of healthcare providers and distribution partners. Enlitic's offering to any one of these customers can generate a large proportional amount of revenue, and accordingly, the financial performance of Enlitic is susceptible to the loss of one or more of these customers.

Enlitic's current customers are within the United States, Europe, the United Kingdom, Australia and New Zealand, with distribution channels into Japan. The expansion beyond these jurisdictions may expose Enlitic to risks relating to managing cross-border operations, including but not limited to, staffing, increased costs to protect intellectual property, differing and potentially adverse tax consequences, increased and conflicting regulatory compliance requirements and political instability. Accordingly, any efforts to establish Enlitic's customer base beyond the existing jurisdictions may not be successful and this, in turn, may materially affect the Company's ability to implement its growth strategy and financial performance.

Additionally, due to the concentration of Enlitic's customer base, there is an inherent risk that these customers are unable to secure the funding required to invest in Enlitic technologies. The delay or failure of Enlitic's customers to pay their debts to Enlitic when due may have a material adverse impact on the Company's future financial performance, cash flows and financial position. The Company maintains provisions for bad debt and doubtful debts, the adequacy of which is regularly reviewed. If these provisions are inadequate, there may be an adverse impact on the Company's future financial performance and position.

(g) Use of artificial intelligence in Enlitic's product offering

The Company's product offering relies on the use of AI in data management applications. The use of AI in Enlitic's product offering can lead to potentially inaccurate or unreliable results from time to time, which can cause customer dissatisfaction and lead to the loss of future customers or termination of existing customers.

Further, as AI technology continues to advance and while Enlitic believes there are some barriers to entry within the market in which it operates, competitors may develop AI solutions that compete with Enlitic's product offering. This could have an impact on Enlitic's existing and prospective customer base as it may lose market share to competitors who are able to offer an alternative solution.



(h) Perception of General AI in the Market

Enlitic operates in an industry where the use of AI in radiology has certain connotations of triage and pathology detection. This is not consistent with how AI is utilised in Enlitic's products.

Enlitic's position in the market may be adversely affected if potential customers consider Enlitic to be an AI company and pigeonhole Enlitic into a category that does not address Enlitic's true enterprise capabilities. A lack of accurate market positioning has the potential to stall the Company's sales process and may adversely affect the financial performance of the Company. In addition, the Company may need to respond quickly and effectively to market perceptions to overcome the competitive pressures. This may have an adverse effect on Enlitic's financial and/or operational performance.

(i) Enlitic may fail to retain existing customers and attract new customers

The success of Enlitic's business and implementation of its growth strategy relies on its ability to retain existing customers and attract new customers. There is no guarantee that Enlitic will be able to enter into contracts with new customers on similar terms to its existing customers (including as to initial contract term, subscription fees and renewal mechanisms) or at all. Given Enlitic's business model is currently based on subscription fee revenue, an inability to attract new customers may have a materially adverse impact on Enlitic's financial performance and cash flows.

Additionally, Enlitic cannot guarantee that any existing or future customers will not terminate their arrangements with Enlitic during or at the end of their initial contract term or any subsequent term. There is a risk that customers may reduce or cease usage of Enlitic's offerings or that they may not increase their usage, which would result in a reduction (or limited growth) in the revenue generated by Enlitic.

(j) Integration of Enlitic products

To the extent that Enlitic's offering needs to be integrated within a customer's information technology environment, there is a risk that the incorrect or improper integration or use of Enlitic software could result in customer dissatisfaction, customer data loss or corruption, and negatively affect Enlitic's business, operations, financial results and growth prospects. There is also a risk that the incorrect or improper integration or use of Enlitic software or Enlitic's failure to provide adequate integration, maintenance or support services to its customers, may adversely affect Enlitic's reputation and result in a reduction in new sales, recurring sales by existing customers and loss of customers, or negative publicity or legal claims against the Company.

(k) Pricing risk

Enlitic currently primarily generates revenue by charging subscription fees to its customers for the length of the contract term. Enlitic's customers may try to renegotiate contract terms for more favourable terms or discounts, which would result in a direct reduction in the revenue generated by Enlitic.

To stay competitive, Enlitic may need to adjust its pricing models, or invest significantly more in innovation and development in relation to Enlitic's products. Increases in costs of third-party software used by Enlitic and other costs of servicing Enlitic's products may decrease the margin which Enlitic can earn under its pricing models if it is unable to pass on those increases to its customers as a result of competitive pressures or other reasons. Further, changes in customer behaviour (including, for example, changes in demand for different products), contract terms or changes in customer preferences in how customers choose to interact with Enlitic, may adversely impact the margin Enlitic is able to achieve from its contracts. Any of these factors may adversely affect the financial performance of Enlitic.

(l) Failure to realise benefits from product research and development

Developing software and technology is expensive and often involves an extended period prior to any return on investment (if at all). The continued investment in innovation and related product development opportunities is an important aspect of Enlitic's business. Enlitic believes that it must continue to dedicate resources to innovation to develop Enlitic's software and technology product offering to maintain its competitive position. Enlitic may not, however, receive benefits from this investment for several years or may not receive benefits at all.

5. Risk factors continued

(m) Commercialisation

There is a risk that Enlitic's products could lose all or part of their commerciality. This could occur because of any one of several factors, including redundancy of products due to alternate products entering the market from a competitor or otherwise. There can be no guarantee that its existing products will continue to be commercially viable. Any loss of commerciality of its products may adversely affect Enlitic's financial performance.

In addition, the commercial success of Enlitic's new technology products is reliant on the acceptance and take-up of those products by customers. The level of market acceptance will depend on several factors including:

- completing the development and production of products in a cost effective and timely manner;
- the advantages of Enlitic's products over competitors' and the pricing of Enlitic's products when compared to those of competitors;
- the ability of Enlitic to successfully market the products, demonstrating safety, efficacy, and cost effectiveness;
- the ability for Enlitic to scale up delivery and implementation levels to meet customer demand;
- the individual preferences of the customers; and
- the ability of Enlitic's products to perform to expected standards.

In addition, the acceptance of Enlitic's new products may be slower than expected or may not gain enough acceptance to reach sufficient critical mass for ongoing commercial production. Enlitic cannot guarantee that any products under development will result in the launch of a commercially viable or successful product.

(n) Ability to attract and retain skilled staff

Enlitic's long-term growth and performance is dependent on attracting and retaining highly skilled staff, particularly in Enlitic's management and product development teams. Despite having structured incentive programs in place, there is a risk that Enlitic will be unable to attract and retain the necessary staff to pursue its business model, including due to competition in the market. An inability to attract or retain staff could impact management's ability to operate the business and achieve performance targets and strategic growth objectives.

Additionally, since Enlitic relies on the technological expertise of its employees to maintain and develop intellectual property, the loss of key staff members may lead to a loss of operational knowledge, technology capabilities, key partner and customer relationships, and industry expertise, as well as delays in product launches and new features or applications.

(o) Market sizing has not been established with precision

Enlitic's estimates of the size and potential value of the total serviceable market is based on internal and third-party estimates.

While Enlitic considers the assumptions and the data underlying its estimates to be reasonable, these assumptions and estimates may not be correct and the conditions supporting its assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, the Company's estimates of the size and potential value of the total serviceable market for its current or future products may prove to be incorrect. If the actual number of facilities who would benefit from Enlitic's products, the price at which Enlitic can sell future products, or the size and potential value of the total serviceable market for Enlitic's products is smaller than the Company has estimated, it may impair Enlitic's sales growth and have an impact on its business.

(p) Enlitic has limited sales and marketing resources

Enlitic currently has limited sales and marketing resources, and will need to, among other things, expand its sales team. It will therefore need to commit increased resources to product sales and marketing to execute its current growth strategy. There is a risk that the Company will be unable to develop sufficient sales and marketing capabilities to effectively commercialise its products.



(q) Competition

Currently, Enlitic believes there are no competitors to Enlitic's ENDEX product in the global healthcare IT market in the radiology sub-sector. However, with respect to Enlitic's current or proposed offerings in relation to anonymisation, billing/coding and real-world evidence, there are other competitors. The competitive landscape for Enlitic's products is important to define and helps illustrate Enlitic's competition (see Section 2.5 for further details). Enlitic faces several risks in this regard, including:

- new competitors could enter the market with an incumbent install base and leverage their current technologies into that install base, affecting Enlitic's ability to engage these prospects;
- existing or new competitors could offer products at lower prices, which may affect the ability of Enlitic to sustain or increase prices and attract or retain customers;
- Enlitic products may fail to meet customer expectations;
- Enlitic may fail to increase the adoption and usage of its products;
- Enlitic may fail to anticipate and respond to changing opportunities, legislation, technology, or customer requirements in the industry as quickly as competitors; and
- existing or new competitors may discover and develop new products or improve existing products, which may improve their competitive positioning relative to Enlitic.

Because of these risks, Enlitic's current and future technologies and products may become obsolete or uncompetitive resulting in adverse effects on revenue, margins, and profitability.

(r) Protection of intellectual property rights

The protection of the intellectual property relied upon by Enlitic is critical to its business and commercial success. The value of many Enlitic products depends on granted patents, trademarks, and other intellectual property rights such as licenses to exploit intellectual property rights which Enlitic may have been granted by third parties, as well as unregistered intellectual property such as know-how and trade secrets.

If the Company is unable to protect or enforce the intellectual property rights embodied in its products, there is a risk that other companies will incorporate the intellectual property into their technology, which could adversely affect the Company's ability to compete.

There is a risk that Enlitic may be unable to detect the unauthorised use of intellectual property rights in all instances, with respect to trade secrets and software. There is also a risk that the Company will be unable to register or otherwise protect new intellectual property rights in the future, or that the relevant intellectual property authorities may re-examine the patentability of Enlitic's licensed or owned patents.

There is also a risk that Enlitic's intellectual property may be compromised, including:

- Enlitic's current or former employees may breach, or may have breached, requirements regarding confidentiality or protection of intellectual property;
- Enlitic's third-party vendors may gain insights into Enlitic's intellectual property, including Enlitic's proprietary systems, and use these findings to develop alternative technologies that compete with Enlitic;
- unauthorised parties may obtain or copy some or all of Enlitic's intellectual property which may ultimately result in competitors adopting and commercialising such intellectual property;
- competitors may develop alternative intellectual property that closely mirrors or circumvents Enlitic's intellectual property and therefore offer very similar services which are competitive to those provided by Enlitic; and/or
- Enlitic's inadvertent failure to protect its intellectual property sufficiently.

Any such breaches or competing technologies could erode Enlitic's competitive position, which could have a material adverse impact on Enlitic's business, operating and financial performance, and/or growth.

5. Risk factors continued

If Enlitic believes its intellectual property rights have been infringed, it may initiate, or otherwise be involved in litigation against third parties for infringement, or to establish the validity of Enlitic's rights. Any litigation, whether successful, could be costly, time-consuming, and potentially difficult to enforce, and would divert the efforts of its personnel.

(s) Breach of third party intellectual property rights

There is a risk that third parties may allege that Enlitic (or its products) has infringed their intellectual property rights. To the extent Enlitic gains greater market visibility, Enlitic faces a higher risk of being the subject of intellectual property infringement claims.

If a third party accuses Enlitic of infringing its intellectual property rights or commences litigation against Enlitic for patent infringement or other intellectual property rights, Enlitic may incur significant costs in defending such action. As noted above, any such litigation could be costly, time-consuming, and potentially difficult to enforce. In the event of a successful infringement claim against Enlitic, it may be required to cease certain relevant activities, pay significant damages and obtain one or more licenses from the prevailing third party, and it may be subject to an injunction preventing the supply of Enlitic's products. This could result in delays in product introductions and loss of substantial resources while it attempts to develop alternative products, which could have a significant negative effect on Enlitic's business and financial position. The Company has not budgeted for potential legal costs of intellectual property claims and significant legal costs would have a negative effect on the Company's financial position.

(t) Unforeseen expenditure

Expenditure may need to be incurred that has not been foreseen by Enlitic, which may adversely affect the expenditure proposals of Enlitic and its proposed business plans.

(u) Litigation, disputes, and claims

Enlitic may be subject to litigation and other disputes and claims in the ordinary course of its business, including employment disputes, contractual disputes, indemnity claims, occupational health and safety claims, or criminal or civil proceedings. Even if the Company is ultimately successful, there is a risk that such litigation, disputes, and claims could materially adversely affect Enlitic's business, operating and financial performance, including as a result of the payment of any settlement sums or fines, operational impacts and reputational damage.

As at the Prospectus Date, Enlitic is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against Enlitic.

(v) Security breaches and loss of data

Given the nature of Enlitic's business, it collects and stores sensitive customer information, including procedure-based information, personal and medical information, insurance information and other potentially personally identifiable information. Although Enlitic takes measures to protect sensitive information from unauthorised access or disclosure, there is a risk that any system failure of software or services provided could compromise Enlitic's data security and integrity. Similarly, deliberate, malicious, or otherwise unauthorised access or hacking of these systems or networks would similarly compromise Enlitic's security and integrity.

There can be no assurance that the Company's efforts to detect and prevent these events will be successful, and any of these events could materially and adversely affect the Company's business, financial condition, and results of operations. These events may also expose the Company to reputational damage, legal claims, termination of customer contracts and/or regulatory scrutiny and fines.

Additionally, any security or data issues experienced by other biotech or software companies globally could adversely impact customers' trust in providing access to sensitive data generally, which could adversely impact the Company's ability to provide its offering and generate revenue.



(w) Failures or disruptions in technology

The Company depends on the performance, reliability, and availability of its technology systems. Enlitic may in the future experience website and cloud service disruptions, storage failures, outages, and other performance problems related to these vendors. If these services are unavailable, Enlitic could suffer interruptions to its business, damage to its reputation, be exposed to legal liability, and lose customers, all of which could negatively affect Enlitic's business.

In addition, Enlitic relies on hosted cloud technologies provided by Amazon Web Services and may use other cloud services in the future to operate critical functions of its business and services. Any increase in price from, or termination of contracts for any reason with third party service providers could negatively impact Enlitic's operating and financial performance and reputation. In such circumstances, Enlitic may be required to undertake additional development tasks internally or find new suppliers of such services, who may offer less favourable terms.

(x) Compliance with laws and regulations

Given the nature of the Company's business, it is subject to a wide range of legal and regulatory requirements which are constantly evolving, including privacy laws and intellectual property laws in numerous jurisdictions. There is potential that the Company may become subject to additional legal or regulatory requirements if its business, operations, or geographic outreach expands in the future, or if laws and regulations change in respect of the jurisdictions in which it operates.

There is a risk that new legislation or changes to the legal and regulatory landscape may make it uneconomic for the Company to continue to operate, or expand into, those jurisdictions in accordance with its strategy. This may materially impact the Company's financial position.

(y) Climate risk

There are a number of climate-related factors that may affect the operations and proposed activities of the Company, including the emergence of new or expanded regulations associated with transitioning to a lower-carbon economy and market changes related to climate change mitigation.

(z) Insurance

Enlitic plans to maintain insurance coverage that it considers appropriate for its needs. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at competitive premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate. The Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition, and results of the Company.

(aa) Failure to identify, execute and realise benefits from M&A or strategic partnerships

Enlitic may in the future pursue M&A, or enter strategic partnerships, in order to realise benefits. There is a risk that Enlitic may not be successful in identifying attractive opportunities, or that Enlitic's competitors are more successful in this regard. Furthermore, the identification, evaluation and negotiation of these opportunities may require significant time and effort from key members of management and employees, and may result in disruptions to the business.

To the extent that future M&A is implemented, there is also a risk that Enlitic will be unsuccessful in integrating new businesses or assets into its existing products in a timely manner or at all, or that the new businesses or assets will not result in anticipated benefits.

5. Risk factors continued

(bb) Taxation risk – residency for taxation purposes

A company incorporated outside of Australia will be a resident of Australia where it carries on business in Australia and has either its: (a) central management and control in Australia, or (b) voting power controlled by shareholders who are residents of Australia.

Enlitic, an entity incorporated in the United States, has self-assessed that it is not a tax resident of Australia on the basis that it will neither have its central management and control in Australia, nor will it carry on a business in Australia.

The prevailing view of the Commissioner of Taxation (**Commissioner**) is that if a company has its central management and control in Australia and carries on business, it will carry on business in Australia for the purposes of determining its tax residency. Determining who exercises central management and control, and where that management and control is exercised is a question of fact and it is conceivable that the Commissioner may form the view that Enlitic's central management and control is in Australia, the corollary of which is that it also carries on business in Australia and is therefore resident in Australia.

Tax laws in Australia are complex and subject to change, as is their interpretation by the courts and the tax revenue authorities. In Australia's 2020/21 Federal Budget, the Government proposed a change of the Australian residency test for foreign incorporated companies to require a "significant economic connection" with Australia. At the date of this prospectus, this proposed change has not been enacted and its precise scope is not yet known.

There is no statutory definition of "carrying on a business" in Australia's Tax Acts and, whilst the courts have identified certain indicia as relevant, each case turns on its own particular facts. The Commissioner may therefore form the view that Enlitic is "carrying on business" in Australia.

As an entity incorporated in the United States, Enlitic is a United States tax resident. If it is also an Australian tax resident under Australia's domestic law, then it will be a dual resident. As the Double Taxation Agreement (**DTA**) between Australia and the United States does not contain a 'tiebreaker' provision for assigning the company's residency to one of the Contracting States, the DTA will not allocate taxing rights. Therefore, at first instance, Enlitic will need to rely on Australian or United States domestic law to prevent double taxation (for example, via a foreign tax credit or foreign income exemption).

Where Enlitic considers that the actions of one or both of the Contracting States results in taxation not in accordance with the DTA, it may present its case to the Competent Authority which, if it considers the claim to have merit, will seek to come to a mutual agreement with the Competent Authority of the other Contracting State. However, this mechanism may not result in a timely resolution, and Enlitic will be denied treaty benefits until the matter has been resolved. Thus, any change to Enlitic's tax residency status may give rise to additional tax payable which may adversely impact on Shareholder returns.

The consequences of Enlitic being deemed an Australian tax resident may include:

- an obligation to file an Australian corporate income tax return;
- being subject to Australian taxation on income, including capital gains, from all sources, whether in or out of Australia. Enlitic may be eligible to claim a foreign income tax offset and pay 'top-up tax' (broadly calculated by reference to the difference between the Australian tax and the United States tax rate) if it were paying tax in both Australia and the United States;
- being able to pass on the benefit of Australian tax paid by attaching franking credits to dividends paid;
- being eligible to be a member of an income tax consolidated group; and/or
- not being subject to Australia's transfer pricing provisions on transactions between Enlitic and its wholly owned Australian subsidiary.

To the maximum degree permitted by law, Enlitic, its officers and each of its respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for CDIs under this Prospectus.



5.2 GENERAL RISKS

Investors should be aware that there are risks associated with any securities investment. The prices at which the Company's CDIs trade may be above or below the Offer Price, and may fluctuate in response to a number of factors, including:

- the risk factors identified in this Section 5;
- changes to government fiscal, monetary or regulatory policy, legislation or the regulatory environment in which Enlitic operates;
- changes in the market valuation of other comparable companies and the nature of the market in which Enlitic operates;
- fluctuations in the domestic and international market for listed stocks;
- fluctuations in general domestic and global economic conditions, including interest rates and exchange rates; and
- other events or factors which may be beyond Enlitic's control.

(a) Limited liquidity

Following Enlitic's listing on the ASX, there can be no guarantee that an active market will develop or continue. The CDIs will only be listed on the ASX and are not currently proposed to be listed for trading on any other securities exchange. There may be relatively few or many potential buyers or sellers of the CDIs on the ASX at any time, which may increase the volatility of the market price of the CDIs, making it difficult for investors to dispose of CDIs they are issued under the Offer or to acquire new CDIs, or result in CDI Holders receiving a market price for their CDIs that is less than the price that CDI Holders paid. When trading volume is low, significant price movement can be caused by trading in a relatively small number of CDIs. If illiquidity arises, there is a real risk that CDI Holders will be unable to realise their investment in Enlitic. Liquidity may also be affected by the mandatory and voluntary escrow arrangements described further in Section 7.9.

(b) Taxation

The acquisition and disposal of CDIs will have tax consequences, which will differ depending on the individual circumstances of each investor. A general overview as to the tax implications of holding CDIs is set out in Section 9.12 and 9.13, however investors are urged to obtain independent tax advice about the consequences of acquiring and disposing of CDIs.

There is the potential for changes to tax laws. Any change to the current rates of taxes imposed on Enlitic companies in the relevant jurisdictions is likely to affect returns to CDI Holders.

An interpretation of taxation laws by the relevant tax authority that is contrary to Enlitic's view of those laws may increase the amount of tax to be paid or cause changes in the carrying value of tax assets in Enlitic's financial statements. In addition, any change in tax rules and tax arrangements could have an adverse effect on Shareholder returns.

(c) Changes to International Accounting Practices

Changes to the IFRS are determined by the IASB. The IASB may from time to time, introduce new or refined IFRS. It is also possible for interpretations of existing AAS to evolve over time. This may affect the way Enlitic measures and recognises accounting items, which could have adverse impacts on the business, financial performance and position reported in Enlitic's financial statements. This may also affect the comparability of results from year to year.

There is also a risk that the interpretation of existing IFRS, including those relating to the measurement and recognition of key statement of profit or loss or balance sheet items, may differ. Any changes to the AAS or to the interpretation of those standards may have a material adverse effect on Enlitic's reported financial performance and position.

5. Risk factors continued

Additionally, pursuant to the requirements of the U.S. Exchange Act, Enlitic will be required to prepare its accounts in accordance with the Generally Accepted Accounting Principles in the United States of America (**U.S. GAAP**) if (i) it lists any of its securities on a US national securities exchange or (ii) at the end of any future financial year in the future, it has total assets greater than US\$10 million and exceeds 2,000 holders of record in total or 500 or more holders of record who are not 'accredited investors' as defined in Rule 501 of Regulation D of the U.S. Securities Act. There may be differences in reporting under IFRS and U.S. GAAP, which may impact Enlitic's financial performance and the preparation of accounts in accordance with U.S. GAAP and other costs associated with being a reporting issuer under the U.S. Exchange Act could be significant.

(d) Exchange Rate Risks

Additionally, the proceeds of the Offer will be received in Australian dollars while Enlitic's functional currency is U.S. dollars. Enlitic is not currently hedging against exchange rate fluctuations, and consequently it will be at the risk of any adverse movement in the U.S. dollar – Australian dollar exchange rate between the pricing of the Offer and the closing of the Offer. If the Australian dollar falls during this period, the net proceeds of the Offer, after being converted to U.S. dollars, will be reduced, meaning Enlitic will have less money to spend on the purposes set out in this Prospectus.

The CDIs will be listed on the ASX and priced in Australian dollars. However, Enlitic's management accounts and financial statements are maintained and presented in USD. Accordingly, movements in foreign exchange rates may cause the price of CDIs to fluctuate for reasons unrelated to Enlitic's financial performance and may result in a discrepancy between Enlitic's actual results and investors' expectations of returns on CDIs expressed in Australian dollars.

(e) COVID-19

Events related to the coronavirus pandemic (**COVID-19**) have resulted in significant market volatility and economic uncertainty on a global basis. Despite the declaration from the World Health Organisation of the end of the global Public Health Emergency for COVID-19, and similar announcements and declarations from national bodies, including the United States Department of Health and Human Services, there remains some uncertainty as to the ongoing and future response of governments and authorities. There remains a risk of an economic downturn of unknown severity in certain jurisdictions going forward, and as a result, Enlitic may experience some customer losses, including due to bankruptcy or Enlitic's customers ceasing operations, which may result in an inability to collect receivables from these customers. Enlitic may also experience a decrease or delay in customer spending on developing new or existing products, which may impact the Company's ability to win new customers, upsell existing customers or expand its revenue base over time. It may also result in lengthening Enlitic's sales cycle and pipeline which could result in decreased revenue and cash flows for Enlitic.

If government restrictions and changes to business practices re-emerge as a result of a new wave of infections, they may negatively impact Enlitic's business and its operating and financial performance. The probability, duration and extent to which such restrictions or business practices may impact Enlitic and its customers is uncertain, and may prove difficult to assess or predict, particularly over the medium to long term.

(f) Force majeure

Events may occur within or outside Australia that negatively impact global, Australian, or other local economies relevant to Enlitic's financial performance, operations and/or the price of Shares. These events include but are not limited to an increase in the impact of COVID-19, new pandemics, acts of terrorism, an outbreak or escalation of international hostilities (including in respect of Ukraine and the Middle East region, fires, floods, earthquakes, any funding-related shutdown of the U.S. federal government, labour strikes and civil wars which may impact Enlitic's supply chain, the demand for its products, employees, customers and its ability to conduct business.



(g) Provisions of the Company's Certificate of Incorporation, Bylaws and Delaware law

Certain provisions of the Company's Certificate of Incorporation, Bylaws and Delaware law could discourage, delay or prevent a merger, acquisition or other change of control regarding Enlitic that CDI Holders may consider favourable (a summary of these provisions is set out in Section 7.14). These provisions may also limit the price that investors might be willing to pay in the future for their CDIs, thereby depressing the market price of the CDIs.

In addition, the Company is governed by the provisions of section 203 of the DGCL which may, unless certain criteria are met, prohibit large CDI Holders (in particular, those holding 15% or more of the voting rights on Shares) from merging or combining with the Company for a prescribed period of time. This is described in further detail in Section 7.14(k).

Additionally, as a Delaware corporation, the Company will need to ensure its continuous compliance with DGCL and, since the Company will be listed on the ASX and registered as a foreign company under the Corporations Act, the Company will also need to ensure its continuous compliance under certain provisions of the ASX Listing Rules and the Corporations Act. To the extent of inconsistencies between DGCL and Australian law and regulations, the Company may need to make changes to its business operations, structure or policies to resolve such inconsistency. Such changes are likely to result in additional demands on Enlitic's management and extra costs, including legal fees.

