

3 March 2023

Mr. Sean Maloney  
Senior Adviser, ASX Listings Compliance  
ASX Compliance Pty. Ltd.  
Level 40, Central Park  
152-158 St. Georges Terrace  
Perth, WA 6000

**Way2Vat Limited – Aware Query Letter**

Dear Mr. Maloney,

Way2Vat Limited ("W2V" or the "**Company**") refers to the letter from ASX dated 28 February 2023 ("**Query Letter**").

Detailed below are the Company's responses to the questions in the Query Letter. Unless otherwise defined, capitalised terms in this letter have the same meaning given to those terms in the Query Letter.

***Question 1: Does W2V consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?***

1. No.

***Question 2: If the answer to question 1 is "no", please advise the basis for that view.***

2. W2V does not consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities on the basis that:
- a) following receipt of the purported Notice of Termination from Endeavor on 29 January 2022, the Company:
    - (i) disputed the legal basis of the purported termination;
    - (ii) sought to resolve the dispute and remediate the relationship between the parties; and
    - (iii) had an expectation, at that time, that the dispute would be resolved;
  - b) the parties engaged in protracted correspondence and negotiations in respect to their respective claims, which ultimately culminated in the execution of the Deed of Settlement on 18 January 2023. During this time:
    - (i) the Company had expanded its business, including increasing the number of enterprise clients and new strategic partners (the number of enterprise clients increased from 200 to 250 in the calendar year 2022);
    - (ii) the Endeavor arrangement had become immaterial to the business of the Company; and
    - (iii) the Company considered the potential claims which the parties had against each other and ultimately the quantum payable by Endeavor under the Settlement Deed (being £30,000) to be insignificant, having regard to the size of the Company's operations (the Company derived total reported revenue (after adjusting for currency) of A\$1.88 million for the calendar year 2022); and

- c) further, the Company had not derived any revenue, other than the settlement sum, from the Endeavor arrangement and had previously informed the market (amongst other matters) that:
- (i) the arrangement with Endeavor was non-exclusive and did not specify minimum volumes due to the transaction-based nature of the service; and
  - (ii) the material value of the Endeavor arrangement could not be calculated (no projections or forecasts in respect to the Endeavor arrangement were provided), (refer to the ASX announcement dated 17 December 2021).

**Question 3: When did W2V first become aware of the Information? Please comment specifically on when W2V first became aware of the Notice of Termination, Deed of Settlement and Earnings Guidance.**

3. W2V first became aware of:

- a) the purported Notice of Termination on 29 January 2022; and
- b) the Deed of Settlement on 18 January 2023 (when an executed counterpart of the Deed of Settlement was sent to the Company).

4. At no stage did the Endeavor arrangement have any impact on the Company's earnings (referred to as "Earnings Guidance").

**Question 4: If the answer to question 1 is "yes" and W2V first became aware of the Information before the relevant date, did W2V make any announcement prior to the relevant date which disclosed the Information? If so, please provide details. If not, please explain why this Information was not released to the market at an earlier time, commenting specifically on when you believe W2V was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps W2V took to ensure that the Information was released promptly and without delay.**

5. Not applicable.

**Question 5: Please confirm that W2V is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

6. Yes.

**Question 6: Please confirm that W2V's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of W2V with delegated authority from the board to respond to ASX on disclosure matters.**

7. Yes, confirmed.

For and on behalf of Way 2 Vat Limited,

**Ms. Emily Austin**  
Company Secretary  
Way 2 Vat Limited



28 February 2023

Reference: 69250

Ms Emily Austin  
Company Secretary  
Way 2 Vat Ltd.

By email: emily.austin@automicgroup.com.au

Dear Ms Austin

**Way 2 Vat Ltd. ('W2V'): General – Aware Query**

ASX refers to the following:

- A. W2V's announcement entitled "Way2VAT signs Endeavor Group Holdings - its largest automated VAT/GST claim and return client in the US enterprise market" lodged on the ASX Market Announcements Platform on 17 December 2021 and released as 'price sensitive', disclosing the following, among other things:

*"Way2VAT signs major enterprise client, Endeavor Group Holdings (NYSE:EDR), to improve compliance and automation of its VAT/GST claim and returns across US, EMEA and Asia Pacific..."*

*.....The non-exclusive agreement does not specify minimum volumes due to the transaction-based nature of the service. Therefore, the material value of the agreement cannot be calculated. However, this agreement does establish a key strategic partner for Way2VAT."*

- B. W2V's announcement entitled