The above list of risks ought not to be taken as exhaustive of the risks faced by Enlitic or by prospective investors in Enlitic. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Enlitic and the value of the CDIs.

Prospective investors should carefully consider these risks considering their investment objectives, financial situation, and particular needs (including financial and taxation issues). There may be risk factors in addition to these that should be considered in light of personal circumstances.



6.





Key individuals,
interests,
and benefits

6. Key individuals, interests, and benefits

6.1 BOARD OF DIRECTORS

The Directors bring to the Board relevant experience and skills, including sector and business knowledge, financial management and corporate governance experience, which is expected to be enhanced by the introduction of Sergio Duchini as a proposed Director.

Profiles of each member of the proposed Board from Listing are set out below. The Company also intends to appoint an additional independent Non-executive Director following its Listing.

	<p>Lawrence B. Gozlan Non-executive Chairman</p> <p>Lawrence, a leading biotechnology investor and advisor, is the Life Sciences Investment Manager at Jagen Pty Ltd, an international private investment organisation. Lawrence is also the Chief Investment Officer and Founder of Scientia Capital, a specialised global investment fund focused exclusively on life sciences. He currently serves as a director on several private and public company boards in Australia and the United States and holds a B.S. with Honors from the University of Melbourne.</p>
	<p>Riichi Yamada Non-executive Director</p> <p>Riichi Yamada has approximately 25 years' experience in sales and marketing and new business development and investment in several industries such as chemicals, plastics, and life science field at Marubeni Corporation. In the last 5 years he has been dedicated to developing new businesses to transform the industry by digital technology such as AI and Web3.0 base. He is CEO and President of Clairvo Technology, Inc. established to implement image diagnostics AI in a society as a 100% subsidiary company of Marubeni Corporation. Riichi is the Enlitic nominee director appointed by Marubeni.</p>
	<p>Michael Sistenich Chief Executive Officer & Executive Director</p> <p>Michael Sistenich is a Partner and Founder of Aurenda Partners and has over 24 years of experience in the investment banking, corporate finance, and asset management industry. Michael was the founder and lead portfolio manager of the €6.5bn DWS Investments healthcare franchise and was also the founder of the first European healthcare hedge fund at Meditor Capital Management running more than €500mn. He continues to serve as a board member of non-profits, as well as private and public companies in the United States and Australia and holds a Master of Science with Honors in Biochemistry from the University of Oxford.</p>
	<p>Sergio Duchini Proposed Non-executive Director</p> <p>Sergio has over 30 years of professional services experience including 23 years as a Deloitte Australia Tax Partner and 8 years as a Deloitte Australia Board member. At Deloitte he held multiple senior positions, including Australian Tax Practice Chief Strategy Officer, Australian Tax Practice Chief Operating Officer, and Global Innovation and Investment Business Leader. Sergio's non-executive experience includes Risk & Audit Committee Chair, Chair of Remuneration Committee, Board Chair with a decade of board level experience with expertise in the Life Science and Biotech, Professional Services and Not for Profit sector. He has Bachelor of Commerce from the University of Melbourne, is a Chartered Accountant, a Fellow of the Tax Institute of Australia and a AICD graduate. It is proposed that Sergio will join the Board with effect from Conditional Admission.</p>





6. Key individuals, interests, and benefits continued

The composition of the Board committees and a summary of its key corporate governance policies are set out in Sections 6.8 and 6.9.

Each Director and the proposed Director above has confirmed to the Company that they anticipate being able to perform their duties as a Non-executive Director or Executive Director, as the case may be, without constraint having regard to their other commitments.

6.2 EXECUTIVE MANAGEMENT

Profiles of the key members of the Company's executive management team are set out below.

	<p>Michael Sistenich Chief Executive Officer</p> <p>See Section 6.1 above for details.</p>
	<p>John Marshall Chief Operating Officer</p> <p>With 25 years of experience in bringing healthcare technology startups to the global marketplace, John consistently delivers enormous growth in worldwide market share, revenues, profitability, and competitive advantage. Yet, his focus is always on aligning product development with the real needs expressed by patients and providers, creating genuine demand for products that truly improve patient care along the entire experience continuum. As COO at Enlitic, John provides the strategic vision that connects the Company to our customers and empowers our teams to sincerely solve problems.</p>
	<p>Darren Scotti Chief Financial Officer and Company Secretary</p> <p>Darren is a seasoned CFO and board member with over two decades of experience managing capital, financial modelling and mergers and acquisitions. Darren is responsible for leading the financial and strategic activities of the business across Performance Reporting, Taxation, Financial Control, Treasury, M&A and Regulatory Reporting. He is an experienced financial and corporate executive with a strong understanding of all aspects of accounting, finance, and corporate governance. He has experience across a broad range of industries but in recent times has focused on technology start-up companies.</p>
	<p>Dan Kozimor Chief Technology Officer</p> <p>Dan has spent his entire career focusing on the human aspects of software engineering, using his extensive experience developing radiology information technology to evolve the process of reading medical images. As CTO at Enlitic, Dan leads the engineering and data science teams to develop the next generation of medical imaging software and find new ways to transform the future of healthcare. In fact, Dan specialises in scaling tech companies and enabling exceptional engineers to reimagine what healthcare can become.</p>



6.3 INTERESTS AND BENEFITS

This Section 6.3 sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director or proposed Director of the Company.

(a) Directors' interests and remuneration

(i) Consulting arrangement with proposed Director

Sergio Duchini is proposed to be appointed as a Director of the Company with effect from Completion. Prior to his appointment, Sergio is currently engaged as a consultant of the Company. The key terms of his consulting arrangements are as follows: Sergio received a grant of Options to purchase up to 100,000 shares of Common Stock at an exercise price of US\$0.35 per share. His Options vest monthly in equal instalments over a three-year period. These Options are compensation for his varied services to the Company, in particular his work related to consulting the Company on corporate governance and tax matters. This consulting engagement shall continue after Completion and may be terminated by the Company at its discretion.

Mr Duchini also received a payment of US\$5,000 for services provided to Enlitic in respect of its preparation for Listing provided during the month of October 2023.

(ii) Employment agreement with Chief Executive Officer

Michael Sistenich is employed as Chief Executive Officer. See Section 6.3(b) for further details. Mr Sistenich does not receive any further fees for his role as a Director of the Company.

6. Key individuals, interests, and benefits continued

(iii) Non-executive Directors' remuneration

Under the Bylaws, the Board of Directors may determine the maximum aggregate remuneration to be provided to or for the benefit of the Non-executive Directors as remuneration for their services as a Director. Further, under the ASX Listing Rules, the total amount of directors' fees paid to the Directors (subject to certain exceptions) must not exceed in aggregate in any financial year the amount fixed by the Company's members in general meeting.

Initially, and until a different amount is approved by Shareholders, the maximum aggregate Non-executive Directors' remuneration for the purposes of the ASX Listing Rules is US\$650,000 per annum. This amount excludes, among other things, amounts payable to any Executive Director under any executive services agreement with the Group or any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Company.

Other than in respect of Mr Riichi Yamada (who will receive no fees), and with effect from Completion, the following annual base fees will be payable to Non-executive Directors of the Company.

Table 6.1: Non-executive Director fees

DIRECTOR FEES	US\$
Chair	\$100,000
Non-executive Director	\$60,000

Directors will not receive additional fees for being a member of a Board committee.

(iv) Indemnity Agreements

Pursuant to the Bylaws, the Company must indemnify all Directors, executive officers and other officers, past and present, against all liabilities incurred as an officer of the Company or Group Company to the fullest extent permitted by law.

Pursuant to the Bylaws, the Company may arrange and maintain directors' and officers' insurance for its Directors to the extent permitted by law. In addition to the indemnification provided to Directors and officers pursuant to the Certificate of Incorporation and the Bylaws, the Company has entered into customary indemnification agreements with each Director and proposes to enter into an equivalent agreement with Sergio Duchini upon his appointment as a Director. Under the indemnity agreements, the Company indemnifies each Director against any liability that may arise from their position as an officer of the Company or the Company's subsidiaries, to the extent permitted by law. The indemnity agreements provide that the Company must meet the full amount of any such liabilities, including legal costs that are reasonably incurred, charges and expenses.

(v) Directors' and proposed Director's interests in Shares and other Securities

The Directors are not required by the Bylaws to hold any Shares.

The Directors' and the proposed Director's interests in Shares and other Securities in the Company at the Prospectus Date and at Completion are set out in the table below:



Table 6.2: Directors' and proposed Director's interests in Shares and other Securities

DIRECTOR OR PROPOSED DIRECTOR*	INTERESTS AS AT PROSPECTUS DATE		% AS AT PROSPECTUS DATE		% AS AT COMPLETION ¹	
	Shares	Options/Warrants	Undiluted	Fully diluted	Undiluted	Fully diluted
Minimum Subscription (A\$20 million)						
Lawrence B. Gozlan	Nil	2,855,988 Options	N/A	3.34%	N/A	2.61%
Michael Sistenich	91,811	5,280,136 Options 9,564 Preference Warrants	0.15%	6.30%	0.11%	4.91%
Riichi Yamada	Nil	Nil	N/A	N/A	N/A	N/A
Sergio Duchini	Nil	100,000 Options	N/A	0.12%	N/A	0.09%
Maximum Subscription (A\$35 million)						
Lawrence B. Gozlan	Nil	2,855,988 Options	N/A	3.34%	N/A	2.24%
Michael Sistenich	91,811	5,280,136 Options 9,564 Preference Warrants	0.15%	6.30%	0.09%	4.22%
Riichi Yamada	Nil	Nil	N/A	N/A	N/A	N/A
Sergio Duchini	Nil	100,000 Options	N/A	0.12%	N/A	0.08%

* And/or their associated entities.

1. This assumes the Directors and the proposed Director do not subscribe for any CDIs under the Offer.

The Directors and the proposed Director (and their associated entities) are entitled to apply for CDIs under the Offer. The above table does not take into account any CDIs the Directors and the proposed Director (and their associated entities) may acquire under the Offer.

Final shareholdings held directly or indirectly by the Directors and the proposed Director (and their associated entities) will be notified to ASX following Listing.

(vi) Other information about Directors' interests and benefits

Pursuant to the Bylaws, Directors may also be reimbursed travel and other expenses incurred in attending to company affairs in any capacity, including attending and returning from general meetings or meetings of the Board or committees of the Board. A Director who performs additional or special duties for the Company at the request of the Board may be paid such additional or special remuneration (as determined by the Board).

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

6. Key individuals, interests, and benefits continued

(b) Interests of advisers

The Company has engaged the following professional advisers in relation to the Offer. These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.1(b).

Table 6.3: Interests of advisers

ADVISER	ROLE	INTEREST
MST Financial	Lead Manager	Fees payable to the Lead Manager pursuant to the terms of their engagement as described in Section 7.8.
Gilbert + Tobin	Australian legal adviser	The Company has paid, or agreed to pay, approximately A\$850,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Gilbert + Tobin in accordance with its normal time-based charges.
Cooley LLP	U.S. legal adviser	The Company has paid, or agreed to pay, approximately US\$375,000 (excluding disbursements and taxes) for these services up until the Prospectus Date. Further amounts may be paid to Cooley LLP in accordance with its normal time-based charges.
RSM	Investigating Accountant	The Company has paid, or agreed to pay, approximately A\$120,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to RSM in accordance with its normal time-based charges.
RSM Australia	Australian tax adviser	The Company has paid, or agreed to pay, approximately A\$25,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to RSM Australia in accordance with its normal time-based charges.

6.4 EXECUTIVE REMUNERATION

The employment arrangements for senior management of the Company are set out below.

(a) Michael Sistenich (Chief Executive Officer)

TERM	DESCRIPTION
Employer	Enlitic Australia
Fixed annual remuneration	A\$450,000 plus superannuation
Incentives	Mr Sistenich is entitled to receive incentives under the Company's plan(s), as determined by the Board from time to time. Mr Sistenich has the right to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits	Mr Sistenich is paid superannuation by Enlitic Australia in accordance with Australian superannuation laws. Mr Sistenich may also be eligible to participate in any benefit plans relating to health, wellness and dental benefits as may be determined by the Board at its discretion as well as reimbursement of all reasonable and documented expenses actually incurred or paid by Mr Sistenich in the performance of his duties.



TERM	DESCRIPTION
Notice period, termination and termination payments	Either party may terminate by giving six (6) months' prior notice in writing, or immediately in the case of serious misconduct. The Company may elect to provide continued base salary in lieu of notice. Upon termination of employment, except in the case of serious misconduct, any unvested equity rights shall automatically vest. The Company may also terminate by reason of a disability by giving six (6) months' prior notice in writing in which case Mr Sistenich will receive any accrued but unpaid remuneration, leave entitlements and/or other entitlements. Subject to the ASX Listing Rules, if Mr Sistenich is terminated in connection with a change in control, all outstanding equity shall vest.
Non-solicitation/restrictions of future activities	Unless Enlitic consents in writing (which may be withheld at the Company's absolute discretion), during the term of employment and upon termination for a period of 12 months from the termination date, Mr Sistenich is bound by a non-solicitation and non-compete restraint. The enforceability of the restraint clause is subject to all usual legal requirements.

(b) John Marshall (Chief Operating Officer)

TERM	DESCRIPTION
Employer	Enlitic, Inc.
Fixed annual remuneration	US\$275,000
Incentives	Mr Marshall is entitled to receive incentives under the Company's plan, as determined by the Board from time to time. Mr Marshall is also entitled to receive a discretionary bonus of up to 25% of his fixed annual remuneration and sales commission.
Other benefits	Mr Marshall is entitled to receive health care benefits and up to 6% match for Enlitic's 401k.
Notice period, termination and termination payments	Mr Marshall may resign from Enlitic and is obligated to provide 60 days' notice. If Enlitic terminates Mr Marshall without cause or good reason, Enlitic will provide 30 days' written notice and agree to the "accrued obligations". Accrued obligations are contingent upon signing a release agreement and include 9 months payment of base salary, payment of all booked commissions that were signed prior to the termination, and 6 months of COBRA payments. For termination for cause or misconduct, Enlitic may end employment immediately in writing and will still be obligated to honour the "accrued obligations".
Non-solicitation/restrictions of future activities	For a period of 12 months following Mr Marshall's termination date with Enlitic, Mr Marshall is prohibited from soliciting employees and customers. Mr Marshall is also subject to a non-compete for the same period.

6. Key individuals, interests, and benefits continued

(c) Darren Scotti (Chief Financial Officer and Company Secretary)

TERM	DESCRIPTION
Employer	Enlitic Australia
Fixed annual remuneration	A\$300,000 plus superannuation
Incentives	Mr Scotti is entitled to receive incentives under the Company's plan(s), as determined by the Board from time to time. Mr Scotti has the right to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits	Mr Scotti is paid superannuation by Enlitic Australia in accordance with Australian superannuation laws. Mr Scotti may also be eligible to participate in any benefit plans relating to health, wellness and dental benefits as may be determined by the Board at its discretion as well as reimbursement of all reasonable and documented expenses actually incurred or paid by Mr Scotti in the performance of his duties.
Notice period, termination and termination payments	Either party may terminate by giving six (6) months' prior notice in writing, or immediately in the case of serious misconduct. The Company may elect to provide continued base salary in lieu of notice. Upon termination of employment, except in the case of serious misconduct, any unvested equity rights shall automatically vest. The Company may also terminate by reason of a disability by giving six (6) months' prior notice in writing in which case Mr Scotti will receive any accrued but unpaid remuneration, leave entitlements and/or other entitlements. Subject to the ASX Listing Rules, if Mr Scotti is terminated in connection with a change in control, all outstanding equity shall vest.
Non-solicitation/restrictions of future activities	Unless Enlitic consents in writing (which may be withheld at the Company's absolute discretion), during the term of employment and upon termination for a period of 12 months from the termination date, Mr Scotti is bound by a non-solicitation and non-compete restraint. The enforceability of the restraint clause is subject to all usual legal requirements.

(d) Dan Kozimor (Chief Technology Officer)

TERM	DESCRIPTION
Employer	Enlitic Canada
Fixed annual remuneration	CAD\$385,000
Incentives	Mr Kozimor is entitled to receive incentives under the Company's plan, as determined by the Board from time to time. Mr Kozimor is also entitled to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits	Mr Kozimor is also entitled to receive health care and up to 6% match for Enlitic Canada's registered retirement savings plan.
Notice period, termination and termination payments	Enlitic AI Canada, Inc. may terminate Mr Kozimor's employment at any time. Mr Kozimor must provide 60 days' notice to terminate. Upon termination of employment without just cause, Mr Kozimor is entitled to the greater of (i) minimum pay in lieu of notice of termination in accordance with the provision of the Employment Standards Act, 2000, S.O. 2000, c. 41 and, if applicable, the minimum statutory severance pay as required by applicable Canadian law or (ii) six months base salary, less applicable deductions and subject to any additional payments mandated by applicable Canadian law.
Non-solicitation/restrictions of future activities	For a period of 8 months after termination, Mr Kozimor may not solicit employees from Enlitic, induce customers or suppliers from Enlitic, or be employed by or associated with any business that is directly competitive with Enlitic.



6.5 EQUITY-BASED REMUNERATION ARRANGEMENTS

(a) 2014 Equity Incentive Plan

The Company adopted the 2014 Equity Incentive Plan on 12 June 2014 (**2014 Plan**) to secure and retain the services of employees, Directors, consultants and affiliates of the Company, to provide incentives for such persons to exert maximum efforts for the success of the Company and any affiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the Shares through the grant of stock awards primarily in the form of Options.

Under the 2014 Plan, the Company reserved 13,698,637 Shares for issuance under the 2014 Plan and, as at the Prospectus Date, the Board has granted the following Securities that are issued and outstanding under the 2014 Plan: 13,660,058 Options (of which, 320,726 Options have been exercised and converted to Shares).

Further details regarding these Options are set out in Section 9.4, 9.5 and Schedule 3.

The 2014 Plan was superseded upon the adoption of the 2023 Equity Incentive Plan (**2023 Plan**) by the Company (although the terms of the 2014 Plan continue to apply to awards already granted under the 2014 Plan, as noted above).

(b) 2023 Equity Incentive Plan

The 2023 Equity Incentive Plan was adopted on 9 November 2023 and provides for the grant of Options to employees of the Company and certain affiliates, and for the grant of non-statutory stock options, restricted stock awards, restricted stock unit awards, stock appreciation rights, and other awards (together, the **Awards**) to the employees and consultants of the Company and certain affiliates and Directors. The 2023 Plan is the successor to, and continuation of, the 2014 Plan, and will become effective upon and contingent on the Company's admission to the Official List of ASX.

The maximum aggregate number of awards that have been reserved for issuance under the 2023 Plan and proposed to be issued under the 2023 Plan is 11,300,000 plus up to an additional 13,100,000 Shares currently subject to outstanding awards under the 2014 Plan that may become available for issuance under the 2023 Plan if such awards terminate or expire (in whole or in part) without Shares being issued or are settled in cash; if the Shares, or Shares underlying such awards, are forfeited to or repurchased by the Company because of a failure to vest; or are withheld or reacquired to satisfy the exercise, strike or purchase price of such award or to satisfy a tax withholding obligation.

In addition, the Board or its Nomination and Remuneration Committee may act, prior to January 1 of a given year, starting from (and including) January 1, 2024 (if the Company has listed on the ASX prior to January 1, 2024) and ending on (and including) January 1, 2033, to provide that the Share reserve will increase on January 1 of that year, in an amount equal to the lesser of (i) 10% of the total number of shares of capital stock outstanding on December 31 of the preceding calendar year, and (ii) such number of shares of capital stock as may be determined by the Board or the Nomination and Remuneration Committee; provided, that the total Share reserve (in (i) and (ii)) shall not exceed the number of Shares equal to 15% of the total number of shares of capital stock (including all outstanding convertible or exchangeable securities on a fully-diluted, as-converted-to-common-stock basis and including the remaining Shares available for issuance under the Share reserve) on December 31 of the preceding calendar year.

The 2023 Plan will be administered by the Board or its Nomination and Remuneration Committee, which has the power to determine:

- who will receive awards under the 2023 Plan;
- the type of awards granted under the 2023 Plan;
- the terms and conditions of Awards, not inconsistent with the terms of the 2023 Plan, including, without limitation, the exercise or purchase price (if any) applicable to the award, the time or times when awards may vest and/or be exercised, and any restriction or limitation regarding any award or the Shares underlying any award;

6. Key individuals, interests, and benefits continued

- specifically in the case of Options:
 - the exercise price of any Options granted, which will generally not be less than the fair market value of the Company's Shares on the date the Option is granted;
 - the number of Shares into which an Option is exercisable, provided that such Options may not be exercisable over a percentage of the Company's share capital;
 - the terms on which the Options will be exercisable;
 - the termination or cancellation provisions applicable to the Options which are granted, provided that the expiry date shall, in most cases, not be more than 10 years from the date the Option was granted; and
 - whether such Option is intended to be tax qualified under the laws of any jurisdiction jurisdictions; and
- to construe and interpret the terms of the 2023 Plan and any award agreement.

In the event of:

- a sale of all or substantially all of the Company's assets;
- a sale or other disposition of more than 50% of the outstanding securities of the Company;
- a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or
- a merger, consolidation or similar transaction following which the Company is the surviving corporation but the Shares outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise,

then the Board or the Nomination and Remuneration Committee may take one or more of the following actions with respect to outstanding Awards (which such action(s) need not be the same with respect to each Award), contingent upon the closing or completion of such transaction, and subject to any provision to the contrary in the instrument evidencing the award or any other written agreement with the holder of such award:

- providing for the assumption or substitution of the outstanding Award;
- accelerating the vesting, in whole or in part, of any Award (including arranging for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company);
- assigning any reacquisition or repurchase rights held by the Company with respect to an Award to the surviving or acquiring entity or its parent; or
- cancelling the outstanding award on such terms and conditions as it deems appropriate, including providing for the cancellation of such outstanding Award for any or no consideration as the Board or Remuneration Committee determines, which such payments may be delayed to the same extent that payment of consideration to the holders of the Shares in connection with the transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

Subject to compliance with applicable law, the Board has the authority to amend or terminate the 2023 Plan provided no amendment or termination (other than an adjustment pursuant to a reorganisation, which will be conducted in accordance with the Listing Rules) shall be made that would materially and adversely affect the rights of any participant under any outstanding Award, without such participant's consent. Certain amendments will require the approval of the Shareholders.

The 2023 Plan will automatically terminate in 2033, unless terminated prior.

Details of any Awards issued to the Directors under the 2023 Plan will be published in each annual report of the Company relating to the period in which the Awards have been issued.



6.6 RELATED PARTY AGREEMENTS

There are no related party arrangements in place other than the director arrangements otherwise described in this Section.

6.7 CORPORATE GOVERNANCE

This Section 6.7 explains how the Board oversees the management of the Company's business. The Board is responsible for the overall corporate governance of the Company, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic goals of the Company and considering and approving an annual business plan (including a budget).

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The Company is seeking a listing on the ASX. The ASX Corporate Governance Council has developed and released its fourth edition of the Corporate Governance Principles and Recommendations (**ASX Recommendations**) for Australian listed entities to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Recommendations are not prescriptions, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it and must also disclose what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Prior to Completion, copies of the Company's key policies and practices and the charters for the Board and each of its committees will be available at www.ir.enlitic.com.

6.8 THE BOARD OF DIRECTORS

The name and biographical details of the current members of the Board of Directors and the proposed Director are contained in Section 6.1.

Each Director has confirmed to the Company that he anticipates being available to perform his duties as a Non-executive Director (or, in the case of Michael Sistenich, Chief Executive Officer and Director) without constraint having regard to their other commitments.

The Board considers an independent Director to be a Non-executive Director who is free of any interest, position, association, or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director considering interests disclosed to the Board from time to time. In assessing independence, the Board will have regard to the ASX Recommendations.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers that each of Lawrence B. Gozlan, and Sergio Duchini (once appointed as a Director) is free from any interest, position, association, or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

6. Key individuals, interests, and benefits continued

Michael Sistenich is currently considered by the Board not to be independent given he is employed as Chief Executive Officer of the Company. Riichi Yamada is currently considered by the Board not to be independent given he is Marubeni's nominee director on the Enlitic Board.

The Company intends to appoint an additional independent Non-executive Director as soon as practicable after Listing and accordingly, at that point in time, the Board will consist of a majority of independent Directors consistent with the ASX Recommendations.

(a) Board Charter

The Board Charter adopted by the Board sets out the responsibilities of the Board in greater detail. It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise, and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties. The Board Charter is subject to the Bylaws, to the extent that there is any inconsistency between the Board Charter and Enlitic's Bylaws, the Bylaws prevail.

(b) Board committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established an Audit and Risk Management Committee and a Nomination and Remuneration Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements, and the skills and experience of individual Directors.

(i) Audit and Risk Management Committee

The role of the Audit and Risk Management Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions. This includes confirming the quality and reliability of the financial information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

The Audit and Risk Management Committee provides advice to the Board and reports on the status and management of the risks to the Company. The purpose of the Committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and ensure that risks are identified, assessed, and appropriately managed.

The Company will comply with the recommendations set by the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee from Listing is intended to comprise of Sergio Duchini (Chairman), Lawrence Gozlan, and Riichi Yamada.

(ii) Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's nomination and remuneration policies and practices.

This includes reviewing and making recommendations to the Board on remuneration packages and policies related to the Directors and senior executives. The Nomination and Remuneration Committee is also responsible for administering short term and long term incentive plans (including any equity plans). In addition, the Committee is responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice will be sought where appropriate.

The Company will comply with the recommendations set by the Listing Rules and the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee from Listing is intended to comprise of Non-executive Directors, being Riichi Yamada (Chair), Lawrence Gozlan and Sergio Duchini.



6.9 CORPORATE GOVERNANCE POLICIES

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX Principles. Copies of Enlitic's corporate governance policies will be available on its website at www.ir.enlitic.com.

(a) Disclosure Policy

Once listed, the Company will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately advise ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The Company has adopted a Disclosure Policy to take effect from Listing, which reinforces the Company's commitment to its continuous disclosure obligations, and describes the processes in place that enable the Company to provide securityholders with timely disclosure in accordance with those obligations. Information will be communicated to securityholders through the lodgement of all relevant financial and other information with ASX, and copies of the Company's announcements to ASX will be available on the Company's website.

(b) Stockholder Communication Policy

The Company aims to keep securityholders informed of major developments affecting the Company. The Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company will communicate information regularly to securityholders and other stakeholders through a range of forums and publications, including the Company's website, at the Company's Annual General Meeting (AGM) and through the Company's Annual Report and ASX announcements.

(c) Securities Trading Policy

The Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited by law and establish procedures for the buying and selling of securities to ensure that public confidence is maintained in the reputation of the Company and the Company's Directors and employees, and in the trading of the Company's securities.

The Securities Trading Policy provides that Directors, employees and contractors must not deal in Securities when they are aware of 'inside' information. Directors and certain restricted employees can only deal in Securities during the following trading windows:

- the 30-day period beginning on the commencement of trading on the ASX on the second trading day after the release of the Company's half-yearly results to the ASX;
- the 30-day period beginning on the commencement of trading on the ASX on the second trading day after the release of the Company's annual results to the ASX; and
- the 30-day period beginning on the commencement of trading on the ASX on the second trading day after the holding of the AGM.

Directors and restricted employees and contractors must receive prior approval for any proposed dealing in the Company's securities during the trading windows (including any proposed dealing by one of their connected persons).

(d) Code of Conduct

The Company is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how it expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards.

The Code of Conduct is designed to provide a benchmark for professional behaviour throughout the Company's business, support its business reputation and corporate image within the community and make the Company's Directors and employees aware of the consequences if they breach this policy.

6. Key individuals, interests, and benefits continued

(e) Diversity Policy

The Board has approved a Diversity Policy, which sets out the Company's commitment to an inclusive and diverse workforce. The Company will include in its corporate governance statement each year details of the measurable objectives set under the Diversity Policy of the year to which the corporate governance statement relates, and a summary of the Company's progress towards achieving those measurable objectives.

(f) Whistleblower protection Policy

The Company is committed to the highest standards of conduct and ethical behaviour in all its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance, and good corporate governance. This policy has been adopted to provide a safe and confidential environment where concerns can be raised by whistleblowers without fear of reprisal or detrimental treatment.

(g) Anti-bribery and corruption Policy

The Company is committed to complying with all laws of the jurisdictions in which it operates, including those relating to bribery and corruption. Accordingly, the Board has adopted an anti-bribery and corruption policy which sets out the responsibilities of Enlitic and its employees or other personnel or representatives in observing and upholding the prohibition on bribery and related improper conduct and provides information and guidance on how to recognise and deal with instances of bribery and corruption.



7.

Details of the Offer

7. Details of the Offer

7.1 THE OFFER

This Prospectus relates to an initial public offering of between 24,096,386 and 42,168,675 CDIs at the Offer Price of A\$0.83 per CDI. The Offer is expected to raise between a minimum of A\$20,000,000 (before costs) and a maximum of A\$35,000,000 (before costs). See Section 7.8 for further details in respect of underwriting arrangements.

The maximum total number of CDIs expected to be on issue at Completion will be 103,075,542 CDIs. All CDIs will rank equally with each other. The CDIs offered under this Prospectus will represent up to approximately 28.35% of the Shares on issue at Completion on an undiluted basis and up to approximately 40.91% of the Shares on a fully-diluted basis (assuming Maximum Subscription).

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

(a) Structure of the Offer

The Offer comprises:

- **Broker Firm Offer**, which is open only to Australian resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate; and
- **Priority Offer**, which is open to selected investors in Australia and certain other jurisdictions who have received a Priority Offer Invitation;
- **Institutional Offer**, which consists of an invitation to bid for CDIs made to Institutional Investors in Australia and a number of other eligible jurisdictions.

Details of the Broker Firm Offer and the allocation policy under it are described in Section 7.4.

Details of the Priority Offer and the allocation policy under it are described in Section 7.5.

Details of the Institutional Offer and the allocation policy under it are described in Section 7.6.

No general public offer of CDIs will be made under the Offer. Members of the public wishing to apply for CDIs under the Offer must do so through a Broker with a firm allocation of CDIs under the Broker Firm Offer.

The allocation of CDIs between the Broker Firm Offer and the Institutional Offer will be determined by the Company and the Lead Manager.

(b) Purpose of the Offer

The purpose of the Offer is to:

- provide the Company with continued and easier access to equity capital;
- provide Existing Shareholders with liquidity;
- allow the Company to motivate its staff with equity-based remuneration more effectively as an ASX-listed company;
- pursue its growth strategy and expenditure program (as set out below), including:
 - further development of Enlitic's product range and core technology platform, including the development of the ENCODE and ENSIGHT products currently under development and generating improved accuracy and precision with ENDEX; and
 - sales growth and market penetration through business development activities in the United States, Europe, and other critical markets, including the expansion of Enlitic's sales force, product management and implementation, support, and education of sales partners; and
- pay the costs of the Offer.



The proceeds of the Offer, together with the Company's existing cash reserves, are intended to be applied in accordance with the following expenditure program.

Table 7.1: Sources and uses of funds

	MINIMUM SUBSCRIPTION (A\$20 MILLION)	MAXIMUM SUBSCRIPTION (A\$35 MILLION)
Source of funds		
Proceeds of the Offer	A\$20,000,000	\$35,000,000
Existing cash reserves of the Company	A\$1,100,000	A\$1,100,000
Total	A\$21,100,000	A\$36,100,000
Use of funds		
Research and development program (see Section 3.5(h))	A\$5,413,669 (25.66%)	A\$9,253,500 (25.63%)
Quality and regulatory compliance costs	A\$809,666 (3.84%)	A\$1,268,000 (3.51%)
Strategic development	A\$590,000 (2.80%)	A\$1,040,000 (2.88%)
Sales and marketing (see Section 3.5(e))	A\$4,921,666 (23.33%)	A\$9,137,625 (25.31%)
Customer service	A\$2,502,000 (11.86%)	A\$4,562,875 (12.64%)
Corporate costs	A\$2,504,666 (11.87%)	A\$4,088,000 (11.32%)
Working capital and administrative costs	A\$1,308,333 (6.20%)	A\$2,725,000 (7.55%)
Costs of the Offer	A\$3,050,000 (14.45%)	A\$4,025,000 (11.15%)
Total	A\$21,100,000 (100%)	A\$36,100,000 (100%)

Based on the proposed Offer and the Minimum Subscription, the Board is satisfied that it will have sufficient funds to carry out a program of work described in its expenditure program (above) over the 15–18 month period commencing from the date of the Official Quotation. It is likely that the Company will require further financing to meet its business objectives beyond this period. There can be no assurance that such further financing can be obtained on favourable terms, or at all (refer to Section 5.1(a) in the Risk factors for further detail).

The Company has not entered into contracts for several of the material items covered by the expenditure program, nor does it have binding quotations in relation to such items. Rather, the Board has determined that following the successful Completion of the Offer, the Company will be well positioned to negotiate the exact terms for such contracts.

The use of funds set out above represents Enlitic's current intentions based upon its present plans and business conditions. The amounts and timing of the actual expenditures may vary significantly and will depend upon numerous factors, including the timing and level of sales success from Enlitic's product development efforts, operational and development activities, regulatory developments, and market and general economic conditions (refer to Section 5 for further discussion of the potential risks). Considering this, the Board reserves its right to alter the way the funds are applied.

7. Details of the Offer continued

7.2 CONTROL IMPLICATIONS OF THE OFFER

The Directors do not expect any CDI Holder or Shareholder (as applicable) to control the Company on Completion.

The substantial holders in the Company (being those persons having a voting power of 5% or more in the Company) as at the Prospectus Date are as follows.

Table 7.2: Substantial holders in the Company as at the Prospectus Date

SHAREHOLDER	NUMBER OF SHARES HELD	% OF SHARES HELD (UNDILUTED BASIS)
Regal Group	11,258,606	18.485%
Marubeni	10,650,316	17.486%
NAAM Group	5,312,627	8.72%
Thorney Group	4,105,665	6.74%

It is currently anticipated that the following Existing Shareholders are expected to be substantial holders in the Company (being those persons having a voting power of 5% or more in the Company) from Completion of the Offer. The table below assumes that no CDIs are subscribed for under the Offer by these Existing Shareholders. The actual holdings of the Existing Shareholders and the identity of any other substantial holders will not be known until the outcome of the Offer is known.

Table 7.3: Expected substantial holders in the Company from Completion of the Offer

SHAREHOLDER	MINIMUM SUBSCRIPTION (A\$20 MILLION)		MAXIMUM SUBSCRIPTION (A\$35 MILLION)	
	No. of Shares held	% of Shares held (undiluted basis)	No. of Shares held	% of Shares held (undiluted basis)
Regal Group	11,258,606	13.24%	11,258,606	10.92%
Marubeni	10,650,316	12.53%	10,650,316	10.33%
NAAM Group	5,312,627	6.25%	5,312,627	5.15%

Notwithstanding the above, as at the date of this Prospectus, Regal Group has indicated an intention to subscribe for CDIs under the Offer. Depending on the number of CDIs subscribed, and the aggregate subscription under the Offer, this is likely to result in Regal Group having an interest in Enlitic of greater than 20% (but not more than 30%) at Completion of the Offer.



7.3 TERMS AND CONDITIONS OF THE OFFER

TOPIC	SUMMARY
What is the type of security being offered?	The Company will be offering CHESS Depositary Interests (CDIs) in the Company under the Offer. Each CDI represents an interest in one Share.
What are the rights and liabilities attached to the security being offered?	The holders of CDIs receive all the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of an Australian listed company. The Shares underlying the CDIs will rank equally with the Shares currently on issue in the Company. There are certain differences between the CDIs and ordinary shares which are typically issued by Australian incorporated public companies. A description of the CDIs and the underlying Shares, including the rights and liabilities attaching to them, is set out in Section 7.14 below.
What is the consideration payable for each security being offered?	Successful Applicants under the Offer will pay the Offer Price, being A\$0.83 per CDI.
What is the Offer period?	<p>The key dates, including details of the Offer period, are set out on page 8.</p> <p>No CDIs will be issued based on this Prospectus later than the expiry date of 13 months after the Prospectus Date.</p>
What are the cash proceeds to be raised?	Between approximately A\$20 million and A\$35 million will be raised under the Offer (before costs) based on the Offer Price.
Is the Offer underwritten?	<p>If the Company and MST Financial receive valid Applications for CDIs under the Offer of between A\$19,000,000 and A\$24,000,000, the Offer will be partially underwritten by MST Financial to the amount of A\$1,000,000.</p> <p>These underwriting arrangements are described more fully in Section 7.8.</p> <p>MST Financial may terminate the underwriting arrangements in certain circumstances which are set out in Section 7.8(c).</p>
Are there conditions to the Offer?	<p>The Offer is conditional on:</p> <ul style="list-style-type: none">• the Minimum Subscription for the Offer being raised; and• ASX approving (including conditional approval) the application for admission to the Official List. <p>If the Minimum Subscription is not raised within four months of the Prospectus Date, or ASX approval is not given within three months after such application is made (or any longer period permitted by law), the Company will withdraw the Offer and refund Application Monies (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>

7. Details of the Offer continued

TOPIC	SUMMARY
How is the Offer structured?	<p>The Offer comprises:</p> <ul style="list-style-type: none"> • Broker Firm Offer, which is open only to Australian resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate; • Priority Offer, which is open to selected investors in Australia and certain other jurisdictions who have received a Priority Offer Invitation; and • the Institutional Offer, which consists of an invitation to bid for CDIs made to Institutional Investors in Australia and several other eligible jurisdictions.
What is the minimum and maximum Application size under the Retail Offer?	<p>There is no minimum or maximum application under the Retail Offer.</p>
What is the allocation policy?	<p>The allocation of CDIs between the Broker Firm Offer and the Institutional Offer will be determined by the Company and the Lead Manager.</p> <ul style="list-style-type: none"> • For Broker Firm Offer participants, the relevant Broker will decide as to how they allocate CDIs among their retail clients. For further details, please see Section 7.4(d). • The allocation policy relating to the Priority offer will be determined by the Company and the Lead Manager. For further details, please see Section 7.5(d). • The allocation of CDIs among Applicants in the Institutional Offer will be determined by the Company and the Lead Manager. For further details, please see Section 7.6(b).
Will the securities be quoted on the ASX?	<p>The Company applied to ASX for admission to the official list of, and quotation of its CDIs by, ASX under the code 'ENL' on 9 November 2023.</p> <p>Completion is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>The Company will be required to comply with the Listing Rules, subject to any waivers obtained by the Company from time to time.</p> <p>ASX takes no responsibility for the contents of this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the CDIs offered for subscription.</p>



TOPIC	SUMMARY
When are the CDIs expected to commence trading?	<p>It is expected that trading of the CDIs on ASX will commence on a normal settlement basis on or about 18 December 2023.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading in CDIs. Applicants who sell CDIs before they receive an initial holding statement do so at their own risk. The Company and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell CDIs before receiving their initial holding statement, whether based on a confirmation of allocation provided by any of them, by the Enlitic Offer Information Line, by a Broker or otherwise.</p>
When will I receive confirmation of whether my Application has been successful?	<p>It is expected that initial holding statements will be mailed to successful Applicants on or about 18 December 2023.</p> <p>Refunds (without interest) to Applicants who make an Application and receive an allocation of CDIs, the value of which is smaller than the amount of the Application Monies, will be made as soon as practicable after Completion.</p>
Are there any escrow arrangements?	Yes. Details are provided in Section 7.9.
Has any ASIC relief or ASIC waiver or modification been obtained or been relied on?	Yes. Details are provided in Section 9.11.
Are there any taxation considerations?	Yes. Details are provided in Section 9.12 and 9.13.
Are there any brokerage, commission, or stamp duty considerations?	<p>No brokerage, commission or stamp duty is payable by Applicants on the acquisition of CDIs under the Offer.</p> <p>See Section 6.3(b) for details of various fees payable by the Company to the Lead Manager and by the Lead Manager to certain Brokers.</p>
What should you do with any enquiries?	<p>All enquiries in relation to this Prospectus should be directed to the Enlitic Offer Information Line during the Offer Period on 1800 131 904 (toll-free within Australia) or +61 1800 131 904 (outside Australia) between 8.30am and 5.30pm (Melbourne time), Monday to Friday (excluding public holidays).</p> <p>If you are unclear in relation to any matter or are uncertain as to whether CDIs are a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant, or other independent and qualified professional adviser before deciding whether to invest.</p>

7. Details of the Offer continued

7.4 BROKER FIRM OFFER

(a) Who can apply?

The Broker Firm Offer is open only to Australian resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate in the Offer under this Prospectus.

If you have received an invitation to participate from your Broker, you will be treated as eligible to become a Broker Firm Offer Applicant under the Broker Firm Offer. You should contact your Broker to determine whether you can receive an invitation from them under the Broker Firm Offer.

(b) How to apply?

If you have received an invitation to participate from your Broker and wish to apply for CDIs under the Broker Firm Offer, you should contact your Broker for information about how to complete and lodge your Application Form and for payment instructions. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the Application Form. Applicants under the Broker Firm Offer should contact their Broker to request a Prospectus and Application Form or download a copy at <https://events.miraql.com/enlitic-ipo>. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm (Melbourne time) on the Closing Date (being 5 December 2023) or any earlier closing date as determined by your Broker.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Application Form with the Broker from whom you received your invitation to participate. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the CDI Registry.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

There is no minimum Application size under the Broker Firm Offer.

There is no maximum value of CDIs that may be applied for under the Broker Firm Offer.

The Company and the Lead Manager reserve the right to reject or scale back any Applications in the Broker Firm Offer in their absolute discretion. Any amount applied for in excess of the amount allocated to you, will be refunded by your Broker in full (without interest).

The Company and the Lead Manager may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer application procedures or requirements, at their discretion in compliance with applicable laws.

The Company the Lead Manager and the CDI Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens at 9.00am (Melbourne time) on the Opening Date (being 24 November 2023) and is expected to close at 5.00pm (Melbourne time) on the Closing Date (being 5 December 2023).

The Company and the Lead Manager may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications. The Offer may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

(c) How to pay?

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with the instructions received from their Broker.

(d) What is the Broker Firm Offer allocation policy?

The basis of allocation of CDIs under the Offer will be determined by the Company and the Lead Manager. CDIs which are allocated to Brokers for allocation to their retail clients will be issued to the Applicants nominated by those Brokers (subject to the right of the Company and the Lead Manager to reject, aggregate or scale back



Applications). It will be a matter for each Broker as to how they allocate CDIs among their retail clients, and they (and not the Company or the Lead Manager) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant CDIs.

(e) Acceptance of applications

An Application in the Broker Firm Offer is an offer by you to the Company to apply for the amount of CDIs specified in the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an Application by an Applicant is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of CDIs to Successful Applicants.

The Company and the Lead Manager reserve the right to reject any Application which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer, or to waive or correct any errors made by an Applicant in completing their Application.

7.5 PRIORITY OFFER

(a) Who can apply?

The Priority Offer is open to selected investors in Australia and certain other jurisdictions by the Company. If you are a Priority Offer Applicant, you should have received a personalised Priority Offer Invitation to apply for CDIs under the Priority Offer.

(b) How to apply?

If you have received a personalised Priority Offer Invitation and wish to apply for CDIs, you should follow the instructions on your personalised Priority Offer Invitation.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

There is no minimum Application size under the Priority Offer.

There is no maximum value of CDIs that may be applied for under the Priority Offer.

The Company and the Lead Manager reserve the right to reject or scale back any Applications under the Priority Offer in their absolute discretion. Any amount applied for in excess of the amount allocated to you, will be refunded in full (without interest).

The Company and the Lead Manager may determine a person to be eligible to participate in the Priority Offer and may amend or waive the Priority Offer application procedures or requirements, at their discretion in compliance with applicable laws.

The Priority Offer opens at 9.00am (Melbourne time) on the Opening Date (being 24 November 2023) and is expected to close at 5.00pm (Melbourne time) on the Closing Date (being 5 December 2023).

The Company and the Lead Manager may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications. The Offer may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

If the amount of your BPAY payment for Application Monies (or the amount for which those BPAY payments clear in time for allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

If you are a Priority Offer Applicant, go to <https://events.miraql.com/enlitic-ipo> and complete an online Application Form.

7. Details of the Offer continued

(c) How to pay?

Payment may be made via BPAY only by following the instructions on the online Application Form. It is the responsibility of the Applicant to ensure payments are received by the CDI Registry by 5.00pm (Melbourne time) on the Closing Date (being 5 December 2023). You should be aware that your financial institution may impose a limit on the amount that you can transact on BPAY and policies with respect to timing for processing BPAY transactions, which may vary between financial institutions, and you should therefore take this into consideration when making payment.

(d) What is the Priority Offer allocation policy?

Allocations under the Priority Offer will be determined by the Company and the Lead Manager.

(e) Acceptance of applications

An Application in the Priority Offer is an offer by an Applicant to the Company to apply for CDIs in the amount specified in the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus) and the Priority Offer Invitation (including the terms and conditions in Section 7.3 and the acknowledgements in Section 7.7). To the extent permitted by law, an Application made by an Applicant under the Offer is irrevocable.

An Application may be accepted in respect of the full number of CDIs specified in the Application Form or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on the allocation of CDIs to Successful Applicants.

The Company and the Lead Manager reserve the right to reject any Application which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Priority Offer, or to waive or correct any errors made by an Applicant in completing their Application.

7.6 INSTITUTIONAL OFFER

(a) Invitations to bid

The Company and the Lead Manager have invited certain Institutional Investors in Australia and other eligible foreign jurisdictions to bid for CDIs in the Institutional Offer.

(b) Allocation policy under the Institutional Offer

The allocation of CDIs among bidders in the Institutional Offer will be determined by the Company and the Lead Manager. The Lead Manager and the Company have absolute discretion regarding the basis of the allocation of CDIs among Institutional Investors.

Participants in the Institutional Offer will be advised of their allocation of CDIs, if any, by the Lead Manager.

The allocation policy was influenced by several factors including:

- the number of CDIs bid for by particular bidders;
- the timeliness of the bid by particular bidders;
- the Company's desire for an informed and active trading market following listing on ASX;
- the Company's desire to establish a wide spread of institutional CDI Holders;
- the overall level of demand under the Broker Firm Offer, Priority Offer and the Institutional Offer;
- the size and type of funds under management of particular bidders;
- the likelihood that bidders will be long term CDI Holders; and
- any other factors that the Lead Manager and the Company considered appropriate.



7.7 ACKNOWLEDGEMENTS

Each Applicant under the Offer will be deemed to have:

- represented it is in Australia or it is an Institutional Investor;
- agreed to become a member of the Company and to be bound by the terms of the Certificate of Incorporation and Bylaws and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company, the CDI Registry or a Broker receives an Application Form (including electronically), it may not be withdrawn;
- applied for the number of CDIs at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued the number of CDIs applied for (or a lower number allocated in a way described in this Prospectus), or no CDIs at all;
- authorised the Company and the Lead Manager and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for CDIs to be allocated to the Applicant(s), including to act on instructions received by the CDI Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid would not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that CDIs are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs (including financial and tax issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Institutional Offer);
- acknowledged and agreed that the Offer may be withdrawn by the Company or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if Listing does not occur for any reason, the Offer will not proceed.

Each Applicant under the Broker Firm Offer, Priority Offer and each person to whom the Institutional Offer has been made under this Prospectus, will be taken to have represented, warranted, and agreed as follows:

- it understands that the CDIs have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and other applicable state securities laws;
- it is not in the United States or acting for the account or benefit of a U.S. Person;
- it has not sent and will not send this Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the CDIs in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, the registration requirements under the Securities Act and in compliance with all applicable laws in the jurisdiction in which CDIs are offered and sold.

See also Section 9.8 in respect of additional representations and warranties in respect of FOR U.S. restrictions.

7. Details of the Offer continued

7.8 UNDERWRITING ARRANGEMENTS

(a) Overview of underwriting arrangements

The Company and the Lead Manager entered into a mandate agreement in relation to the Offer, which was amended on or about the date of this Prospectus (**Mandate Agreement**). Under the Mandate Agreement, the Company appointed the Lead Manager as the sole and exclusive lead manager and bookrunner to the Offer, and the Lead Manager has agreed to arrange and manage the Offer, including the institutional bookbuild, and to:

- provide settlement underwriting support in relation to the settlement obligations of certain successful Application(s) under the Institutional Offer in relation to 12,048,193 CDIs (equivalent to approximately A\$10,000,000 worth of CDIs at the Offer Price) (**Settlement Underwritten Offer CDIs**) or such lesser amount as may be agreed between the Company and the Lead Manager prior to the date of Settlement; and
- underwrite subscriptions for 1,204,819 CDIs (equivalent to A\$1 million worth of CDIs at the Offer Price) (**Underwritten Offer CDIs**), provided that valid Applications for CDIs are received by the Company and the Lead Manager for at least A\$19,000,000 worth of CDIs and no more than A\$24,000,000 worth of CDIs (in each case at the Offer Price).

(b) Fees and expenses

By 5.00pm on settlement of the Offer, the Company must pay the Lead Manager:

- an offer management fee of 6.0% of the proceeds of the Offer; and
- an underwriting fee of 1.5% of the aggregate number of Settlement Underwritten Offer CDIs and Underwritten Offer CDIs, multiplied by the Offer Price.

In addition, the Company must reimburse the Lead Manager for reasonable costs and expenses incurred in connection with the Offer.

(c) Termination events

The Lead Manager may terminate its obligations under the Mandate Agreement on the occurrence of any of the termination events listed below. In relation to any termination event listed below with an asterisk (*), the Lead Manager may not terminate the Mandate Agreement unless it has reasonable grounds to believe and does believe that the event (i) has or is likely to have a materially adverse effect on the success, settlement or marketing of the Offer or on the ability of the Lead Manager to market or promote or settle the Offer, or (ii) will, or is likely to, give rise to a liability of the Lead Manager under, or give rise to, or result in, a contravention by the Lead Manager of any applicable law.

If the Lead Manager validly terminates its obligations under the Mandate Agreement, it will be immediately relieved of its obligations, and will no longer lead manage the Offer and will not be obliged to provide settlement or underwriting support in relation to the Offer.

- *(material breach) the Company has committed a breach of a material term of the Mandate Agreement, or any representation or warranty contained in the Mandate Agreement is breached or becomes false, misleading or incorrect in a material respect and is not remedied within 5 days;
- (material adverse change) after the date of this Prospectus, there is a material adverse change in the Company's business, financial condition or prospects from that disclosed in the Prospectus;
- (Prospectus disclosure) the Lead Manager forms the view (acting reasonably) that a statement contained in this Prospectus is or becomes misleading or deceptive in a material respect, or a material matter required by the Corporations Act is omitted from this Prospectus (having regard to section 710, 711 and 716 of the Corporations Act) or if any statement in this Prospectus is likely to mislead or deceive in any material respect;
- (new circumstances) if a person (other than the Lead Manager) gives a notice to the Company under section 730 of the Corporations Act;
- (consent) any person (other than the Lead Manager) whose consent to the issue of this Prospectus or any supplementary prospectus is required by section 720 of the Corporations Act and who has previously consented to the issue of this Prospectus or any supplementary prospectus withdraws such consent;



- (supplementary prospectus) if the Company lodges a supplementary prospectus without the consent of the Lead Manager or fails to lodge a supplementary prospectus in a form acceptable to the Lead Manager or, in the Lead Manager's reasonable opinion, becomes required to lodge a supplementary prospectus because of a circumstance set out in section 719(1) of the Corporations Act;
- (cease to hold office) there is a change to the directors of the Company or the CEO or CFO of the Company is removed or resigns from their position;
- *(due diligence material) the Lead Manager forms the view (acting reasonably) that any information supplied in relation to the due diligence process for the Offer becomes misleading or deceptive, or material information is not disclosed in the Prospectus;
- (ASIC/ASX) any ASX waivers or ASIC modifications obtained in relation to the Offer are withdrawn, revoked, qualified, amended or withheld (or ASX indicates to the Company or the Lead Manager that such approval is likely to be withdrawn, revoked, qualified, amended or withheld);
- (ASX approval) approval for the official quotation of the CDIs is refused or not granted, or granted other than subject to standard conditions, or if approval is granted, such approval is subsequently withdrawn, qualified (other than subject to standard conditions) or withheld before completion of the Offer;
- (proceedings)
 - a director or any member of the senior management of the Company named in this Prospectus is charged with a criminal offence relating to any financial or corporate matter;
 - any government agency commences any investigation, public action or hearing in relation to the Offer or any offer document or against the Company or its subsidiary, any of the directors or any member of the senior management of the Company, or announces that it intends to take any such action;
 - any director of the Company or any member of the senior management of the Company is charged with an indictable offence or is disqualified under the Corporations Act from managing a corporation;
 - a director or a senior member of management of the Company engages in any fraudulent conduct or activity; or
 - legal proceedings are commenced against the Company or its subsidiary which are material to the making of an informed investment decision in relation to the CDIs;
- (encumbrances) if other than as disclosed in this Prospectus or as required by applicable laws, the Company creates or agrees to create an encumbrance over the whole or a substantial part of its business or property;
- (market fall) if the S&P/ASX 300 Index is, at the closing of trading on a trading day prior to the Settlement Date, more than 10% below its level as at 5.00pm on the business day immediately preceding the date of lodgement of this Prospectus with ASIC;
- (withdraw Applications) the Company repays Application monies to Applicants (other than pursuant to a refund where that applicant received less Offer CDIs than they applied for) or the Company offers Applicants the opportunity to withdrawn their Application;
- (withdraw Prospectus) the Company withdraws this Prospectus or terminates the Offer, or indicates that it does not intend to proceed with the Offer or any part of the Offer;
- (certificate) the Company fails to deliver a certificate to the Lead Manager as required under the Mandate Agreement;
- (insolvent) the Company is or becomes insolvent, or an act occurs or an omission is made which may result in the Company becoming insolvent;
- *(market disruption) if there is a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Hong Kong or the United Kingdom, suspension in the trading in securities by the ASX, the New York Stock Exchange or the London Stock Exchange, or any adverse change, development or disruption to the financial markets of Australia, New Zealand, the United States, Hong Kong or United Kingdom;

7. Details of the Offer continued

- **(timetable)* if an event specified in the timetable in respect of the Offer is delayed for more than 2 business days without the prior written approval of MST Financial, provided that a delay to the timetable for the Offer caused by ASX's review of the Company's ASX listing application where that review period remains within the 4 to 6 week processing time described in paragraph 2.5 of ASX Guidance Note 1, will not be a timetable delay for the purpose of this termination event;
- **(new circumstance)* if a new circumstance arises after this Prospectus is lodged with ASIC that would have been required to be included in this Prospectus if it had arisen before the Prospectus was lodged; and
- **(hostilities)* if hostilities or a national emergency not existing at the date of lodgement of this Prospectus with ASIC commence (whether war or a national emergency has been declared or not) or a major escalation in existing hostilities occurs (whether war or a national emergency has been declared or not), in either case, involving any one or more of Australia, New Zealand, Hong Kong, the People's Republic of China, South Korea, Japan, Israel, Iran, the United States of America, the United Kingdom, any member of the European Union or any member state of the North Atlantic Treaty Organization, or a major terrorist act is perpetrated in any of those countries or any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world.

(d) Representations, warranties and undertakings

The Company gives various representations and warranties to the Lead Manager, which are standard for offers of this kind, including in relation to matters such as power and authorisation to enter into and perform the Mandate Agreement, the conduct of the due diligence and verification process, the accuracy of the information provided to the Lead Manager, the Company's financial information, licences and authorisations, the Company's compliance with applicable laws, the accuracy of the information contained in this Prospectus and the conduct of the Offer.

Further, the Company has agreed that within 180 days after completion of the Offer, it will not conduct or solicit any equity or debt financing of any type, and that it will conduct its business in the ordinary course and not, except as disclosed to the Lead Manager, dispose of its business or enter into material contracts or arrangements.

(e) Indemnity

The Company has agreed to indemnify the Lead Manager and certain of the Lead Manager's affiliated parties from losses suffered in connection with the Offer, subject to customary exclusions, including fraud, wilful misconduct, recklessness and gross negligence.

(f) Control implications of underwriting arrangements

The underwriting arrangements described in this Section 7.8 are not expected to have any effect on control of the Company.

7.9 ESCROW ARRANGEMENTS

Upon Listing, the following Securities are expected to be classified as 'restricted securities' for the purposes of Chapter 9 of the ASX Listing Rules and, if so classified, will be subject to mandatory escrow restrictions for up to 24 months from the date of Official Quotation:

- 12,542,911 Shares;
- 10,640,816 Options; and
- 11,150,759 Warrants.

For all Securities which are 'restricted securities', the Company will enter into escrow agreements or issue restriction notices to the relevant Security holders in accordance with Chapter 9 of the ASX Listing Rules. The application of the mandatory escrow requirements remains subject to ASX's discretion, and therefore the above position may change.

In addition, Marubeni has entered into a voluntary escrow deed in respect of those Shares issued to it upon the conversion of the Series C Preference Shares currently held by it (and which are not classified as 'restricted securities' for the purposes of Chapter 9 of the ASX Listing Rules). The conversion to Shares will occur at listing, and it is currently expected that up to 4,782,172 Shares held by Marubeni will be subject to the voluntary escrow



deed. This deed will prevent Marubeni from disposing of their escrowed Shares for 12 months from Listing. The restriction on 'disposing' is broadly defined and includes, among other things, selling, assigning, transferring or otherwise disposing of any interest in the escrowed Shares, encumbering or granting a security interest over the escrowed Shares, granting or exercising an option over the escrowed Shares, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the escrowed Shares, or agreeing to do any of those things.

Marubeni may be released early from those voluntary escrow obligations to enable:

- Marubeni to accept an offer or otherwise participate in an acquisition, merger, tender offer, sale of all or substantially all of the Company's assets or other business combination proposal in relation to the Company which requires the disposal of its escrowed Shares where such a deal has been recommended by the Board; or
- Marubeni to tender its escrowed Shares into an acceptance facility established in connection with a deal of the nature referred to above.

During the voluntary escrow period, Marubeni may deal in any of its escrowed Shares to the extent the dealing is required by applicable law (including an order of a court of competent jurisdiction).

Prior to the commencement of trading of CDIs, the Company will announce to ASX full details of any Securities which are subject to mandatory and voluntary escrow restrictions, including the class of those Securities, quantity, and duration of escrow.

On an undiluted basis, it is expected that between approximately 20.4% (Minimum Subscription) and 16.8% (Maximum Subscription) of the Company's Shares will be subject to mandatory or voluntary escrow from Completion. The Company therefore confirms its free float from Listing will be not less than 20%.

7.10 ABOUT THE CDIS

The Company is incorporated in Delaware. To enable entities such as the Company to have their securities cleared and settled electronically through CHES, depositary instruments called CDIs are issued. Pursuant to the ASX Settlement Operating Rules, CDI holders receive the economic benefits of actual ownership of the underlying Shares.

CDIs are traded in a manner similar to shares of Australian companies listed on ASX.

CDIs will be held in uncertificated form and settled/transferred through CHES. No share certificates will be issued to CDI Holders. Shareholders cannot trade their Shares on ASX without first transmuting their Shares into CDIs.

One CDI represents one underlying Share. The main difference between holding CDIs and Shares is that CDI holders hold the beneficial ownership in the Shares instead of legal title. CHES Depositary Nominees Pty Limited (**CDN**, a subsidiary of ASX, will hold the legal title to the underlying Shares).

The Shares underlying the CDIs will be registered in the name of CDN and will be held on behalf of and for the benefit of the CDI Holders. CDIs will be CHES-approved from the date of Official Quotation in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. The Shares underlying the CDIs will rank equally with the Shares that the Company has on issue at Listing. Investors should note that there are certain differences between Shares in the Company and ordinary shares which are typically issued by Australian incorporated public companies. A summary of the key rights attaching to CDIs and Shares is set out in Section 7.14 and a comparison of the rights attaching to CDIs and Shares with rights of holders of shares in an Australian listed company is set out in Section 9.7.

7.11 RESTRICTIONS ON DISTRIBUTIONS

No action has been taken to register or qualify this Prospectus, the CDIs, or the Offer or otherwise to permit a public offering of the CDIs in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to apply for CDIs in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

7. Details of the Offer continued

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The CDIs have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act laws and any other applicable securities laws.

Refer to Section 9.14 for further details regarding the selling restrictions outside of Australia.

7.12 DISCRETION REGARDING THE OFFER

The Company may withdraw the Offer at any time before the issue of CDIs to successful Applicants under the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Lead Manager and the Company also reserve the right to, subject to the Corporations Act, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer CDIs than the amount applied or bid for.

7.13 ASX LISTING, REGISTERS AND HOLDING STATEMENTS

(a) Application for ASX listing and quotation of CDIs

The Company applied to ASX for admission to the Official List and quotation of the CDIs on ASX under the code 'ENL' on 9 November 2023.

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the CDIs offered for subscription.

If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest), as soon as practicable in accordance with the requirements of the Corporations Act.

Upon Listing, the Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time.

It is the responsibility of each person who trades in CDIs to confirm their holding before trading in CDIs. If CDIs are sold before receiving a holding statement, Successful Applicants do so at their own risk. The Company, the CDI Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if a CDI Holder sells CDIs before receiving a holding statement, even if the CDI Holder obtained details of their holding from the Enlitic Offer Information Line or confirmed their firm allocation through a Broker.

(b) CHESS and issuer sponsored holdings

The Company has applied to participate in ASX's Clearing House Electronic Subregister System (**CHESS**) and will comply with the ASX Listing Rules and ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

When the CDIs become approved financial products (as defined in ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all successful Applicants, the CDIs of a CDI Holder who is a participant in CHESS or a CDI Holder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other CDIs will be registered on the issuer sponsored sub-register.

Following Completion, CDI Holders will be sent a holding statement that sets out the number of CDIs that have been allocated to them. This statement will also provide details of a CDI Holder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. CDI Holders will subsequently receive statements showing any changes to their CDI holding. Certificates will not be issued.



CDI Holders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the CDI Holder's sponsoring broker in the case of a holding on the CHESS sub-register or through the CDI Registry in the case of a holding on the issuer sponsored sub-register. The Company and the CDI Registry may charge a fee for these additional issuer sponsored statements.

7.14 SUMMARY OF RIGHTS AND LIABILITIES ATTACHING TO CDIS AND OTHER MATERIAL PROVISIONS OF THE BYLAWS

(a) Introduction

As Enlitic is incorporated under the laws of Delaware in the United States, rights attaching to the Shares will be governed by Delaware law, U.S. federal securities laws, Enlitic's Certificate of Incorporation and its Bylaws (which may be inspected during normal business hours at the registered office of the Company). Once listed on the ASX, Enlitic will also become subject to certain provisions of the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and all other applicable laws and regulations.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Bylaws are set out below. This summary is not intended to be exhaustive and is qualified by the fuller terms of the Bylaws. This summary does not constitute a definitive statement of the rights and liabilities of Shareholders.

The summary assumes that the Company is admitted to the Official List of the ASX.

(b) Annual meeting

Under Delaware law, Enlitic is required to have an annual meeting of Shareholders and, if more than 13 months have passed since the last annual meeting, a Shareholder or Director may petition the court for an order compelling the holding of the annual meeting.

Under Enlitic's Bylaws, notice of a meeting of Enlitic's Shareholders must generally be given to Shareholders entitled to vote at the meeting not less than 10 days, and not more than 60 days, prior to the date of the meeting.

CDN will receive notice of any meeting of Shareholders and will be entitled to attend and vote at any such meeting. Under the ASX Listing Rules, the Company must allow CDI Holders to attend any meeting of Shareholders unless the relevant laws in Delaware at the time of the meeting prevent CDI Holders from attending those meetings. There are no such laws in Delaware in place as at the Prospectus Date.

(c) Voting at a general meeting

At a meeting of Enlitic, every holder of Shares present in person or by proxy is entitled to one vote for each Share held on the record date for the meeting on all matters submitted to a vote of Shareholders.

Under Enlitic's Bylaws, the presence at the meeting (in person, by remote communication or represented by proxy) of the holders of a majority of the outstanding Shares entitled to vote will constitute a quorum for the transaction of business. Except as otherwise provided by statute or by applicable stock exchange rules, the affirmative vote of the majority of Shares present in person, by remote communication or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the Shareholders.

Under the ASX Listing Rules, in order for CDI Holders to vote at Shareholder meetings, CDI Holders may:

- instruct CDN, as the legal owner of the Shares, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI Holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the CDI Registry prior to the meeting; or
- transmute their CDIs into a holding of Shares and vote these at the meeting (although if the former CDI Holder later wishes to sell their investment on ASX, it would be necessary to transmute the Shares back to CDIs). In order to vote in person, the transmutation must be completed prior to the record date for the meeting. See Section 9.6 for further information regarding the conversion process.

7. Details of the Offer continued

Since CDI Holders will not appear on the Company's principal register of members as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings other than in the manner set out above. CDI voting instruction forms will be included in each notice of meeting sent to CDI Holders by the Company. These voting rights of CDI Holders exist only under the ASX Settlement Operating Rules, rather than under the DGCL and CDI Holders do not have any directly enforceable rights under the Bylaws.

(d) Dividends and distributions

Under Delaware law, the Directors may declare and pay dividends generally out of:

- the surplus of the Company, which is defined to be the Company's net assets less capital; or
- if no surplus exists, out of the net profits of the Company for the financial year in which the dividend is declared and/or the preceding financial year.

CDI Holders are entitled to receive all direct economic benefits and other entitlements in relation to the underlying Shares, including dividends. These rights exist only under the ASX Settlement Operating Rules (which have the force of law by virtue of the Corporations Act), rather than under the DGCL. See Section 9.6 for further details regarding rights of CDI Holders in relation to dividends.

(e) Transfer of Shares

Under Delaware law, shares are freely transferable, subject to applicable U.S. federal and state securities laws, unless a transfer restriction is imposed by a company's certificate of incorporation, bylaws or an agreement signed with the holder of the shares at issue. Accordingly, a company is obligated to register a transfer of shares unless such transfer would violate federal or state securities laws or a valid transfer restriction would be imposed as described above. Please refer to Section 9.14(a) for a description of the restrictions on transferring CDIs to U.S. Persons from Listing.

Once listed on the ASX, the Directors must not in any way prevent, delay, or interfere with the registration of a transfer of quoted securities in Enlitic unless permitted by the Listing Rules or the ASX Settlement Operating Rules.

(f) Issue of further Shares

The issuance of shares of any series of common stock or preferred stock (assuming there were a sufficient number of authorised and unissued shares of such series) would not require a separate vote of any class or series of stock of Enlitic. However, an amendment increasing the number of authorised shares of a class or series of stock must be approved by the holders of a majority of the votes entitled to be cast by the Shareholders of that class or series, unless Enlitic's Certificate of Incorporation provides that such vote is not necessary.

(g) Authorised and issued share capital

Following the completion of the Offer, the Company's authorised capital stock will consist of 230,000,000 shares of common stock (i.e. Shares) and 10,000,000 shares of undesignated preferred stock.

(h) Preference shares

Following the completion of the Offer, the Board will have the authority, without further action by Shareholders, to issue shares of preferred stock in one or more series. The Board may designate the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preference and the number of shares constituting any series. The issuance of preferred stock could have the effect of restricting dividends on Shares, diluting the voting power of Shares, impairing the liquidation rights of Shares, or delaying or preventing a change of control. Even the ability to issue preferred stock could delay or impede a change of control. Immediately after the closing of the Offers, no shares of preferred stock will be outstanding, and the Company currently has no plan to issue any shares of preferred stock.

(i) Winding up

Under Delaware law, the Board may decide (i) whether and when it is advisable to dissolve the Company and (ii) whether and when to sell any or all of the Company's assets. The Board may submit a resolution to Shareholders to approve any of the foregoing actions.



A majority of the Shares outstanding must approve such a resolution for it to be adopted. Dissolution may also be authorised without Director action if all Shareholders entitled to vote consent in writing and a certificate of dissolution is filed with the Secretary of State of Delaware.

In the event of Enlitic's liquidation or dissolution, holders of Shares are entitled to share in all assets remaining after payment of all debts and other liabilities, subject to the prior rights of the outstanding preferred stock, if any. Holders of Shares have no pre-emptive, subscription, redemption, or conversion rights.

(j) Share buy-backs

Under Delaware law, the Board may be able to cause Enlitic to buy-back its Shares out of funds legally available without needing to obtain Shareholder approval. A company generally is not permitted to buy back its shares if its liabilities exceed its assets. In addition, share buy-backs are subject to US securities laws.

(k) Anti-takeover provisions

Enlitic is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares, including provisions that relate to substantial holdings and takeovers. The acquisition of Securities in Enlitic is subject to Delaware law and applicable US securities laws.

Section 203 of the DGCL generally prohibits a Delaware company from engaging in any business combinations with any Shareholder who owns, or at any time in the last three years owned, 15% or more of the company's outstanding voting stock, referred to as an 'interested Shareholder', for a period of three years following the date on which the Shareholder became an interested Shareholder, subject to certain exceptions. Unless Enlitic decides to opt-in to section 203 of the DGCL, it will not initially apply to Enlitic until it has at least 2,000 Shareholders, or it becomes listed on a U.S. national stock exchange.

In addition, under Delaware law, the Board will have the ability to implement a broader range of takeover defence mechanisms than what is currently permitted under Australian takeovers legislation and policy. The availability of these mechanisms may be regarded as a potential disadvantage to the extent that they enable the Board to discourage or defeat a takeover bid which Shareholders would otherwise like to consider. However, such actions may also advantage Shareholders by providing protections against a takeover that is not in the short or long term interests of the Company. Defensive mechanisms could include, amongst other things: (i) adoption of a Shareholders rights plan (or so-called 'poison pill') and (ii) issuance of stock (including preferred stock having disproportionate or blocking voting rights) to friendly hands.

While the Board will have substantial discretion to implement such provisions, its exercise of that discretion must comply with its fiduciary duties of loyalty and care.

(l) Disclosure of substantial holdings

Enlitic is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares, including provisions that relate to substantial holdings. However, the ASX usually requires a foreign entity admitted to the Official List of the ASX to undertake to give information to the ASX (for release to the market) about the ownership of its securities. The usual undertakings are to tell the market:

- immediately where the entity becomes aware of any person becoming a substantial holder within the meaning of section 671B of the Corporations Act, and to disclose any details of the substantial holding of which the entity is aware; and
- of subsequent changes in the substantial holdings of which the entity becomes aware.

(m) Appointment of Directors

Shareholders may elect a director for appointment to the Board. Under the Bylaws, the Shareholder must deliver written notice containing the information required by the Bylaws to the Secretary of Enlitic no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting. However, in the event that the date of the annual meeting is advanced or delayed by more than 30 days of the anniversary of the preceding year's annual meeting, notice by the Shareholder to be timely must be received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.

7. Details of the Offer continued

Under Delaware law and the Bylaws, there is plurality voting for the election of Directors at annual meetings, which does not apply under Australian law. In plurality voting, successful candidates are those that receive the highest number of votes at that meeting, irrespective of whether any such candidate has received a majority of the votes cast by Shareholders at the meeting, as is required in Australia. Under this mechanism, Shareholders are effectively not given the option to vote 'against' the proposed resolution.

Under the Bylaws, the number of Directors can be fixed by the Board. Unless the Board determines by resolution that vacancies will be filled by the Shareholders, vacancies on the Board (including due to an increase in the number of Directors) will be filled only by the affirmative vote of a majority of the Directors then in office. Any Director so elected will hold office until the next annual meeting and until such Director's successor will have been elected and qualified.

(n) Removal of Directors

Enlitic's Certificate of Incorporation provides that, subject to any limitation imposed by applicable law, any individual Director or Directors may be removed with cause by the approval of the holders of at least 66 and 2/3% of the then-outstanding voting stock. Subject to the rights of holders of any series of preferred stock to elect additional directors under specified circumstances from time to time, neither the Board nor any individual Director may be removed without cause.

(o) Directors' and officers' indemnity

Under Delaware law, a company may include in its certificate of incorporation a provision eliminating or limiting the personal liability of a director to the company or its Shareholders for monetary damages for breach of fiduciary duty as a director. However, the provision may not eliminate liability for breach of the director's duty of loyalty, acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, unlawful payment of dividends, unlawful purchases or redemptions of the Company's stock, or any transaction from which the director derived an improper personal benefit.

Enlitic's Certificate of Incorporation provides that the liability of the Directors for monetary damages is eliminated to the fullest extent under applicable law.

(p) Appendix 15A of the ASX Listing Rules

The Bylaws and the Certificate of Incorporation each contain the provisions required by Appendix 15A of the ASX Listing Rules, which effectively provide that, for such time as the Company is admitted to the Official List, the following shall apply:

- if the ASX Listing Rules prohibit an act being done, the Company shall not have the power or authority to take such act;
- nothing contained in the Bylaws or Certificate of Incorporation shall prevent an act being done that the ASX Listing Rules require to be done;
- if the ASX Listing Rules require an act to be done or not to be done, the Board of Directors and each officer of the Company shall have authority to cause such act to be done or not to be done (as the case may be);
- if the ASX Listing Rules require the Bylaws and Certificate of Incorporation to contain a provision and the Bylaws and Certificate of Incorporation do not contain such provision, the Bylaws and Certificate of Incorporation shall be deemed to contain such provision;
- if the ASX Listing Rules require the Bylaws and Certificate of Incorporation not to contain any provision otherwise contained therein, such provision shall be deemed to be excluded from such document; and
- if any provision of the Bylaws or Certificate of Incorporation is or becomes inconsistent with the ASX Listing Rules, such inconsistency shall not affect the validity or enforceability of any other provision of the Bylaws or Certificate of Incorporation, and the Bylaws and Certificate of Incorporation shall not contain that provision to the extent of the inconsistency.



8.

Independent Limited Assurance Report

8. Independent Limited Assurance Report



9 November 2023

Board of Directors
Enlitic, Inc.
3420 East Harmony Road
Suite 125
Fort Collins CO 80528

RSM Corporate Australia Pty Ltd

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

Independent Limited Assurance Report on Enlitic, Inc.'s Financial Information

We have been engaged by Enlitic, Inc. ("Enlitic" or "the Company") to report on certain historical, pro forma historical and forecast financial information for inclusion in a Prospectus dated on or about 9 November 2023 ("Prospectus").

The Prospectus relates to the Company's proposed initial public offering ("IPO") of CHES Depositary Interests over common stock on issue ("CDIs") in the Company and listing on the Australian Securities Exchange ("ASX").

Expressions and terms defined in the Prospectus have the same meaning in this report, unless the context requires otherwise.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence ("AFSL") under the *Corporations Act 2001* (Cth) ("Corporations Act"). RSM Corporate Australia Pty Ltd ("RSM") holds the appropriate AFSL under the Corporations Act.

Scope

Statutory Historical Financial Information

You have requested RSM to review the statutory historical financial information of Enlitic included in Section 4 of the Prospectus, comprising:

- the audited statutory historical consolidated income statements of the Company for each of the financial years ended 31 December 2021 and 31 December 2022;
- the audited statutory historical consolidated cash flow statements of the Company for each of the financial years ended 31 December 2021 and 31 December 2022;
- the reviewed statutory historical consolidated income statements of the Company for each of the six months ended 30 June 2022 and 30 June 2023;
- the reviewed statutory historical consolidated cash flow statements of the Company for each of the six months ended 30 June 2022 and 30 June 2023; and
- the reviewed statutory historical consolidated balance sheet of the Company as at 30 June 2023.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices on its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847



collectively “the Statutory Historical Financial Information”.

The Statutory Historical Financial Information of Enlitic has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in International Financial Reporting Standards and Enlitic’s adopted accounting policies, as described in Schedule 2 of the Prospectus.

The Statutory Historical Financial Information relating to each of the financial years ended 31 December 2021 and 31 December 2022 has been extracted from the special purpose consolidated financial reports of Enlitic, which were audited by RSM Australia Pty Ltd (“RSM Australia”) and on which an unqualified audit opinion (but including an emphasis of matter in relation to going concern) was issued for each financial year.

The Statutory Historical Financial Information relating to each of the six months ended 30 June 2022 and 30 June 2023 has been extracted from the general purpose consolidated interim financial report of Enlitic, which was reviewed by RSM Australia and on which an unqualified review conclusion (but including an emphasis of matter in relation to going concern) was issued for each financial period.

The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by International Financial Reporting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act*.

Pro Forma Historical Financial Information

You have requested RSM to review the pro forma historical financial information of Enlitic included in the Prospectus.

The pro forma historical financial information consists of Enlitic’s:

- pro forma historical consolidated income statements for each of the financial years ended 31 December 2021 and 31 December 2022;
- pro forma historical consolidated income statements for each of the six months ended 30 June 2022 and 30 June 2023;
- pro forma historical consolidated cash flow statements for each of the financial years ended 31 December 2021 and 31 December 2022;
- pro forma historical consolidated cash flow statements for each of the six months ended 30 June 2022 and 30 June 2023; and
- pro forma historical consolidated balance sheet as at 30 June 2023,

collectively referred to as “the Pro Forma Historical Financial Information”.

The Pro Forma Historical Financial Information assumes Completion of the Offer (as described in the Prospectus).

8. Independent Limited Assurance Report continued



The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information of Enlitic, adjusted for the transactions/adjustments summarised in Sections 4.3, 4.4 and 4.5 of the Prospectus. The stated basis of preparation is the recognition and measurement requirements of International Financial Reporting Standards and Enlitic's adopted accounting policies applied to the Statutory Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Sections 4.3, 4.4 and 4.5 of the Prospectus, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent Enlitic's actual or prospective financial position or financial performance.

Forecast Financial Information and directors' best-estimate assumptions

You have asked RSM to review the forecast financial information, as set out in Section 4 of the Prospectus, comprising:

- the statutory forecast consolidated income statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023;
- the statutory forecast consolidated cash flow statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023;
- the pro forma forecast consolidated income statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023; and
- the pro forma forecast consolidated cash flow statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023.

collectively "the Forecast Financial Information"

The Forecast Financial Information for the year ending 31 December 2023 has been derived from the statutory consolidated income statement and statutory consolidated cash flow statement for the six months ended 30 June 2023, extracted from the reviewed general purpose consolidated interim financial statements of Enlitic, the actual unaudited trading results for the 3 months ended 30 September 2023, extracted from the Company's unaudited management accounts, together with the directors' best estimate forecasts for the financial performance of Enlitic for the 3 months ending 31 December 2023. The directors' best-estimate assumptions underlying the Forecast Financial Information are described in Section 4.6 of the Prospectus.

The stated basis of preparation used in the preparation of the statutory forecast financial information is the recognition and measurement principles contained in International Financial Reporting Standards and Enlitic's adopted accounting policies applied to the statutory forecast financial information.

The pro forma forecast financial information assumes Completion of the Offer (as described in the Prospectus).

The pro forma forecast financial information has been derived from the statutory forecast financial information of Enlitic, adjusted for the transactions/adjustments summarised in Sections 4.3, 4.4 and 4.5 of the Prospectus. The stated basis of preparation is the recognition and measurement requirements of International Financial Reporting Standards and Enlitic's adopted accounting policies applied to the statutory forecast financial information and the events or transactions to which the pro forma adjustments relate, as described in Sections 4.3, 4.4 and 4.5 of the Prospectus, as if those events or transactions had occurred as at the date of the statutory forecast financial information. Due to its nature, the Pro Forma Forecast Financial Information does not represent Enlitic's actual or prospective financial performance.

The Forecast Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by International Financial Reporting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.



The Statutory Historical Financial Information, the Pro Forma Historical Financial Information and the Forecast Financial Information, collectively, the “Financial Information”.

Directors’ responsibility

The directors of Enlitic are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information;
- the preparation and presentation of the Pro Forma Historical Financial Information including the selection and determination of pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including:
 - the best estimate assumptions underlying the forecast; and
 - selection and determination of pro forma adjustments made to the statutory forecast financial information and included in the pro forma forecast financial information; and
- responsibility for such internal controls as the directors determine are necessary to enable the preparation of Statutory Historical Financial Information, Pro Forma Financial Information and Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

We made such enquiries, primarily of persons responsible for financial and accounting matters, and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a consistency check of the application of the stated basis of preparation to the Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information;
- a review of Enlitic’s papers, accounting records and other supporting documents;
- a review of RSM Australia’s work papers relating to the audited Statutory Historical Financial Information;
- enquiry of directors, management personnel and advisors; and
- the performance of analytical procedures applied to the Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information.

8. Independent Limited Assurance Report continued



For the purposes of preparing this report we have performed limited assurance procedures in relation to the Statutory Historical Financial Information and Pro Forma Historical Financial Information in order to state whether, on the basis of the procedures described, anything comes to our attention that would cause us to believe that the Statutory Historical Financial Information and Pro Forma Historical Financial Information is not prepared or presented fairly, in all material respects, by the directors in accordance with the stated basis of preparation as set out in Section 4 of the Prospectus.

We have performed limited assurance procedures in relation to the Forecast Financial Information, set out in Section 4 of the Prospectus, and the directors' best-estimate assumptions underlying it in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions do not provide reasonable grounds for the Forecast Financial Information;
- in all material respects the Forecast Financial Information is not prepared or presented fairly:
 - on the basis of the directors' best-estimate assumptions as described in the Prospectus; and
 - in accordance with the recognition and measurement principles contained in International Financial Reporting Standards and Enlitic's accounting policies;
- the Forecast Financial Information itself is unreasonable.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Statutory Historical Financial Information and Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical and Pro Forma Historical Financial Information of Enlitic, as described in Section 4 of the Prospectus, and comprising:

- the audited statutory historical consolidated income statements of the Company for each of the financial years ended 31 December 2021 and 31 December 2022;
- the audited statutory historical consolidated cash flow statements of the Company for each of the financial years ended 31 December 2021 and 31 December 2022;
- the reviewed statutory historical consolidated income statements of the Company for each of the six months ended 30 June 2022 and 30 June 2023;
- the reviewed statutory historical consolidated cash flow statements of the Company for each of the six months ended 30 June 2022 and 30 June 2023;
- the reviewed statutory historical consolidated balance sheet of the Company as at 30 June 2023;
- pro forma historical consolidated income statements for each of the financial years ended 31 December 2021 and 31 December 2022;



- pro forma historical consolidated income statements for each of the six months ended 30 June 2022 and 30 June 2023;
- pro forma historical consolidated cash flow statements for each of the financial years ended 31 December 2021 and 31 December 2022;
- pro forma historical consolidated cash flow statements for each of the six months ended 30 June 2022 and 30 June 2023; and
- pro forma historical consolidated balance sheet as at 30 June 2023,

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 4 of the Prospectus.

Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of the Forecast Financial Information do not provide reasonable grounds for the Forecast Financial Information; and
- in all material aspects, the Forecast Financial Information comprising:
 - the statutory forecast consolidated income statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023;
 - the statutory forecast consolidated cash flow statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023;
 - the pro forma forecast consolidated income statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023; and
 - the pro forma forecast consolidated cash flow statement of the Company for each of the six months ending 31 December 2023 and the year ending 31 December 2023,

as set out in Section 4 of the Prospectus:

- are not prepared on the basis of the directors' best-estimate assumptions, as described in Sections 4.6 of the Prospectus; and
- are not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in International Financial Reporting Standards and Enlitic's adopted accounting policies, applied to the Forecast Financial Information; and
- the Forecast Financial Information is unreasonable.

Important Information in relation to the Forecast Financial Information

The Forecast Financial Information has been prepared by management and adopted by the directors in order to provide prospective investors in Enlitic with a guide to the potential financial performance of Enlitic following the proposed IPO.

There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variation may be material.

8. Independent Limited Assurance Report continued



The directors' best-estimate assumptions, on which the Forecast Financial Information is based, relate to future events and/or transactions that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of Enlitic.

Evidence may be available to support the directors' best-estimate assumptions on which the Forecast Financial Information is based, however, such evidence is generally future-orientated and therefore speculative in nature. We are, therefore, not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best-estimate assumptions. However, as stated above, based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the directors' best-estimate assumptions used in the preparation of the Forecast Financial Information do not provide reasonable grounds for the Forecast Financial Information. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors in Enlitic should be aware of the material risks and uncertainties in relation to an investment in Enlitic, which are detailed at Section 5 of the Prospectus, and the inherent uncertainty relating to the forecast. Accordingly, prospective investors should have regard to the investment risks as described in Section 5 of the Prospectus.

We express no opinion as to whether the Forecast Financial Information will be achieved.

We disclaim any assumption of responsibility for any reliance on this report, or on the Forecast Financial Information to which it relates, for any purpose other than that for which it was prepared. We have assumed and relied on representations from certain members of management of Enlitic, that all material information concerning the prospects and proposed operations of Enlitic has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with Australian Auditing Standards applicable to review engagements.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside Australia. We are not recommending or making any representation as to suitability of any investment to any person.

Restriction on Use

Without modifying our conclusions, we draw attention to Section 4, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

Consent

RSM Corporate Australia Pty Ltd has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Declaration of Interest

RSM Corporate Australia Pty Ltd does not have any interest in the outcome of this transaction other than the preparation of this report for which normal professional fees will be received.



Financial Services Guide (FSG)

We have attached our FSG at Appendix A to this IAR. The FSG is designed to assist retail clients in their use of any general financial product advice in our IAR.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD
Andrew Clifford
Director

8. Independent Limited Assurance Report continued



APPENDIX A – FINANCIAL SERVICES GUIDE

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM Corporate Australia Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report



and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

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

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and / or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, P O Box R1253, Perth, WA, 6844.

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

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an external dispute resolution scheme for the financial services industry. Further details about AFCA are available at the AFCA website www.afca.org.au.

If you are not satisfied with our handling of your complaint, you may, therefore, lodge a complaint with AFCA at the following:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Toll Free: 1800 931 678
Email: info@afca.org.au

Contact details

You may contact us using the details set out at the top of our letterhead on page 1 of this report.

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9.

Additional information

9. Additional information



9.1 REGISTRATION

Enlitic was incorporated in Delaware, United States on 22 April 2014 and registered as a foreign company in Australia on 26 October 2023.

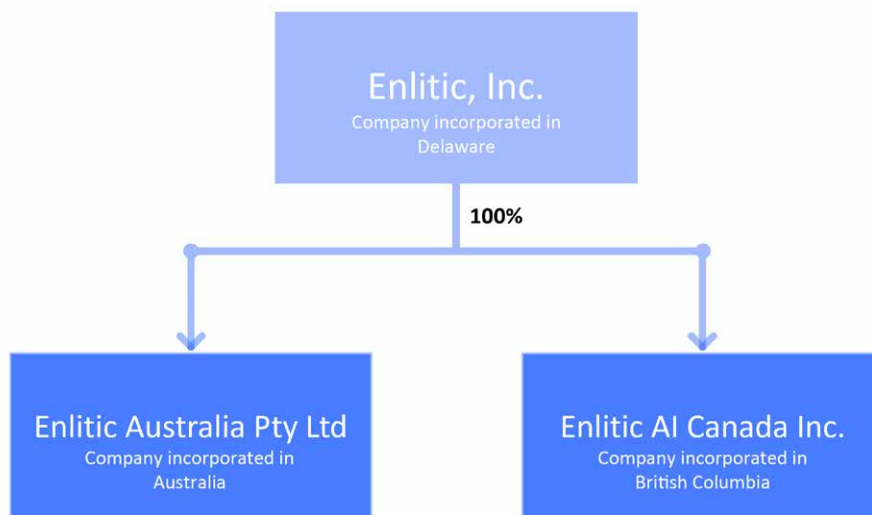
9.2 COMPANY TAX STATUS AND FINANCIAL YEAR

The Company will be subject to tax at the U.S. corporate tax rate.

The Company's financial year for taxation purposes ends on 31 December.

9.3 CORPORATE STRUCTURE

The following diagram shows the entities in the corporate structure of the Group. Enlitic's two wholly-owned subsidiaries, Enlitic Australia and Enlitic Canada have been incorporated for the purposes of managing the employment of Enlitic's employees in Australia and Canada respectively.



9. Additional information continued

9.4 CAPITAL STRUCTURE

The issued capital of the Company as at the Prospectus Date is set out in the table below.

Table 9.1: Issued capital as at the Prospectus Date

SECURITY	NUMBER ON ISSUE AS AT PROSPECTUS DATE
Common Stock	
Common Stock (i.e. Shares)	320,726
Preference stock¹	
Series A preference stock	1,722,183
Series A1 preference stock	982,930
Series B preference stock	937,292
Series B1 preference stock	834,178
Series C preference stock	50,816,319
Series A prime preference stock	52,739
Series B prime preference stock	2,949,678
Series B1 prime preference stock	2,290,822
Total preference stock	60,586,141
Convertible securities²	
Options ex US\$1.15 (various expiry dates in 2026)	31,636
Options ex US\$0.84 (various expiry dates in 2027)	300,664
Options ex US\$1.16 (expiring 6 June 2029)	979,397
Options ex US\$2.84 (expiring 11 November 2029)	30,000
Options ex US\$2.32 (expiring 30 July 2030)	136,146
Options ex US\$2.75 (various expiry dates in 2031 and 2032)	211,973
Options ex US\$0.35 (various expiry dates in 2027 and 2033)	1,596,652
Options ex US\$0.11 (expiring 29 May 2033)	10,052,864
Warrants (exercise price of US\$1.16 and expiring October 2028, convertible to Common Stock)	107,767
Warrants (exercise price of US\$2.84 and expiring July 2030 convertible to Common Stock) (together with the warrants noted above, the Common Warrants)	55,000
Warrants (exercise price of US\$1.04555 and expiring 31 December 2024, convertible to series C preference stock) (Preference Warrants) ³	11,074,208
Total convertible securities	24,576,307
Total Securities	85,483,174

Notes:

1. All preference stock on issue as at the Prospectus Date will convert into Shares with effect from Completion.
2. All Options will convert into Shares on a 1 for 1 basis. A summary of the terms of the Options are set out in Schedule 3. All Common Warrants will convert into Shares on a 1 for 1 basis. A summary of the terms of the Common Warrants are set out in Schedule 4. A summary of the terms of the Preference Warrants are set out in Schedule 5.
3. The terms of all Preference Warrants on issue as at the Prospectus Date (which are set out in Schedule 5) are proposed to be amended such that they convert into Shares on a 1 for 1 basis rather than series C preference stock (and all other terms otherwise remain unchanged). Any Preference Warrants whose holders do not agree to such amendment will remain on issue on their existing terms.



9.5 CAPITAL STRUCTURE FROM LISTING

The capital structure of Enlitic with effect from Listing is expected to be as set out below.

As set out below, Options and Warrants will remain on issue from Listing. The exercise of any of these Options and/or Warrants will result in a dilution to CDI Holders and Shareholders (as applicable). At Completion of the Offer, Shareholders may be diluted by up to 22.4% (Minimum Subscription) and 19.3% (Maximum Subscription) as a result of the exercise of Options and/or Warrants on issue as at the Prospectus Date.

The exercise price of:

- the Options varies between US\$0.11 to US\$2.84 per Option (see Schedule 3 for further details);
- the Common Warrants varies between US\$1.16 to US\$2.84 per Common Warrant (see Schedule 4 for further details); and
- the Preference Warrants is US\$1.04555 per Preference Warrant.

Table 9.2: Capital structure with effect from Listing

SECURITY	NUMBER ON ISSUE FROM LISTING	
	Minimum Subscription (A\$20 million)	Maximum Subscription (A\$35 million)
Shares	85,003,253	103,075,542
Options ¹	13,339,332	13,339,332
Warrants ²	11,236,975	11,236,975
Total	109,579,560	127,651,849

Notes:

1. All Options will convert into Shares on a 1 for 1 basis. A summary of the terms of the Options is set out in Schedule 3.
2. All Common Warrants will convert into Shares on a 1 for 1 basis. A summary of the terms of the Common Warrants is set out in Schedule 4. The terms of all Preference Warrants on issue as at the Prospectus Date (which are set out in Schedule 5) are proposed to be amended such that they convert into Shares on a 1 for 1 basis rather than series C preference stock (and all other terms otherwise remain unchanged). Any Preference Warrants whose holders do not agree to such amendment will remain on issue on their existing terms.

9.6 TERMS OF CDIs

Table 9.3: Terms of CDIs

TOPIC	SUMMARY
What are CDIs?	<p>In order for the Shares to trade electronically on the ASX, the Company intends to participate in the electronic transfer system known as CHESS operated by ASX Settlement.</p> <p>CHESS cannot be directly used for the transfer of securities of companies domiciled in certain foreign jurisdictions, such as Delaware. Accordingly, to enable the Shares to be cleared and settled electronically through CHESS, the Company intends to issue depositary interests called CHESS Depositary Interests or CDIs.</p> <p>CDIs confer the beneficial ownership in foreign securities such as the Shares on the CDI Holder, with the legal title to such Shares being held by an Australian depositary nominee.</p>

9. Additional information continued

TOPIC	SUMMARY
Who is the depositary nominee and what do they do?	<p>The Company will appoint CDN, a subsidiary of the ASX, and an approved general participant of ASX Settlement to act as its Australian depositary nominee.</p> <p>CDN will hold legal title to the Shares on behalf of CDI Holders. The CDI Holders will hold the beneficial title to the Shares and will receive all direct economic and other benefits of the Shares. CDN may not dispose of any of the Shares unless authorised by the ASX Settlement Operating Rules and is not able to create any interest that is inconsistent with the beneficial title held by the CDI Holders. CDN will receive no fees for acting as the depositary for the CDIs.</p> <p>By completing an Application Form, an Applicant will apply for Shares to be issued to CDN, which will in turn issue CDIs to the Applicant.</p>
What registers will be maintained recording your interests?	<p>The Company will operate three registers for the Shares and CDIs:</p> <ul style="list-style-type: none"> • in the United States: an uncertificated principal register of Shares; • in Australia: an uncertificated issuer sponsored subregister of CDIs; and an uncertificated CHESS subregister of CDIs in Australia. <p>The Company's uncertificated issuer sponsored subregister of CDIs and uncertificated CHESS subregister of CDIs will be maintained by the CDI Registry. The principal register is the register of legal title and the Branch Register (on which CDN will hold the Shares underlying the CDIs) is deemed to be part of the principal register. The two uncertificated subregisters of CDIs combined will make up the register of beneficial title of the Shares underlying the CDIs.</p>
How is local and international trading in CDIs effected?	<p>CDI Holders who wish to trade their CDIs will be transferring the beneficial interest in the underlying Shares rather than the legal title. The transfer will be settled electronically by delivery of the relevant CDI holdings through CHESS. In other respects, trading in CDIs is essentially the same as trading in other CHESS approved securities, such as shares in an Australian company.</p>
What is the CDI: Share ratio?	<p>One CDI will represent an interest in one Share.</p>
What will Applicants receive on acceptance of their Applications?	<p>Successful Applicants will receive a holding statement which sets out the number of CDIs held by the CDI Holder and the reference number of the holding. These holding statements will be provided to a holder when a holding is first established and where there is a change in the holdings of CDIs.</p>



TOPIC	SUMMARY
How do CDI Holders transmute from a CDI holding to a direct holding in Shares?	<p>After the closing of the Offer, a CDI Holder may either leave their holdings in the form of CDIs (so that legal title remains in the name of CDN) or transmute the CDIs to Shares and hold legal title to those Shares in their own right. However, only CDIs can be traded on ASX, and it is therefore expected that most holders will wish to hold CDIs. The Shares are not currently quoted on any other securities exchanges.</p> <p>CDI Holders may at any time convert their holding of CDIs (tradeable on ASX) to certificated Shares by:</p> <ul style="list-style-type: none">• in the case of CDIs held through the issuer sponsored subregister, contacting the Company's CDI Registry directly to obtain the applicable request form; or• in the case of CDIs held on the CHESS subregister, contacting their controlling participant (usually their broker), who will liaise with the Company's CDI Registry to obtain and complete the request form. <p>Contact details for the CDI Registry are set out in the Corporate Directory will be included on the holding statement sent to CDI Holders.</p> <p>Upon receipt of a request form, the relevant number of CDIs will be cancelled, Shares will be transferred from CDN into the name of the CDI Holder, and a registered share certificate will be issued. This will cause your Shares to be registered on the certificated register of members and trading will no longer be possible on the ASX.</p> <p>A holder of Shares may also convert their Shares to CDIs by contacting the Branch Registry broker (or applicable controlling participant). In this case, the Shares on the Branch Register will be transferred from the Shareholder's name into the name of CDN and a holding statement will be issued to the person who converted their Shares to CDIs in respect of the CDIs that have been issued. The CDIs will be tradeable on ASX.</p> <p>To obtain one Share, the CDI Holder will need to transmute one CDI.</p>

9. Additional information continued

TOPIC	SUMMARY
What are the voting rights of a CDI Holder?	<p>CDN will receive notice of any meeting of holders of Shares and be entitled to attend and vote at any such meeting. CDI Holders may attend and, subject to the requirements listed below, vote at any meeting of holders of Shares.</p> <p>CDI Holders have certain voting rights under the ASX Settlement Operating Rules, but do not have any directly enforceable rights under the Bylaws or DGCL. Instructions for voting at a Shareholder meeting are set out in Section 7.14(c).</p> <p>Since CDI Holders will not appear on the Company's principal register of members as the legal holders of the Shares, they will not be entitled to vote at meetings of holders of Shares other than in the manner set out in Section 7.14(c) (and their CDIs will not count towards any relevant quorum requirements at such meetings).</p> <p>As each CDI represents one Share, a CDI Holder will be entitled to one vote for every one CDI they hold.</p> <p>Under the ASX Settlement Operating Rules, CDN will appoint two proxies for each vote: one for votes in favour of a poll and another for votes against. These rules provide that votes from all CDI Holders are aggregated into the appropriate proxy before the 1:1 transmutation ratio is applied to those votes rather than cutting off any fractional votes from an individual CDI Holder prior to aggregation.</p> <p>CDI voting instruction forms will be included in each notice of meeting sent to CDI Holders by the Company.</p> <p>These voting rights exist only under the ASX Settlement Operating Rules, rather than under the DGCL. Since CDN is the legal holder of applicable Shares but the CDI Holders are not themselves the legal holders of their underlying Shares, the CDI Holders do not have any directly enforceable rights under the Company's Bylaws.</p>
What dividend and other distribution entitlements do CDI Holders have?	<p>Despite legal title to the Shares being vested in CDN, the ASX Settlement Operating Rules provide that CDI Holders are to receive all direct economic benefits and other entitlements in relation to the underlying Shares. These include dividends and other entitlements which attach to the underlying Shares. These rights exist only under the ASX Settlement Operating Rules (which have the force of law by virtue of the Corporations Act), rather than under the DGCL.</p> <p>If the Company were to declare a dividend, it expects to declare any such dividend in USD as this is its functional and presentation currency. It is expected that CDI Holders will be able to receive any such dividend in Australian dollars. Holders may also elect to receive any such dividend in their local currency by using the Registry's Global Payment Service.</p> <p>Shareholders must make an election to alter their dividend currency by the business day after the record date for the dividend. Currency conversion will be based on a selected foreign currency exchange rate determined on the record date and reflecting the 1:1 ratio between CDIs and Shares.</p>



TOPIC	SUMMARY
What corporate action entitlements (such as rights issues and bonus issues) do CDI Holders have?	<p>CDI Holders receive all direct economic benefits and other entitlements in relation to the underlying Shares. These include the entitlement to participate in rights issues, bonus issues and capital reductions. These rights exist only under the ASX Settlement Operating Rules, rather than under the DGCL.</p> <p>It is possible that marginal differences may exist between the resulting entitlement of a CDI Holder and the entitlements that would have accrued if a CDI Holder held their holding directly as Shares. This is because, for the purposes of certain corporate actions, CDN's holding of Shares is treated as a single holding rather than as a number of smaller separate holdings corresponding to the individual interests of CDI Holders (thus, for example, CDI Holder will not benefit to the same extent from the rounding up of fractional entitlements as if they held Shares directly) as CDN is recognised as the absolute owner of its holding of Shares in its entirety as the registered owner thereof. The Company is required by the ASX Settlement Operating Rules to minimise any such differences where legally permissible.</p>
What rights do CDI Holders have in the event of a takeover?	<p>If a takeover bid or similar transaction is made in relation to the Shares of which CDN is the registered holder, under the ASX Settlement Operating Rules CDN must not accept the offer made under the takeover bid except to the extent that acceptance is authorised by the relevant CDI Holder. CDN must ensure that the offeror processes the takeover acceptance of a CDI Holder if such CDI Holder instructs CDN to do so.</p> <p>These rights exist only under the ASX Settlement Operating Rules, rather than under the DGCL.</p>
What notices and announcements will CDI Holders receive?	<p>CDI Holders will receive all notices and company announcements (such as annual reports) that Shareholders are entitled to receive from the Company.</p> <p>These rights exist only under the ASX Settlement Operating Rules, rather than under the DGCL.</p>
What rights do CDI Holders have on liquidation, dissolution or winding up?	<p>In the event of the Company's liquidation, dissolution or winding up, a CDI Holder will be entitled to the same economic benefits on their CDIs as holders of an equivalent economic interest in Shares as set out in Section 7.14(i).</p> <p>These rights exist only under the ASX Settlement Operating Rules, rather than under the DGCL.</p>

9. Additional information continued

TOPIC	SUMMARY
What is the 'Foreign Ownership Restriction' designation on the ASX?	<p>Under Rule 144 of the U.S. Securities Act, the CDIs and underlying Shares will be 'restricted securities' that will be subject to an initial one-year 'distribution compliance period' from the date of issue of the CDIs, which period may be extended by the Company in its discretion (Distribution Compliance Period). This means that during the Distribution Compliance Period you will not be permitted to sell the CDIs sold to you in the Offer or the underlying Shares into the U.S. or to, or for the account or benefit of, a U.S. Person, unless the resale of the CDIs is, or the underlying Shares are, registered under the U.S. Securities Act (which Enlitic is not obligated to do) or an exemption from such registration is available. If you are to sell CDIs or underlying Shares in such circumstances pursuant to an exemption from registration, you would need to establish the availability of such an exemption at your expense.</p> <p>Enlitic has requested that, during the Distribution Compliance Period, all CDIs issued or transferred under the Offer bear a designation on the ASX in order to enforce the above restrictions. This designation is intended to prevent any CDIs from being sold on the ASX during the Distribution Compliance Period, to persons that are in the U.S. or to, or for the account or benefit of, U.S. Persons. Enlitic cannot provide any assurances as to when this designation will be lifted from the CDIs. For more information, see Section 9.8(i).</p> <p>The discussion above assumes that none of the CDIs are acquired and resold by certain affiliates of Enlitic. Any CDIs that are acquired and subsequently resold by such affiliates will be subject to a new Distribution Compliance Period. Because it would not be possible to distinguish such CDIs resold by such affiliates of Enlitic from the other CDIs, the practical impact of such a resale would be to extend the Distribution Compliance Period for all of Enlitic's CDIs.</p>
Will CDI Holders incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares?	<p>A CDI Holder will not incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares.</p>
Where can further information be obtained?	<p>For further information in relation to CDIs and the matters referred to above, please refer to the ASX website and the documents entitled:</p> <ul style="list-style-type: none"> • Understanding CHES Depositary Interests at: http://www.asx.com.au/documents/settlement/CHES_Depositary_Interests.pdf; and • ASX Guidance Note 5 at: https://www.asx.com.au/documents/rules/gn05_chess_depository_interests.pdf, or contact your Broker or the Enlitic Offer Information Line.



9.7 KEY DIFFERENCES BETWEEN UNITED STATES AND AUSTRALIAN COMPANY LAW

Table 9.4: Key differences between United States and Australian company law

TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
Transactions that require Shareholder approval	<p>The DGCL and the Company's Certificate of Incorporation and Bylaws (which will be in effect at Listing) govern the type of transactions that require Shareholder approval. Generally, the following types of transactions, among others, will require Shareholder approval:</p> <ul style="list-style-type: none"> • amendments to the Certificate of Incorporation; • material corporate transactions such as a merger or acquisition, the sale of all or substantially all the Company's assets, or the dissolution of the Company; • establishing stock plans and amendments to same; • permitting interested Director transactions; and • taking certain actions affecting Shareholder rights. <p>The Company's Certificate of Incorporation provides that the Bylaws may be amended by Shareholders holding a 66 and 2/3% of the Company's outstanding voting stock or, by the Board (without the assent or vote of the Shareholders), except insofar as the Bylaws adopted by the Shareholders otherwise provide.</p>	<p>Under the Corporations Act, the principal transactions or actions requiring shareholder approval include:</p> <ul style="list-style-type: none"> • adopting or altering the constitution of the company; • appointing or removing a director or auditor; • certain transactions with related parties of the company; • putting the company into liquidation; and • changes to the rights attached to shares. <p>Shareholder approval is also required for certain transactions affecting share capital (e.g. share buybacks and share capital reductions).</p> <p>Under the ASX Listing Rules, shareholder approval is required for matters including:</p> <ul style="list-style-type: none"> • increases in the total amount of non-executive directors' fees; • directors' termination benefits in certain circumstances; • certain transactions with related parties; • certain issues of shares; and • if a company proposes to make a significant change to the nature or scale of its activities or proposes to dispose of its main undertaking.
Shareholders' right to request or requisition a meeting	<p>There is no right of Shareholders to request or requisition a meeting. The Company's Certificate of Incorporation provides that special meetings of Shareholders may be called only by the chairperson of the Board, the Chief Executive Officer, or the Board.</p>	<p>The Corporations Act requires that directors call a general meeting on the request of members with at least 5% of the vote that may be cast at the general meeting or at least 100 shareholders who are entitled to vote at a general meeting.</p> <p>Shareholders with at least 5% of the votes that may be cast at the general meeting may also call and arrange to hold a general meeting at their own expense.</p>

9. Additional information continued

TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
Shareholders' right to appoint proxies to attend and vote at meetings on their behalf	<p>Unless otherwise provided by law or the Certificate of Incorporation, at a meeting of Shareholders, every Shareholder present in person or by proxy is entitled to one vote for each Share held on the record date for the meeting on all matters submitted to a vote of Shareholders.</p> <p>Under the Bylaws, the presence at the meeting (in person or represented by proxy) of the holders of a majority of the Shares entitled to vote at the meeting will constitute a quorum for the transaction of business, except if otherwise required by applicable law.</p>	<p>Under the Corporations Act, a member of a company who is entitled to attend and cast a vote at a meeting of the company's members may appoint a person as the member's proxy to attend and vote for the member at the meeting.</p> <p>Every shareholder present in person or by proxy is entitled to one vote for each share held on the record date for the meeting on all matters submitted to a vote of shareholder.</p> <p>If a company does not have a constitution or has a constitution that does not set out a procedure, the presence at the meeting (in person or represented by proxy) of 2 shareholders entitled to vote at the meeting will constitute a quorum for the transaction of business, except if otherwise required by applicable law.</p>
Changes in the rights attaching to shares	<p>The DGCL allows a majority of the shares of a class or series of shares, or such other number of shares as set out in a company's certificate of incorporation, to amend the rights attaching to such class or series (as applicable) of shares.</p> <p>Under the Company's Certificate of Incorporation, the rights of the Shares may be amended by a majority of the Shares entitled to vote.</p>	<p>The Corporations Act allows a company to set out in its constitution the procedure for varying or cancelling rights attached to shares in a class of shares.</p> <p>If a company does not have a constitution or has a constitution that does not set out a procedure, such rights may only be varied or cancelled by:</p> <ul style="list-style-type: none"> • a special resolution passed at a meeting for a company with a share capital of the class of members holding shares in the class; or • a written consent of members with at least 75% of the votes in the class.



TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
"Two Strikes" rule in relation to remuneration reports	<p>The "Two strikes" rule in relation to remuneration reports would not apply to the Company unless and until it were to become a 'reporting company' under the U.S. Exchange Act. Once the Company is a 'reporting company' (see below for the threshold requirements), it must have an advisory Shareholder vote on pay at least once every three years. Reporting companies must report the results and say how they have responded to these when making decisions on pay the following year.</p>	<p>The Corporations Act requires that a company's annual report must include a report by the directors on the company's remuneration framework (called a remuneration report).</p> <p>A resolution must be put to shareholders at each annual general meeting of the company's shareholders seeking approval for the remuneration report. The approval is advisory only, however, if more than 25% of shareholders vote against the remuneration report at two consecutive AGMs (i.e., 'two strikes'), an ordinary (50%) resolution must be put to shareholders at the second AGM proposing that a further meeting be held within 90 days at which all of the directors who approved the second remuneration report must resign and stand for re-election.</p>
Disclosure of substantial holdings	<p>The rules for disclosure of substantial holdings under the U.S. Exchange Act would not apply to the Company unless and until it were to become a 'reporting company' (see below).</p> <p>If the Company becomes a 'reporting company', the U.S. Exchange Act requires the reporting of beneficial ownership of its Securities by (i) directors, (ii) officers, and (iii) Shareholders owning more than 10% of the Company's Shares.</p> <p>In addition, if the Company becomes a 'reporting company', the U.S. Exchange Act requires every person (or group of persons) who acquires beneficial ownership of 5% or more of its Securities) to disclose to the SEC:</p> <ul style="list-style-type: none"> • how many Securities are beneficially owned by the filing person; • whether there is a movement of at least 1% in their beneficial ownership; and • whether they have intent to control or influence control of the Company. <p>Periodic disclosure is also required on an annual basis, which will identify any instances where persons cease to have a beneficial interest in over 5% of the Securities.</p>	<p>The Corporations Act requires every person who is a substantial holder to notify the listed company and the ASX that they are a substantial holder and to give prescribed information in relation to their holding if:</p> <ul style="list-style-type: none"> • the person begins to have, or ceases to have, a substantial holding in the company or scheme; • the person has a substantial holding in the company or scheme and there is a movement of at least 1% in their holding; or • the person makes a takeover bid for securities of the company. <p>Under the Corporations Act a person has a substantial holding if the total votes attached to voting shares in the company in which they or their associates have relevant interests is 5% or more of the total number of votes attached to voting shares in the company, or the person has made a takeover bid for voting shares in the company and the bid period has started and not yet ended.</p>

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TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
Disclosure of substantial holdings continued		<p>These provisions do not apply to the Company as an entity established outside Australia. However, the Company will be required to release to the ASX any substantial holder notices that are filed in the U.S. and will likely give ASX an undertaking that it will tell the market immediately where the Company becomes aware of any person becoming a 'substantial holders' under the Corporations Act regime set out above.</p>
How takeovers are regulated	<p>The acquisition of securities in the Company is subject to the DGCL and applicable U.S. state and federal securities laws.</p> <p>The DGCL generally prohibits a Delaware corporation from engaging in any business combinations with any Shareholder who owns, or at any time in the last three years owned, 15% or more of the company's outstanding voting stock, referred to as an 'interested stockholder', for a period of three years following the date on which the Shareholder became an interested stockholder, subject to certain exceptions. Unless Enlitic decides to opt into this prohibition under the DGCL, it will not initially apply to Enlitic unless and until it has at least 2,000 Shareholders, or it becomes listed on a U.S. national stock exchange. Further details regarding takeover defence mechanisms which might be implemented by the Enlitic Board are set out in Section 7.14(k).</p>	<p>The Corporations Act prohibits a person from acquiring a relevant interest in issued voting shares in a listed company if any person's voting power in the company will increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.</p> <p>Exceptions to the prohibition apply (e.g. acquisitions with shareholder approval, 3% creep over 6 months and rights issues that satisfy prescribed conditions).</p> <p>Substantial holder notice requirements apply (as discussed above under the heading "Disclosure of substantial holdings").</p> <p>Compulsory acquisitions are permitted by persons who hold 90% or more of securities or voting rights in a company.</p> <p>The Australian takeovers regime will not apply to Enlitic as a foreign company.</p>



TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
Reporting requirements	<p>The Company is currently not a 'reporting company' in the U.S. Pursuant to the requirements of the U.S. Exchange Act, the Company will be required to become a 'reporting company' if at the end of any future financial year in the future, it has total assets greater than US\$10 million and exceeds 2,000 holders of record in total or 500 or more holders of record who are not 'accredited investors' as defined in Rule 501 of Regulation D of the U.S. Securities Act.</p> <p>Once Enlitic is a 'reporting company', it:</p> <ul style="list-style-type: none"> • must file a Form 10 with the SEC; and • becomes subject to regulation under the U.S. Exchange Act, including filing annual, quarterly, and current reports on Forms 10-K, 10-Q and 8-K and having its accounts audited. 	<p>From Listing, the Company will be a disclosing entity under the Corporations Act.</p>
Shareholder protections against oppressive conduct	<p>Delaware law does not allow a shareholder to bring legal action for oppressive or unfair conduct of the Company's affairs per se but does offer relief for minority stockholder oppression.</p>	<p>Under the Corporations Act, shareholders have statutory remedies for oppressive or unfair conduct of a company's affairs and the court can make any order as it sees appropriate.</p>
Shareholders rights to bring or intervene in legal proceedings on behalf of the Company	<p>Under the DGCL, a Shareholder may bring a derivative action on behalf of the Company where those in control of the Company have failed to assert a claim belonging to the Company. A Shareholder must meet certain eligibility and standing requirements, including a requirement that the plaintiff has been a Shareholder at the time of the act of which the plaintiff complains and a requirement that the plaintiff maintain his or her status as a Shareholder throughout the course of the litigation.</p> <p>A derivative plaintiff must also have made a demand on the Directors to assert the corporate claim, unless such a demand would have been futile.</p>	<p>The Corporations Act permits a shareholder to apply to the court for leave to bring proceedings on behalf of a company, or to intervene in proceedings to which a company is a party for the purpose of taking responsibility on behalf of the company for those proceedings, or for a particular step in those proceedings.</p>

9. Additional information continued

TOPIC	DELAWARE/UNITED STATES LAW	AUSTRALIAN LAW
Shareholders rights to bring or intervene in legal proceedings on behalf of the Company continued	<p>The DGCL provides rights of appraisal to Shareholders if the Company is party to a merger or consolidation, subject to specified exceptions and compliance with specified procedural requirements. In order for a Shareholder to demand such an appraisal of its Shares, the Shareholder:</p> <ul style="list-style-type: none"> • must have continuous record of ownership of the Shares from the date of the demand for appraisal through the effective date of the merger or consolidation; • must deliver a written demand for appraisal prior to the Shareholders' vote on the merger or consolidation; • must not vote in favour of the merger or consolidation or consent to it in writing; and • must file a petition with the Delaware Court of Chancery within 120 days after the effective date of the merger or consolidation. <p>Appraisal rights under the DGCL are not available in various circumstances, including when the merger or consolidation does not require the approval of the Shareholders.</p>	<p>The court must grant the application if it is satisfied that:</p> <ul style="list-style-type: none"> • it is probable that the company will not itself bring the proceedings, or properly take responsibility for them, or for the steps in them; • the applicant is acting in good faith; • it is in the best interests of the company that the applicant be granted leave; • if the applicant is applying for leave to bring proceedings, there is a serious question to be tried; and • either at least 14 days before making the application, the applicant gave written notice to the company of the intention to apply for leave and of the reasons for applying, or the court considers it appropriate to grant and leave. <p>The Corporations Act provides that proceedings brought or intervened in with leave must not be discontinued, compromised or settled without the leave of the court.</p>

The above table only attempts to provide general guidance and may be subject to differing interpretation by Australian and U.S. Courts.

9.8 FOR U.S. RESTRICTIONS

(a) Regulation S

The Offer is being made available to investors in reliance on the exemption from registration contained in Regulation S (relating to offshore offerings) of the U.S. Securities Act and a No Action Letter issued by the staff of the SEC for offers which are made outside the U.S. Accordingly, the CDIs to be issued under the Offer (and the Shares underlying those CDIs) have not been, and will not be, registered under the U.S. Securities Act or the laws of any state or other jurisdiction in the United States.

As a result of relying on the Regulation S exemption, the CDIs which are issued under the Offer (and the Shares underlying those CDIs) will be 'restricted securities' under Rule 144 of the U.S. Securities Act. This means that you will not be able to sell the CDIs issued to you under the Offer into the United States or to a U.S. person for a period of 12 months from the date of allotment of the CDIs under the Offer, unless the re-sale of the CDIs is registered under the U.S. Securities Act, or an exemption is available. Accordingly, the market for CDIs is likely to be limited to ASX, and if the market outside of the United States does not develop or is illiquid, purchasers of CDIs will be unable to sell the CDIs into the market within the United States due to restrictions on the transfer of CDIs.



To enforce the above transfer restrictions, the Company has requested that all CDIs issued under the Offers bear a 'FOR U.S.' designation on ASX. This designation effectively automatically prevents any CDIs from being sold on ASX to investors who are U.S. Persons unless that investor is a Qualified Institutional Buyer (**QIB**). However, you will still be able to freely transfer your CDIs on ASX to any person other than a U.S. Person that is not a QIB. If you sell CDIs or underlying Shares pursuant to an exemption from registration, you would need to establish the availability of such an exemption at your expense. The Company cannot provide any assurances as to when this designation will be lifted from the CDIs.

In addition, hedging transactions with regard to the Company's CDIs may only be conducted in accordance with the U.S. Securities Act.

(b) No Action Letter

In January 2000, the SEC issued a No Action Letter to ASX with regard to initial public offerings of U.S. private companies on ASX (**No Action Letter**). The letter provided that non-reporting private U.S. companies, which had not registered their shares in the United States, such as the Company, could do so on ASX in reliance on Regulation S and the additional conditions as set forth in the No Action Letter. In particular, the No Action Letter provide technical relief from CHES compliance with certain requirements of Regulation S subject to the following conditions:

- Offshore transaction: no offers or sales of securities may be made to a person in the United State or to U.S. Persons;
- No directed selling efforts: Enlitic, the Lead Manager, any of their Affiliates or any person acting on behalf of any of the foregoing must not engage in activities such as publishing or advertising in the U.S. which could have the effect of conditioning the market for the CDIs or the underlying Shares;
- Offering restrictions: the Lead Manager must agree in writing to a range of restrictions to ensure compliance with Regulation S and offering materials and documents used in connection with the Offering must contain certain disclosures;
- Distribution Compliance Period: Offers and sales may not be made to U.S. Persons or for the account or benefit of U.S. Persons for one year after the Offer; and
- Compliance with No Action Letter: Enlitic and brokers must comply with certain additional obligations imposed under the No Action Letter, including without limitation:
 - restricting the ability for brokers to execute a transaction involving U.S. Persons;
 - including restrictive legends on any certificated Shares issued to Shareholders;
 - identifying the Shares and CDIs as restricted securities;
 - sending confirmations to purchasers of Shares that their Shares are subject to Regulation S; and
 - restricting the ability to transfer Shares and CDIs that are not in compliance with Regulation S.

The No Action Letter requires purchasers of CDIs pursuant to the Offer and any person who purchases CDIs in the secondary market to make certain representations about their non-U.S. status. The No Action Letter is based on certain assumptions and also requires that the Company, ASX, the CUSIP Bureau and ASX Participating Organisations (as defined below) take certain actions in order to comply with the requirements set forth in the No Action Letter.

(c) Representation regarding non-U.S. status

As required by Regulation S and the No Action Letter, each Applicant under the Offer will be deemed to have represented, warranted, and agreed for the benefit of the Company and its related bodies corporate and any officers, employees, agents, advisers or brokers of any of them (affiliates) as follows:

- that the Applicant is not a U.S. Person and is not acting for the account or benefit of a U.S. Person. A U.S. Person includes, among other things and subject to certain limited exceptions:
 - any natural person resident in the United States;
 - any partnership or corporation finalised or incorporated under the laws of the United States;

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- any estate of which any executor or administrator is a U.S. person;
 - any trust of which any trustee is a U.S. person;
 - any agency or branch of a foreign entity located in the United States;
 - any non-discretionary account or similar account, other than an estate or trust, held by a dealer or other fiduciary for the benefit or account of a U.S. person;
 - any discretionary account or similar account, other than an estate or trust, held by a dealer or other fiduciary finalised, incorporated, or (if an individual) resident in the United States; and
 - any partnership or corporation, finalised or incorporated under the laws of any foreign jurisdiction, if formed by a U.S. person principally for the purpose of investing in securities not registered under the U.S. Securities Act.
- the Applicant acknowledges and agrees that, in order to ensure that U.S. Persons do not purchase any CDIs under the Offer, a number of procedures governing the trading and clearing of CDIs will be implemented, including the application to the CDIs of the status of Foreign Ownership Restriction (**FOR**) securities under the ASX Settlement Operating Rules and the addition of the notation 'FOR U.S.' to the CDI description on ASX trading screens and elsewhere, which will inform the market of the prohibition on U.S. Persons that are not QIBs acquiring CDIs;
 - the Applicant understands and agrees that, if in the future it decides to resell, pledge, transfer or otherwise dispose of any CDIs (or the Shares underlying those CDIs) it will only do so:
 - outside the United States in an offshore transaction in compliance with Rule 904 under the U.S. Securities Act;
 - pursuant to an effective registration statement under the U.S. Securities Act; or
 - pursuant to an available exemption from the registration requirements of the U.S. Securities Act,and in each case in accordance with all applicable securities laws;
 - the Applicant agrees not to engage in hedging transactions with regard to the CDIs (or the Shares underlying the CDIs) unless in compliance with the U.S. Securities Act; and
 - the Applicant acknowledges that the Company and its affiliates will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties, and agreements and agrees that if any such acknowledgments, representations or warranties are no longer accurate, it will notify the Company immediately. Each Applicant agrees to indemnify the Company, its affiliates and their respective directors, officers, employees and advisers against any loss, damage or costs incurred and arising out of or in relation to any breach by it of the acknowledgments, representations, warranties, and agreements.

(d) On-market transfers of CDIs in the secondary market

During the Distribution Compliance Period, CDIs may be reoffered and resold in standard (regular) brokered transactions on the ASX where neither the seller nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the U.S. or is, or is acting for the account or benefit of, a U.S. Person in accordance with Regulation S. Such reoffers and resales must also otherwise be conducted in compliance with the applicable Offer and secondary market procedures described below.

The No Action Letter requires that purchasers of CDIs in the secondary market make similar certifications and agreements to the ones that purchasers make in the Offer regarding their status as non-U.S. Persons during the Distribution Compliance Period.



(e) Requirements of ASX and CUSIP Bureau

The No Action Letter requires that ASX and entities like CUSIP Bureau take certain actions in order to comply with the provisions of the No Action Letter, a summary of which is set out below:

- the CDIs issued under the Offer will be classified as FOR securities under the ASX Settlement Operating Rules and will be identified on trading screens as being on the FOR list. For this purpose, 'Foreign Person' will be defined as a 'U.S. Person' and the permitted foreign ownership level will be zero. As a result, no U.S. Person other than a QIB may apply for CDIs under the Offer. If you have a CHESS HIN designated as 'Foreign', you may not subscribe for CDIs under the Offer. If for any reason CDIs are purchased by a U.S. Person that is not QIB under the Offer, the CDIs will be divested under the ASX Settlement Operating Rules;
- the ASX will widely publish an explanation of the restricted stock identifier beginning a reasonable period prior to initial quotation of the Company's CDIs on ASX and continually thereafter;
- the CDIs will be identified in the records maintained by entities such as CUSIP Global Services, as restricted under the U.S. Securities Act, so that participants in book entry clearance facilities and others that trade the CDIs will have notice that transfers of the CDIs to U.S. persons are restricted and must qualify under an appropriate exemption (such as re-sales to QIBs pursuant to Rule 144);
- United States entities may not participate in the ASX market, either as brokers or as market-makers;
- no ASX trading screens may be placed in the United States; and
- whilst ASX and ASX Settlement will maintain these procedures and systems, neither the ASX or ASX Settlement is responsible for monitoring compliance with SEC requirements or U.S. law, nor is the ASX or ASX Settlement responsible to third parties for any misfeasance by the Company in relation to those procedures. If the Company breaches United States law, neither ASX nor ASX Settlement is responsible for those breaches.

(f) Requirements of Lead Manager and ASX Participating Organisations

The No Action Letter requires that the Lead Manager and ASX Participating Organisations (being brokers that are members of ASX) (**ASX Participating Organisations**) take certain actions in order to comply with the provisions of the No Action Letter, a summary of which is set out below:

- whether in the Offer or in secondary trading, ASX Participating Organisations must not execute a transaction on ASX in Regulation S securities if that broker knows that the purchaser is acting for the account or benefit of a U.S. Person;
- in connection with any purchase of CDIs, whether in the Offer or any secondary trading, ASX Participating Organisations must make reasonable efforts to ascertain whether a purchaser is a U.S. Person or is acting for the account or benefit of a U.S. Person, and implement measures designed to assure reasonable compliance with these requirements;
- the confirmation sent to each purchaser of CDIs either in the Offer or in any secondary market trading must include a notice that the CDIs are subject to the restrictions of Regulation S; and
- any information provided by the Lead Manager to publishers of publicly available databases, such as Bloomberg and Reuters, about the terms of the issuance of the CDIs must include a statement that the CDIs have not been registered under the U.S. Securities Act and are subject to restrictions under Regulation S.

(g) Requirements of the Company

The No Action Letter also requires that the issuer of the CDIs (i.e., the Company) take certain actions in order to comply with the provisions of the No Action Letter, a summary of which is set out below:

- the Company must undertake to provide notification of the Regulation S status of its CDIs in shareholder communications such as annual reports, periodic interim reports, and notices of Shareholder meetings;
- no securities subject to the restrictive legend required by Regulation S may be transferred by Enlitic's transfer agent without a favourable opinion of counsel or other assurance that the transfer complies fully with the U.S. Securities Act;

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- the Bylaws must provide that the Company will refuse to register any transfer of the CDIs (or the Shares underlying those CDIs) not made:
 - in accordance with the provisions of Regulation S (Rule 901 through Rule 905 and preliminary notes);
 - pursuant to registration under the U.S. Securities Act; or
 - pursuant to an available exemption from registration; and
- during the Distribution Compliance Period, the Company undertakes that any information provided by the Company to publishers of publicly available databases, such as Bloomberg and Reuters, about the term of issuance of the CDIs must include a statement that the CDIs have not been registered under the U.S. Securities Act and are subject to restrictions under Regulation S.

(h) Legending Requirements

Global securities, certificates into which global securities may be subdivided and any physical certificate representing the Shares into which CDIs have been converted prior to the end of the restriction period must bear certain restrictive legends required under Regulation S and certain other pertinent provisions of the U.S. Securities Act and the regulations promulgated under the U.S. Securities Act. Such legends must indicate that:

- the Shares and CDIs have not been registered under the U.S. Securities Act and cannot be offered or sold into the United States or to U.S. Persons without registration under the U.S. Securities Act or an available exemption; and
- hedging transactions involving the Shares and CDIs cannot be conducted unless in compliance with the U.S. Securities Act.

Further, such legends must appear on the cover (or inside the cover page) and in the plan of distribution section of any offering document used in the Offer and sale of the Shares and in any advertisement made or issued by the Company, any distributor, any of their respective affiliates and persons acting on their behalf.

No Shares bearing the restrictive legend may be transferred by the CDI Registry or other transfer agent without a favourable opinion of counsel or the assurance that the transfer complies fully with the U.S. Securities Act.

(i) Possible Extension of Distribution Compliance Period

Due to the nature of the ASX trading system, the restricted stock identifier and associated transfer restrictions will remain on the CDIs during the Distribution Compliance Period, which is expected to last until one year after Settlement. The CDIs will no longer bear such restricted stock identifier and associated transfer restrictions after the Distribution Compliance Period ends, subject to approval by the ASX and delivery of certain opinions, and unless required by applicable law. Enlitic can provide no assurance that the restricted stock identifier will be removed following completion of the Distribution Compliance Period or that the Company will be able to deliver or obtain any required certificates or opinion to effectuate such removal. If that is the case, the restrictions imposed during the Distribution Compliance Period will continue indefinitely.

In addition, the Distribution Compliance Period may restart if, among other reasons, Enlitic determines to issue additional CDIs, or following the Offer an affiliate of Enlitic sells CDIs pursuant to Regulation S. If this were to occur, the Distribution Compliance Period would restart as at the date of such offer and sale of CDIs. Any such extension or continuation of the Distribution Compliance Period could have an adverse effect on your ability to resell the CDIs or the liquidity of, or trading price for, the CDIs on the ASX.

(j) Overseas ownership and resale representation

It is your responsibility to ensure compliance with all laws of any country relevant to your Application. The return of a duly completed Application Form will be taken by Enlitic to constitute a representation and warranty made by you to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.



9.9 MATERIAL CONTRACTS

As noted in Section 3 above, the Company has arrangements in place with Marubeni, pursuant to which Marubeni distributes certain Enlitic products to end users. Under the terms of the Company's agreement with Marubeni Corporation, the Company has granted an exclusive, non-transferable license to the Company's chest X-ray software to Marubeni for use in the diagnosis of chest X-rays in Japan, as well as a non-exclusive, non-transferable license to the Company's ENDEX, ENCOG software in Japan, each for use in the diagnosis of chest X-rays. Subject to certain minimum thresholds and other conditions, Marubeni has agreed to pay to the Company royalties ranging from 45% to 50% of the gross revenues derived from sales by Marubeni of the licensed products in Japan. The agreement provides that Marubeni is the holder of the marketing authorisation of the relevant products in Japan. The agreement with Marubeni was effective from November 15, 2022 and will continue for a 10 year term unless earlier terminated due to breach or bankruptcy. Marubeni may also be granted exclusivity for the distribution of these products in other countries within Asia, subject to the Company's prior approval. Pursuant to these exclusivity arrangements, the Company is prevented from granting, copying, offering or distributing, directly or indirectly any X-ray AI software licences in the relevant jurisdiction other than to Marubeni.

9.10 LITIGATION AND CLAIMS

The Company may, from time to time, be party to litigation and other claims and disputes incidental to the conduct of its business, including employment disputes, contractual disputes, indemnity claims and occupational and personal claims. Such litigation, claims and disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Company's business, operating and financial performance.

As far as the Directors are aware, however, there is no current or threatened civil litigation, arbitration proceeding or administrative appeal, or criminal or governmental prosecution of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of the Company.

9.11 REGULATORY RELIEF

(a) ASIC exemptions and relief

ASIC has granted a modification of section 707 of the Corporations Act to the extent necessary to permit the sale within 12 months of issue without the requirement of a disclosure document of CDIs which will be issued over the underlying Shares where those Shares were issued, or are to be issued, as a result of:

- on the conversion of the preference stock on issue as at the Prospectus Date to Shares (refer to the capital structure tables in Section 9.4 and 9.5); or
- the vesting and exercise (as applicable) of the Options and Warrants on issue as at the Prospectus Date to Shares,

in each case, without disclosure under Chapter 6D of the Corporations Act.

(b) ASX waivers and confirmations

The ASX has given the Company 'in principle' advice that it would be likely to provide waivers and confirmations in respect of the following ASX Listing Rules on receipt of the Company's application for Admission to the Official List:

- (i) **(mandatory escrow)** confirmation of the analysis of the proposed mandatory escrow restrictions that will apply to the Securities following Admission to the Official List;
- (ii) **(Options and Warrants waivers)** waiver from the requirements of the following rules in relation to the terms of the Options and Warrants:
 - (A) Listing Rule 1.1 Condition 12 for all options on issue to have an exercise price of at least 20 cents in cash;
 - (B) Listing Rule 6.16;
 - (C) Listing Rule 6.19; and
 - (D) Listing Rule 6.21;

9. Additional information continued

- (iii) (**Chapter 6 of Listing Rules**) confirmation that the terms of the Warrants and Options are appropriate and equitable for the purposes of Chapter 6 of the Listing Rules, subject to the waivers referred to in paragraph (ii);
- (iv) (**Voting eligibility**) waivers from Listing Rule 6.10.3 regarding the cut-off time for determining a Shareholder's eligibility to vote;
- (v) (**Termination benefits on change of control**) confirmation that accelerated vesting of unvested Securities granted pursuant to Enlitic's 2014 Plan will not constitute a 'termination benefit' for the purposes of Listing Rule 10.18;
- (vi) (**Proxy forms**) waiver from Listing Rule 14.2.1 to the extent necessary to permit the Company not to provide in the proxy form for meetings an option for Shareholders to vote 'against' on a resolution to elect a Director; and
- (vii) (**Acceptance of nominations for elections of directors**) confirmation that Enlitic's Bylaws are treated as its 'constitution' for the purposes of determining the date for accepting nominations for the election of directors pursuant to Listing Rule 14.3.

9.12 U.S. TAX IMPLICATIONS

The following is a summary of certain material U.S. federal income tax consequences of the ownership and disposition of CDIs offered pursuant to the Offer. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax on net investment income, the alternative minimum tax, or the special tax accounting rules under Section 451(b) of the Internal Revenue Code of 1986, as amended (**Code**), and does not address any U.S. federal non-income tax consequences such as estate or gift tax consequences or any tax consequences arising under any state, local, or non-U.S. tax laws, or any other U.S. federal tax laws. This discussion is based on the Code and applicable U.S. Treasury Regulations promulgated thereunder, judicial decisions and published rulings, and administrative pronouncements of the Internal Revenue Service (**IRS**), all as in effect as of the date hereof. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. Holders (as defined below) that subscribe for CDIs in the Offer and that hold CDIs as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a particular holder in light of such holder's particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other entities or arrangements treated as partnerships, S corporations or other pass-through entities, or disregarded entities for U.S. federal income tax purposes (and investors therein);
- "controlled foreign corporations" as defined in Section 957(a) of the Code;
- "passive foreign investment companies" as defined in Section 1297(a) of the Code;
- corporations that accumulate earnings to avoid U.S. federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers or dealers in securities;
- persons who have elected to mark securities to market;
- tax-exempt organisations and governmental organisations;
- tax-qualified retirement plans;
- persons that acquired CDIs through the exercise of Options or otherwise as compensation or through a tax-qualified retirement plan;



- persons that acquired CDIs pursuant to the exercise of Warrants or conversion rights under convertible instruments;
- persons who hold Shares that constitute “qualified small business stock” under Section 1202 of the Code, or “Section 1244 stock” under Section 1244 of the Code;
- persons who acquired CDIs in a transaction subject to the gain rollover provisions of the Code (including Section 1045 of the Code);
- persons that own, or have owned, actually or constructively, more than 5% of Enlitic’s Shares;
- “qualified foreign pension funds” as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds; and
- persons holding CDIs as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement treated as a partnership or other pass-through entity for U.S. federal income tax purposes holds CDIs, the tax treatment of a partner, member or other beneficial owner in such entity or arrangement will generally depend upon the status of the partner, member or another beneficial owner, the activities of the entity and certain determinations made at the partner, member or other beneficial owner level. If you are a partner, member or other beneficial owner of an entity or arrangement treated as a partnership or other pass-through entity for U.S. federal income tax purposes holding CDIs, you are urged to consult with your tax advisor regarding the tax consequences of the ownership and disposition of CDIs.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING, AND DISPOSING OF CDIs, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL, OR NON-U.S. TAX LAWS AND ANY U.S. FEDERAL NON-INCOME TAX LAWS, OR UNDER ANY APPLICABLE INCOME TAX TREATY.

(a) Treatment of CDIs

Although it is not entirely free from doubt, a CDI should be treated as a Share for U.S. federal income tax purposes. However, due to differences in the voting rights available to CDI Holders versus the holders of a Share, the IRS may not agree that a CDI should be treated as a Share for U.S. federal income tax purposes. Prospective investors should consult their tax advisors regarding the proper treatment of a CDI. The remainder of this discussion assumes that a CDI is treated as a Share for U.S. federal income tax purposes.

(b) Tax Considerations Applicable to Non-U.S. Holders

(i) Definition of non-U.S. Holder

A ‘non-U.S. Holder’ is a beneficial holder of CDIs who or that is neither a partnership or other pass-through entity or arrangement for U.S. federal income tax purposes nor:

- an individual who is a United States citizen or resident of the United States for United States federal income tax purposes;
- a corporation or other entity treated as a corporation for United States federal income tax purposes created in, or organised under the law of, the United States or any state or political subdivision thereof;
- an estate the income of which is subject to United States federal income tax purposes regardless of its source; or
- a trust (A) the administration of which is subject to the primary supervision of a United States court and which has one or more United States persons (within the meaning of the Code) who have the authority to control all substantial decisions of the trust or (B) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

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(ii) Distributions on CDIs

Since inception, Enlitic has never declared or paid any cash dividends on its capital stock, and the Board of Enlitic do not anticipate declaring or paying, in the foreseeable future, any cash dividends on Enlitic's capital stock. However, if Enlitic makes cash or other property distributions on CDIs, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts that exceed such current and accumulated earnings and profits and, therefore, are not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder's tax basis in the CDIs, but not below zero. Any amount distributed in excess of basis will be treated as gain realised on the sale, exchange or other taxable disposition of CDIs and will be treated as described under the section titled "Gain on sale, exchange or other taxable disposition of CDIs" below.

Subject to the discussions below regarding effectively connected income, backup withholding, and Sections 1471 through 1474 of the Code (**FATCA**), dividends paid to a non-U.S. Holder generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty. To obtain a reduced treaty rate of withholding under an income tax treaty, a non-U.S. Holder generally will be required to furnish Enlitic or the applicable withholding agent with a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E (or other appropriate form, or applicable successor form) certifying such holder's qualification for the reduced rate under that treaty. This certification must be provided to us or the applicable withholding agent before the payment of dividends and must be updated periodically. In the case of a non-U.S. Holder that is an entity, U.S. Treasury Regulations and the relevant tax treaty provide rules to determine whether, for purposes of determining the applicability of the tax treaty, dividends will be treated as paid to the entity or to those holding an interest in the entity. If a non-U.S. Holder holds CDIs through a financial institution or other agent acting on its behalf, the non-U.S. Holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or the applicable withholding agent, either directly or through other intermediaries.

If a non-U.S. Holder holds CDIs in connection with the conduct of a trade or business in the United States, and dividends paid on CDIs are effectively connected with such CDI Holder's U.S. trade or business (and, if required by an applicable tax treaty, are attributable to such holder's permanent establishment or fixed base in the United States), the non-U.S. holder will generally be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. Holder must generally furnish a valid IRS Form W-8ECI (or applicable successor form) to us or the applicable withholding agent. However, any such effectively connected dividends paid on CDIs generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. Holder that is a foreign corporation may also be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Non-U.S. Holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may be able to obtain a refund of any excess amounts withheld by timely filing an appropriate claim for a refund with the IRS.

(iii) Gain on sale, exchange or other taxable disposition of CDIs

Subject to the discussions below regarding backup withholding and FATCA, a non-U.S. Holder generally will not be subject to U.S. federal income tax on any gain realised on the sale, exchange or other taxable disposition of CDIs, unless:

- the gain is effectively connected with the non-U.S. Holder's conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by the non-U.S. Holder in the United States;
- the non-U.S. Holder is a non-resident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or
- the CDIs constitute a "United States real property interest," by reason of our status as a United States real property holding corporation (**USRPHC**), for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. Holder's holding period for the CDIs.



Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests. Enlitic believes that it is not currently, has not been, and does not anticipate becoming, a USRPHC for U.S. federal income tax purposes, although there can be no assurance that Enlitic will not in the future become a USRPHC. Even if Enlitic is or was to become a USRPHC, gain arising from the sale or other taxable disposition of CDIs by a non-U.S. Holder will not be subject to U.S. federal income tax if the CDIs are “regularly traded” (as defined by applicable U.S. Treasury Regulations) on an established securities market, and such non-U.S. Holder owned, actually and constructively, 5% or less of the CDIs throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the non-U.S. Holder’s holding period. Prospective investors are encouraged to consult their own tax advisors regarding the possible consequences to them if we are, or were to become, a USRPHC.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. Holder that is a foreign corporation may also be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. A non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty) on gain realized upon the sale, exchange or other taxable disposition of CDIs, but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses. Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

(iv) Information reporting and backup withholding

Annual reports are required to be filed with the IRS and provided to each non-U.S. Holder indicating the amount of distributions on CDIs paid to such holder and the amount of any tax withheld with respect to those distributions. These information reporting requirements apply regardless of whether such distributions constitute dividends and even if no withholding was required. This information may also be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. Holder resides or is established. Backup withholding, currently at a 24% rate, generally will not apply to payments to a non-U.S. Holder of dividends on or the gross proceeds of a sale, exchange or other taxable disposition of CDIs, provided the non-U.S. Holder furnishes the required certification for its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E, or IRS Form W-8ECI, or certain other requirements are met. Backup withholding may apply if the payor has actual knowledge, or reason to know, that the holder is a U.S. Person who is not an exempt recipient.

Backup withholding is not an additional tax. If any amount is withheld under the backup withholding rules, the non-U.S. Holder should consult with a U.S. tax advisor regarding the possibility of and procedure for obtaining a refund or a credit against the non-U.S. Holder’s U.S. federal income tax liability, if any.

(v) FATCA

FATCA imposes a U.S. federal withholding tax of 30% on certain payments made to a “foreign financial institution” (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments made to a non-financial foreign entity unless such entity provides the withholding agent with a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. Holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on CDIs and, subject to the proposed U.S. Treasury Regulations described below, also applies to gross proceeds from sales or other dispositions of CDIs. The U.S. Treasury Department has released proposed U.S. Treasury Regulations which, if finalised in their present form, would eliminate the U.S. federal withholding tax of 30% applicable to the gross proceeds of a sale, exchange or other taxable disposition of CDIs. In its preamble to

9. Additional information continued

such proposed U.S. Treasury Regulations, the U.S. Treasury Department stated that taxpayers (including applicable withholding agents) may generally rely on the proposed U.S. Treasury Regulations until final regulations are issued.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on their investment in CDIs.

9.13 AUSTRALIAN TAXATION IMPLICATIONS OF INVESTING UNDER THE OFFER

The taxation consequences of investing in CDIs (or the underlying Shares) will depend on your particular circumstances. It is your responsibility to satisfy yourself of the particular taxation treatment that applies to you by consulting your own professional tax advisers before investing in CDIs. Neither Enlitic nor any of its officers, employees, agents, or advisors accept any liability or responsibility in respect of the taxation consequences connected with an investment in CDIs.

Please note that Australian taxation laws and regulations are complex and periodically subject to change. The following information is intended as a general guide and does not constitute professional tax advice.

(a) General overview of Australian taxation

The Australian taxation information provided below is a summary of certain relevant Australian income tax, GST, stamp duty and withholding tax considerations arising from investing under the Offer. The summary is general in nature and is not intended to be a complete statement of all potential implications for each investor, or to be relied upon as tax advice.

The precise implications of ownership or disposal of the CDIs will depend upon each investor's specific circumstances. Investors should seek their own professional tax advice on the taxation implications of holding and disposing of the CDIs, taking into account their specific circumstances.

The information in this taxation summary has been prepared on the basis that investors are Australian tax residents who hold a portfolio interest in the Company (broadly, direct or indirect entitlements to distributions of profits or capital of, and voting rights in, the Company totalling less than 10%) and hold their CDIs on capital account for Australian income tax purposes.

This summary does not consider the tax consequences for investors who:

- are foreign tax residents;
- hold their CDIs on revenue account or as trading stock or carry on a business of trading in securities;
- are exempt from Australian income tax;
- are subject to Division 230 of the *Income Tax Assessment Act 1997* (Cth) (the Taxation of Financial Arrangements (TOFA) regime), the Investment Merger Regime or a concessional tax regime;
- are insurance companies or banks; or
- are CDI holders who acquire their CDIs in return for services (including under an employee share or option schemes).

Furthermore, this information does not address the Australian tax consequences that arise if an Australian tax resident investor has a taxable presence in the United States.

This summary assumes that the company and each of its subsidiaries will not be considered "controlled foreign companies" for the purpose of applying Australia's Controlled Foreign Company regime.

This summary is based on the relevant Australian taxation and stamp duty laws as at the Prospectus Date. It does not consider the laws of countries other than Australia. These laws, and their interpretation by the courts, are subject to change from time to time, including with retrospective effect. To the extent there are any changes in law after the Prospectus Date, including those having retrospective effect, CDI holders should consider the tax consequences, taking into account their own individual circumstances and should consider taking advice from a professional advisor.



To the maximum extent permissible by law, the company, its officers, and their respective advisors accept no liability or responsibility with respect to the taxation consequences of acquiring or disposing of CDI's issued under this prospectus.

This section does not constitute financial product advice as defined in the Corporations Act and is confined to Australian income tax, GST, stamp duty and withholding tax issues only. Taxation is only one of the matters investors need to consider when making a decision about their investments. Investors should consider taking advice from a licensed advisor, before making a decision about their investments.

(b) Tax residence of the Company

The company was incorporated in the United States and registered as a foreign company in Australia. Generally, a foreign company is a resident of Australia if it carries on business in Australia and either has its central management and control in Australia or its voting controlled by shareholders (or CDI holders in this instance) who are residents of Australia. The company is not expected to be a tax resident of Australia on the basis that the company will not have its central management and control in Australia and will not carry on a business in Australia. Furthermore, the issue of CDIs in the company as a result of the Offer should not change the residency status of the company for tax purposes.

(c) Dividends

(i) Australian resident individuals, complying superannuation entities and corporate investors

Dividends paid to Australian tax resident CDI Holders will constitute assessable income of that CDI holder in the year the dividend is derived for taxation purposes (including under a dividend reinvestment plan as relevant). Australian tax resident CDI Holders who are individuals, complying superannuation entities, or corporate investors are required to include the dividend in their assessable income (subject to the application of exemptions) in the year the dividend is paid.

On the basis that the company is not an Australian tax resident company, dividends paid will be unfranked, even if the company has been subject to tax on any Australian source income. Accordingly, franking credits will not attach to any dividend paid by the company to Australian resident individuals, complying superannuation entities, and corporate investors and such CDI Holders will generally be taxed at their marginal rate on the dividend received with no franking credit tax offset.

The Double Taxation Agreement between Australia and the United States provides for a US dividend withholding tax of no more than 15%. Where the dividend has been subject to withholding tax in the United States and included in the CDI Holder's assessable income, the amount included in the assessable income of an Australian tax resident CDI holder should be the gross amount of the dividend, (that is the amount received, grossed up for the amount of withholding tax paid).

A foreign income tax offset may be available to an Australian tax resident CDI Holder for the United States withholding tax deducted and remitted to the United States tax authorities, subject to certain limits. Foreign income tax offsets are generally limited to the greater of A\$1,000 or the Australian income tax that would be payable (subject to certain assumptions) on the net income of which foreign tax is paid.

CDI Holders should seek their own independent professional tax advice as to whether any tax offset for US withholding tax deducted in relation to the dividend paid may be obtained.

An individual CDI Holder will pay tax on the dividend (net of any allowable deductions) at their marginal tax rate. A complying superannuation fund (which includes self-managed superannuation funds) will pay tax at the rate of 15%. A corporate investor will pay tax at the applicable corporate tax rate of 30%, unless the company qualifies for the lower base rate entity rate of 25%.

(ii) Trusts and partnerships

CDI Holders who are trustees (other than trustees of complying superannuation entities or trusts that are treated in a similar manner to companies for Australian income tax purposes) or partnerships should include the dividend in determining the net income of the trust or partnership in the year in which the dividend is paid. The relevant beneficiary or partner may be required to include in their assessable income the amount of the dividend to which they are presently entitled (for beneficiaries of a trust) or that is equal to their share of the dividend income (for partners).

9. Additional information continued

On the basis that the company is not an Australian tax resident, franking credits will not attach to any dividend paid by the company to an Australian trust or partnership.

Where the dividend has been subject to withholding tax in the United States, the amount included in the net income of the trust or partnership should be the gross amount of the dividend (that is, the amount received, grossed up for the amount of withholding tax paid in the United States).

The relevant beneficiary or partner may be entitled to a foreign income tax offset for the United States withholding tax deducted in relation to the dividend paid. Where available, the amount of the foreign income tax offset should be equivalent to the beneficiary or partner's share of the withholding tax deducted and remitted to the United States tax authorities, subject to certain limits. Foreign income tax offsets are generally limited to the greater of A\$1000, or the Australian income tax that would be payable subject to certain assumptions on the net income on which foreign tax is paid.

CDI Holders, and relevant beneficiaries and partners, should seek their own independent professional tax advice as to whether any tax offset for US withholding tax deducted in relation to the dividend paid may be obtained.

(d) Disposal of CDIs

Disposal of CDIs by a CDI Holder who holds the CDIs on capital account will be a capital gains tax event (CGT event) in the year in which the CDI holder enters into the contract for the disposal, or where there is no contract the year of disposal.

A capital gain will arise to the extent the capital proceeds on disposal (the amount received or deemed to be received) exceed the cost base of the CDI. Broadly, the cost base of the CDI will be the amount paid to acquire the CDI plus any non-tax deductible transaction costs incurred in relation to the acquisition or disposal of the CDI (for example, brokerage and legal fees). In the case of an arm's length on-market sale, the capital proceeds will generally be the cash proceeds received from the sale of the CDIs.

A capital loss will be realised where the reduced cost base of the CDI exceeds the capital proceeds from disposal. The reduced cost base is determined by a similar (although not identical) calculation to the cost base. Capital losses may only be offset against capital gains realised by the CDI Holder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

Generally, all capital gains and losses made by a CDI Holder for an income year, together with any net capital losses carried forward from an earlier income year, will need to be aggregated to determine whether the CDI Holder has made a net capital gain or net capital loss for the year. A net capital gain is included in a CDI Holder's assessable income.

If the CDI Holder is required to pay tax in another jurisdiction in respect of the disposal of their CDI, that CDI Holder should seek their own independent professional tax advice as to the Australian income tax implications, including whether any foreign income tax offset may be obtained.

(e) Capital Gains Tax (CGT) discount

A CGT discount may be available to reduce the net capital gain where the CDI Holder is an individual, complying superannuation entity or trustee of a trust, and the CDIs have been held for more than 12 months (excluding the date of acquisition and date of disposal for CGT purposes) prior to the CGT event. Companies are not entitled to the CGT discount. Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustee other than a trust that is a complying superannuation entity may be reduced by 50% after offsetting any available current year or prior year capital losses. For complying superannuation entity, any capital gain may be reduced by 33 1/3%, after offsetting any available current year or prior year capital losses.

Where the CDI Holder is a trustee of a trust that has held (for income tax purposes) the CDI for more than 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies and are Australian tax residents. Investors that are trustees (and the beneficiaries of any corresponding trust) should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.



(f) GST considerations

Australian GST should not be payable in respect of the issue, acquisition, disposal or transfer of the CDIs, or in respect of dividends. However, GST may be payable on brokerage fees.

CDI Holders may not be entitled to claim full input tax credits in respect of any GST paid on costs incurred in connection with the acquisition or disposal of their CDIs. Separate GST advice should be sought by investors in respect to their particular circumstances.

(g) Stamp duty considerations

On the basis that the Company is not a landholder for stamp duty purposes in any Australian jurisdiction, CDI Holders should not be liable for stamp duty in any Australian state or territory on the issue or allotment of the CDI as part of the offer, nor the acquisition of a CDI quoted on the ASX and received under the Offer. Under current stamp duty legislation, no stamp duty would ordinarily be payable by CDI Holders on any subsequent transfer or disposal of the CDIs, whilst the Company remains listed.

Investors should seek their own advice as to the impact of stamp duty in their own particular circumstances.

(h) Withholding tax

Australian tax resident CDI Holders may, if they choose, notify the Company of their Tax File Number, Australian Business Number or relevant exemption from withholding tax in respect to dividends.

In the event that the Company is not notified, Australian tax may be deducted at the maximum marginal tax rate plus Medicare levy from the cash amount of the unfranked portion of any dividends paid to the relevant CDI Holder. The rate of withholding is currently 47%.

The Company is required to withhold and remit to the ATO such tax until such time as the relevant Tax File Number, Australian Business Number or exemption notification is given to the Company. Resident CDI Holders should be entitled to claim a tax credit/rebate (as applicable) in respect of any tax withheld on the dividends against the investor's tax liability in their individual income tax returns.

9.14 SELLING RESTRICTIONS

This Prospectus does not constitute an offer of CDIs in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the CDIs may not be offered or sold, in any country outside Australia except to the extent permitted below.

(a) United States

The CDIs have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any U.S. Person without being so registered or pursuant to an exemption from registration. In addition, any hedging or similar transactions in the CDIs may not be conducted unless in compliance with the U.S. Securities Act.

Any failure to comply with the foregoing restrictions may constitute a violation of United States securities laws. Offers of shares will only be made in places in which, or to persons to whom, it would be lawful to make such offers.

(b) Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this Prospectus may not be distributed, and the CDIs may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

9. Additional information continued

No advertisement, invitation or document relating to the CDIs has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to CDIs that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted CDIs may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

(c) New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”). The CDIs are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

(d) Japan

The CDIs have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the “FIEL”) pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the CDIs may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors.

Any Qualified Institutional Investor who acquires CDIs may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of CDIs is conditional upon the execution of an agreement to that effect.

9.15 CONSENTS TO BE NAMED AND DISCLAIMERS OF RESPONSIBILITY

Each of the parties listed below in this Section 9.15, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility, for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- MST Financial has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Lead Manager to the Offer in the form and context in which it is named;
- Gilbert + Tobin has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser (other than in relation to taxation matters) to the Company in relation to the Offer in the form and context in which it is named;
- Cooley LLP has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as U.S. legal adviser (other than in relation to taxation matters) to the Company in relation to the Offer in the form and context in which it is named;



- RSM has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and to the inclusion of its Independent Limited Assurance Report set out in Section 8 in the form and context in which it appears in this Prospectus;
- RSM Australia has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor to the Company and tax adviser to the Company in connection with the Offer in the form and context in which it is so named, and consents to the inclusion of the audited financial statements in the form and context in which they are contained;
- Link Market Services Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as CDI Registry of the Company in the form and context in which it is named. Link Market Services Limited has had no involvement in the preparation of any part of this Prospectus other than being named as CDI Registry to the Company. Link Market Services Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus; and
- TMC has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in the form and context in which it is named.

9.16 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under the Prospectus are governed by the laws applicable in Victoria and each Applicant submits to the exclusive jurisdiction of the courts of Victoria.

9.17 STATEMENT OF DIRECTORS

This Prospectus is authorised by each Director and the proposed Director of the Company who consents to its lodgement with ASIC and its issue.

This Prospectus is signed for and on behalf of the Company by:

Lawrence B. Gozlan
Chairman



SCHEDULE 1

Glossary

Schedule 1 Glossary



TERM	MEANING
2014 Plan	Has the meaning given in Section 6.5(a)
2023 Plan	Has the meaning given in Section 6.5(a)
1HY2022	The six months ended 30 June 2022
1HY2023	The six months ended 30 June 2023
2HY2023F	The Forecast Financial Information for the six months ending 31 December 2023
Anti-bribery and corruption Policy	The anti-bribery and corruption policy described in Section 6.9(g)
Applicant	A person who submits an Application
Application	A valid application made to subscribe for CDIs offered under this Prospectus
Application Form	The application form attached to or accompanying this Prospectus and any replacement prospectus (including the electronic form provided by an online application facility)
Application Monies	The amount of money accompanying an Application Form submitted by an Applicant
ARR	Annual recurring revenue
artificial intelligence or AI	The simulation of human intelligence in machines or computer systems that can perform tasks that typically require human intelligence. AI enables machines to learn from experience, adapt to new situations, and perform tasks with human-like abilities such as problem-solving, decision-making, speech recognition, language translation, and visual perception
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules or Listing Rules	The rules of the ASX that govern the admission, quotation and removal of securities from the ASX official list
ASX Recommendations	The fourth edition ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
ASX Settlement Operating Rules	The settlement rules of ASX as amended, varied or waived from time to time
Audit and Risk Management Committee	The committee described in Section 6.8(b)(i)
Average ARR	Has the meaning given in Section 2.4(b)
Awards	Has the meaning given in Section 6.5(b)

Schedule 1 Glossary continued

TERM	MEANING
Audit and Risk Management Committee	The committee described in Section 6.8(b)
Board	The board of directors of the Company
Broker	Any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Offer
Broker Firm Offer	The offer of CDIs under this Prospectus to investors who are clients of Brokers and who have received a firm allocation from their Broker as detailed in Section 7.4
Broker Firm Offer Applicant	A person who submits an Application under the Broker Firm Offer
Bylaws	Means the bylaws of the Company and, where the context requires, includes the Certificate of Incorporation, which will be in effect from Listing
CDI Holder	A holder of a CDI
CDI Registry	Link Market Services Limited
CDIs	CHESS Depositary Interests representing Shares
CDN	CHESS Depositary Nominees Pty Ltd
Certificate of Incorporation	Means the certificate of incorporation of the Company
CGT	Capital gains tax
CHESS	Clearing House Electronic Subregister System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules
Closing Date	The date on which the Offer is expected to close, being 5 December 2023
Code	The United States Internal Revenue Code of 1986
Code of Conduct	The code of conduct described in Section 6.9(d)
Commissioner	Australian Commissioner of Taxation
Common Stock	The common stock in the capital of the Company
Common Warrants	Warrants issued by the Company convertible into Shares on the terms set out in Schedule 4
Company or Enlitic	Enlitic, Inc. (ARBN 672 254 027)
Completion	The completion of the Offer, being the date upon which CDIs are issued to Successful Applicants in accordance with the terms of the Offer
computer vision	An AI technique, which allows machines to interpret and make decisions based on visual data



TERM	MEANING
Conditional Admission	The Company receiving a conditional admission letter from ASX
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CT	Computer Topography
DGCL	Delaware General Corporate Law
DICOM	Digital Imaging and Communications in Medicine, which is a standard for the communication and management of medical imaging information and related data in the healthcare industry
Directors	Each of the directors of the Company from time to time
Disclosure Policy	The disclosure policy described in Section 6.9(a)
Distribution Compliance Period	Has the meaning given in Section 9.6
Diversity Policy	The diversity policy described in Section 6.9(e)
EBITA	Earnings before interest, tax and amortisation
EBITDA	Earnings before interest, tax, depreciation and amortisation
End User Licence Agreement	The agreement entered into between the Company and a customer in respect of the supply of Enlitic products
Enlitic Australia	Enlitic Australia Pty Ltd (ACN 630 392 639)
Enlitic Canada	Enlitic AI Canada Inc.
Enterprise Value	The sum of market capitalisation at the Offer Price and pro forma net debt
Existing Shareholders	Those persons holding Shares as at the Prospectus Date
Expiry Date	13 months after the date of the Original Prospectus
Exposure Period	The seven day period commencing on the date of lodgement of the Original Prospectus with ASIC, which was extended by ASIC for an additional seven days
FATCA	Sections 1471 through 1474 of the Code
Financial Information	Has the definition given in Section 4
FOR	Foreign ownership restriction
Forecast Financial Information	Has the definition given in Section 4
FY	Year to 31 December

Schedule 1 Glossary continued

TERM	MEANING
FY2021	The financial year ended 31 December 2021
FY2022	The financial year ended 31 December 2022
FY2023F	The Forecast Financial Information for the financial year ending 31 December 2023
Group	The Company and each of its subsidiaries and a Group Company is any member of the Group
GST	Goods and services tax
HIN	A CDI Holder's Identification Number
Historical Financial Information	Has the definition given in Section 4
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
Independent Limited Assurance Report	The independent limited assurance report prepared by RSM and contained in Section 8
Institutional Investor	<p>Investors who are:</p> <ul style="list-style-type: none"> persons in Australia who are wholesale clients under section 761G of the Corporations Act and either "professional investors" or "sophisticated investors" under sections 708(11) and 708(8) of the Corporations Act; institutional investors in certain other jurisdictions, as agreed by the Company and the Lead Manager to whom offers of CDIs may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply), and in particular: <ul style="list-style-type: none"> if in Hong Kong, it (and any person for whom it is acting) is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong; if in New Zealand, it (and any person for whom it is acting) is a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification); if in Japan, it (and any person for whom it is acting) is a Qualified Institutional Investor, as defined under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, "FIEL"); and provided that in each case such investors are not in the United States
Institutional Offer	The invitation to Institutional Investors under this Prospectus to acquire CDIs, as described in Section 7.6



TERM	MEANING
Investigating Accountant	RSM
IRS	Internal Revenue Service
Lead Manager	MST Financial
Listing	Admission of the Company to the Official List of the ASX
M&A	Mergers and acquisitions
machine learning	An AI technique where systems learn from data and improve their performance over time
Mandate Agreement	Has the meaning given in Section 7.8(a)
Marubeni	Marubeni Corporation, a corporation organized under the laws of Japan
Maximum Subscription	The maximum subscription under the Offer, being A\$35 million
Minimum Subscription	The minimum subscription under the Offer, being A\$20 million
MRI	Magnetic Radiology Imaging
MST Financial	MST Financial Services Pty Ltd
natural language processing	An AI technique, which enables computers to understand and respond to human language
No Action Letter	Has the meaning given in Section 9.8(b)
Nomination and Remuneration and Committee	The committee described in Section 6.8(b)(ii)
non-U.S. Holder	Has the meaning given in Section 9.12(b)(i)
NPAT	Net profit after tax
OEM	Original equipment manufacturer
Offer	The offer under this Prospectus of CDIs for issue by the Company
Offer Period	The period from the Opening Date, and ending on the Closing Date
Offer Price	A\$0.83 per CDI
Official List	The official list of the ASX
Official Quotation	Quotation of the CDIs on the ASX

Schedule 1 Glossary continued

TERM	MEANING
Open Opportunity	An opportunity where the relevant potential customer has actively engaged with Enlitic in the sales process
Opening Date	The date on which the Offer opens, being 24 November 2023
Option	An option to acquire Shares on the terms set out in Schedule 3
Original Prospectus	The prospectus dated 9 November 2023 in relation to the Offer, which is replaced by this Prospectus
PACS	Picture archiving and communication system
Pending Progression	An opportunity where the relevant potential customer has shown an initial interest in Enlitic's products but has placed the sales process on a temporary hold due to their own internal factors, such as, IT capacity or budget constraints
PHI	Protected Health Information
Preference Warrants	Warrants issued by the Company on the terms set out in Schedule 5
Priority Offer	The component of the Offer under which investors who have received a Priority Offer Invitation are invited to apply for CDIs, as described in Section 7.5
Priority Offer Applicant	A person who submits an application under the Priority Offer
Priority Offer Invitation	The invitation under this Prospectus to selected investors in Australia and certain other jurisdictions to participate in the Priority Offer on a firm basis up to the allocation of CDIs determined by the Company
Pro Forma Forecast Cash Flows	Has the meaning given in Section 4
Pro Forma Forecast Financial Information	Has the meaning given in Section 4
Pro Forma Forecast Income Statement	Has the meaning given in Section 4
Pro Forma Historical Cash Flows	Has the meaning given in Section 4
Pro Forma Historical Financial Information	Has the meaning given in Section 4
Pro Forma Historical Income Statements	Has the meaning given in Section 4
Pro Forma Historical Statement of Financial Position	Has the meaning given in Section 4
Proof of Concept	Where the customer is in the testing phase of the product



TERM	MEANING
Prospectus	This document which is a replacement prospectus which replaces the Original Prospectus (including the electronic form of this Prospectus) and any supplementary or replacement prospectus in relation to this document
Prospectus Date	The date on which this Prospectus was lodged with ASIC, being 22 November 2023
QIB	A qualified institutional buyer as defined under the U.S. Securities Act
R&D	Research and development
RadLex	A comprehensive set of radiology terms for use in radiology reporting, decision support, data mining, data registries, education and research produced by RSNA
Regulation S	Means Regulation S of the U.S. Securities Act
Related Bodies Corporate	Has the meaning given to it in the Corporations Act
Retail Offer	Together, the Broker Firm Offer and the Priority Offer
RSM	RSM Corporate Australia Pty Limited
RSM Australia	RSM Australia Pty Ltd
RSNA	Radiological Society of North America
RWE	Real world evidence
Securities Trading Policy	The securities trading policy described in Section 6.9(c)
Security	A security of the Company
Settlement	The settlement in respect of the CDIs the subject of the Offer occurring under the Mandate Agreement and associated settlement support arrangements
Share	Common stock of the Company
Shareholder	A holder of a Share in the Company
SRN	Securityholder Reference Number
Statutory Forecast Cash Flows	Has the meaning given in Section 4
Statutory Forecast Financial Information	Has the meaning given in Section 4
Statutory Forecast Income Statements	Has the meaning given in Section 4
Statutory Historical Cash Flows	Has the meaning given in Section 4

Schedule 1 Glossary continued

TERM	MEANING
Statutory Historical Financial Information	Has the meaning given in Section 4
Statutory Historical Income Statements	Has the meaning given in Section 4
Statutory Historical Statement of Financial Position	Has the meaning given in Section 4
Stockholder Communication Policy	The stockholder communications policy described in Section 6.9(b)
Successful Applicant	An Applicant who is issued CDIs under the Offer
TCV or Total Contract Value	Has the meaning given in Section 4
TMC	European Telemedicine Clinic SL
TSM	Total serviceable market
U.S. or United States	United States of America
U.S. Exchange Act	U.S. Securities Exchange Act of 1934, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Person	Has the meaning given in Rule 902(k) of Regulation S under the U.S. Securities Act
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USRPHC	United States real property holding corporation
Warrants	Common Warrants and/or Preference Warrants (as the context requires)
Whistleblower protection Policy	The whistleblower protection policy described in Section 6.9(f)



SCHEDULE 2

Significant Accounting Policies

Schedule 2 Significant Accounting Policies

1 GENERAL INFORMATION

1.1 Basis of preparation

The Financial Information has been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

(a) Historical cost convention

The Financial Information has been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of consolidation

The Financial Information incorporate the assets and liabilities of all subsidiaries of Enlitic. (**Company or parent entity**) as at 30 June 2023 and the results of all subsidiaries for the periods presented. Enlitic and its subsidiaries together are referred to in the accounting policy below as the **Group**.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

2.2 Foreign currency translation

The financial statements are presented in US Dollars, which is Enlitic, Inc.'s functional and presentation currency.

(a) Foreign currency transactions

Foreign currency transactions are translated into US Dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(b) Foreign operations

The assets and liabilities of foreign operations are translated into US Dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into US Dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.



2.3 Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

2.4 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

2.5 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

2.6 Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

2.7 Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

2.8 New Accounting Standards and Interpretations not yet mandatory or early adopted

International Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2022. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Schedule 2 Significant Accounting Policies continued

3 CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1 Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

3.2 Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

3.3 Estimate for convertible note fair valuation

The Company has issued convertible debt instruments that contain embedded conversion features. The debt component is valued based on discounting the contractual cash flows by the interest rate that would apply to an otherwise identical debt instrument with no conversion feature, which usually involves significant judgment in relation to identifying benchmark debt with similar features. The fair valuation of conversion features requires significant judgment due to the reliance on various assumptions and market variables. The fair value of the conversion feature is determined using a Monte Carlo simulation model, which incorporates inputs such as the Company's (or a benchmark company's) stock price, volatility, risk-free interest rate, and expected term until conversion. Changes in these inputs could result in significantly different fair value estimates. Management continually assesses market conditions and updates assumptions as required.



SCHEDULE 3

Key terms of Options

Schedule 3 Key terms of Options

The key terms of the Options are as set out below.

- (a) **entitlement:** Each Option entitles the holder to one Share in the Company upon exercise.
- (b) **issue price:** Nil.
- (c) **exercise price and expiry date:** The exercise price and corresponding expiry date for the Options are set out as follows:

NUMBER OF OPTIONS	EXERCISE PRICE	EXPIRY DATE
31,636	US\$1.15	Various expiry dates in 2026
300,664	US\$0.84	Various expiry dates in 2027
979,397	US\$1.16	6 June 2029
30,000	US\$2.84	11 November 2029
136,146	US\$2.32	30 July 2030
211,973	US\$2.75	Various expiry dates in 2031 and 2032
1,596,652	US\$0.35	Various expiry dates in 2027 and 2033
10,052,864	US\$0.11	29 May 2033

- (d) **exercise:** The holder of each Option may exercise the Option by giving notice to the Company by providing an exercise form and payment of the relevant exercise price to the Company's office prior to the relevant expiry date. Exercise will be deemed to have been effected immediately prior to the close of business on the day which the Company receives the exercise price.
- (e) **transferability:** The Options may not be transferred.
- (f) **amendment to exercise price or number of underlying Shares:** Under the terms of the Company's 2014 Equity Incentive Plan, under which the Options were issued under, the Board has the power to appropriately and proportionately amend the terms of the Options in the case of certain capitalisation adjustments, which include actions such as a merger, consolidation, reorganization, recapitalisation, reincorporation, stock dividend, dividend in property other than cash, large non-recurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction.
- (g) **ranking of underlying Shares:** The Shares underlying the Options rank equally with all other Shares upon their issue.
- (h) **participation rights:** The Options do not provide holders with any rights to participate in pro-rata entitlement offers prior to their exercise.
- (i) **voting rights:** The Options do not provide holders with any voting rights prior to their exercise.
- (j) **rights to dividends:** The Options do not provide holders with any rights to receive dividends prior to their exercise.
- (k) **rights to surplus assets upon winding up:** The Options do not provide holders with any rights to receive surplus assets of the Company upon winding up.
- (l) **rights upon cessation of employment:** Generally, a holder will have 3 months to exercise any vested Options, with longer periods provided in the event of a holder's termination due to death or permanent disability. All unvested Options are forfeited, and the corresponding reserved Shares returned to the option pool and may be reissued. Certain holders per the terms of their employment agreements and grants may be entitled to a longer period to exercise their options. Certain holders may have their Options vesting accelerated upon cessation of employment per the terms of their employment agreements and grants.
- (m) **rights upon change of control:** The Board has discretion on how to treat Options upon a change of control. Certain holders per the terms of their employment agreements and grants may have their Option vesting accelerated in whole or in part.



SCHEDULE 4

Key terms of Common Warrants

Schedule 4

Key terms of Common Warrants

The key terms of the Common Warrants are as set out below.

- (a) **entitlement:** Each Common Warrant entitles the holder to one Share in the Company upon exercise.
- (b) **issue price:** Nil.
- (c) **exercise price and expiry date:** The exercise price and corresponding expiry date for the Common Warrants are set out as follows:

NUMBER OF COMMON WARRANTS	EXERCISE PRICE	EXPIRY DATE
Warrants to purchase up to an aggregate of 107,767 shares of Common Stock	US\$1.16	October 2028
Warrants to purchase up to an aggregate of 55,000 shares of Common Stock	US\$2.84	July 2030

- (d) **exercise:** The holder of the Common Warrants may exercise the Common Warrant by surrendering the Common Warrant along with providing an exercise form and payment of the relevant exercise price to the Company's office prior to the relevant expiry date. Exercise will be deemed to have been effected immediately prior to the close of business on the day which the Common Warrant is surrendered to the Company.
- (e) **transferability:** Subject to any requirements to any registration requirements under the U.S. Securities Act and mandatory escrow imposed by ASX, the Common Warrants and the Shares issued on their exercise may be transferred.
- (f) **amendment to exercise price or number of underlying Shares:**
 - (i) Share splits or consolidation
If the Company's Shares are subdivided into a greater number of Shares, the exercise price for the Common Warrants is proportionally reduced. If the number of Shares is reduced the exercise price will be proportionally increased.
 - (ii) Dividends
If the Company pays a dividend with respect to Shares, the exercise price for the Common Warrants is proportionally reduced.
 - (iii) Reclassification
In the case of reclassification, reorganisation or change to the Company's Shares, the holder of Common Warrants becomes entitled to whatever stock they would have been entitled to had they exercised the Common Warrant immediately prior to the reorganisation.
- (g) **ranking of underlying Shares:** The Shares underlying the Common Warrants rank equally with all other Shares upon their issue.
- (h) **participation rights:** The Common Warrants do not provide holders with any rights to participate in pro-rata entitlement offers prior to the exercise of the Common Warrants.
- (i) **voting rights:** The Common Warrants do not provide holders with any voting rights prior to the exercise of the Common Warrants.
- (j) **rights to dividends:** The Common Warrants do not provide holders with any rights to receive dividends prior to the exercise of the Common Warrants.
- (k) **rights to surplus assets upon winding up:** The Common Warrants do not provide holders with any rights to receive surplus assets of the Company upon winding up.
- (l) **rights upon change of control:** The holders of the Common Warrants are entitled to notice.



SCHEDULE 5

Key terms of Preference Warrants

Schedule 5

Key terms of Preference Warrants

The key terms of the Preference Warrants are as set out below.

- (a) **entitlement:** Each Preference Warrant entitles the holder to one series C preference stock in the Company (refer to the notes to the capital structure at Section 9.4 for further details).
- (b) **issue price:** Nil.
- (c) **exercise price:** US\$1.04555.
- (d) **expiry date:** 31 December 2024.
- (e) **transferability:** Subject to any requirements to any registration requirements under the U.S. Securities Act and mandatory escrow imposed by ASX, the Preference Warrants and the Shares issued on their exercise may be transferred.
- (f) **exercise:** The holder of the Preference Warrants may exercise the Preference Warrant by surrendering the Preference Warrant along with providing an exercise form and payment of the relevant exercise price to the Company's office prior to the relevant expiry date. Exercise will be deemed to have been effected immediately prior to the close of business on the day which the Preference Warrant is surrendered to the Company.
- (g) **amendment to number of underlying Shares:** In the event of changes to the Shares by reason of dividends, Share splits, recapitalisations, reclassifications or similar, the number and class of Shares to which the holder of the Preference Warrant is entitled in the aggregate will be adjusted to give the holder the total number, class and kind of shares on exercise as the holder would have been entitled to receive had the Preference Warrant been exercised prior to the event. No fractional shares will be issued as a result of the adjustment.
- (h) **change of control:** In the event of a consolidation, merger or sale during the term of the Preference Warrants, the Company must provide 10 days' notice to the holder of the Preference Warrants of the event and, if the fair market value of an underlying Share is greater than the exercise price, then any unexercised Preference Warrants will be automatically net exercised and the holder will receive a number of Shares calculated in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Shares to be issued to the holder upon exercise of the Preference Warrants

Y = the number of Shares underlying the Preference Warrant

A = the fair market value of one Share (at the date of such calculation)

B = exercise price (as adjusted to the date of such calculation)

- (i) **ranking of underlying Shares:** The Shares underlying the Preference Warrants rank equally with all other Shares upon their issue.
- (j) **participation rights:** The Preference Warrants do not provide holders with any rights to participate in pro-rata entitlement offers prior to the exercise of the Preference Warrants.
- (k) **voting rights:** The Preference Warrants do not provide holders with any voting rights prior to the exercise of the Preference Warrants.
- (l) **rights to dividends:** The Preference Warrants do not provide holders with any rights to receive dividends prior to the exercise of the Preference Warrants.
- (m) **rights to surplus assets upon winding up:** The Preference Warrants do not provide holders with any rights to receive surplus assets of the Company upon winding up.

Corporate directory



COMPANY

Enlitic, Inc.

3420 East Harmony Road
Suite 125
Fort Collins CO 80528

ENLITIC AUSTRALIAN REGISTERED OFFICE

c/o CharterNet Rothsay
6-10 O'Connell Street
Sydney NSW 2000

LEAD MANAGER

MST Financial Services Pty Ltd

Level 13
14 Martin Place
Sydney NSW 2000

AUSTRALIAN LEGAL ADVISER

Gilbert + Tobin

Level 25, 101 Collins Street
Melbourne VIC 3000

US LEGAL ADVISOR

Cooley LLP

3 Embarcadero Center, 20th Floor
San Francisco, CA 94111
United States

ENLITIC OFFER INFORMATION LINE

Between 8.30am and 5.30pm (Melbourne time),
Monday to Friday (excluding public holidays)

Toll-free within Australia
1800 131 904

Outside Australia
+61 1800 131 904

OFFER WEBSITE

<https://events.miraqle.com/enlitic-ipo>

ASX CODE

ENL

CDI REGISTRY

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000

INVESTIGATING ACCOUNTANT

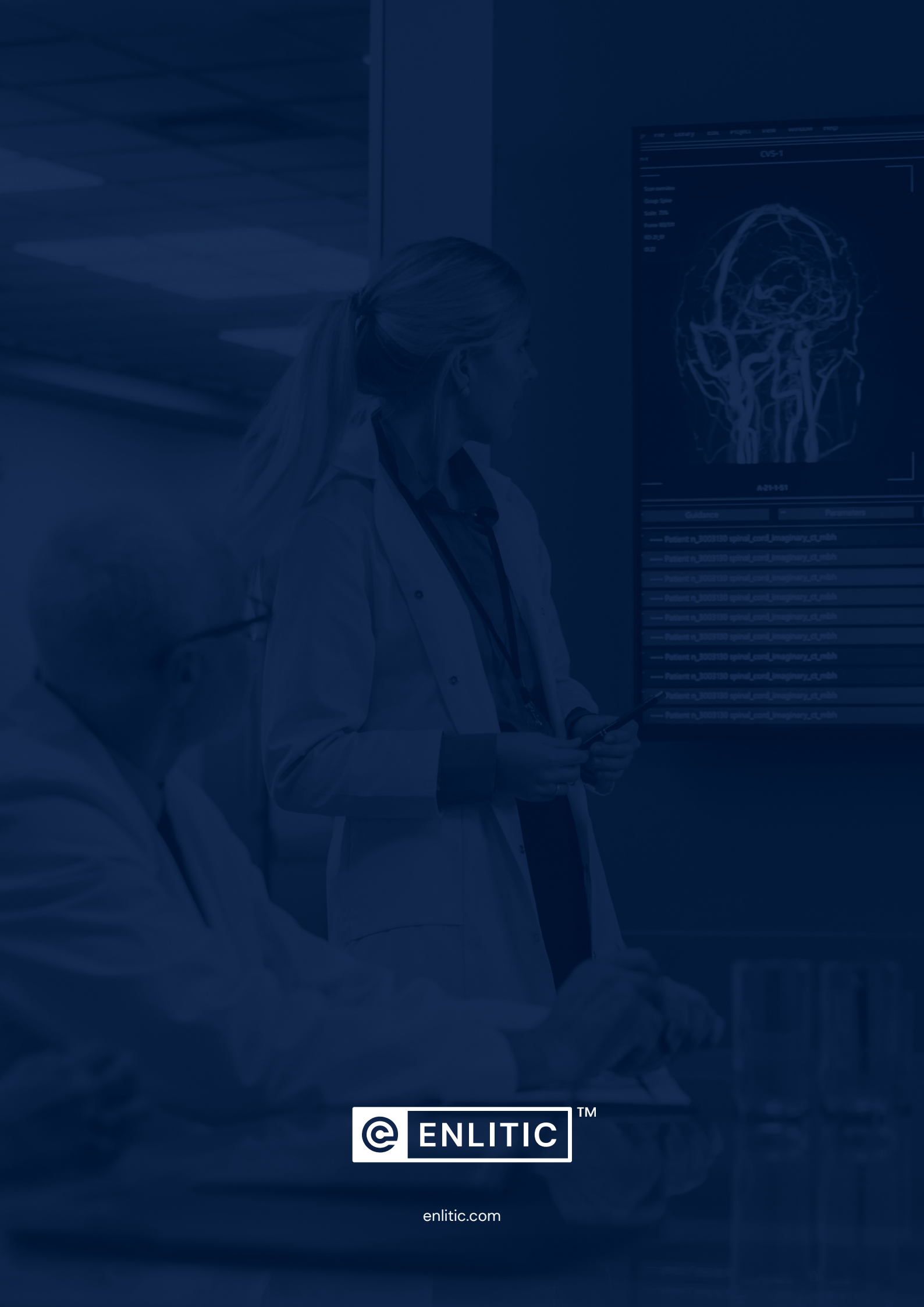
RSM Corporate Australia Pty Ltd

Level 21
55 Collins Street
Melbourne VIC 3000

AUDITOR AND AUSTRALIAN TAX ADVISER

RSM Australia Pty Ltd

Level 21
55 Collins Street
Melbourne VIC 3000



enlitic.com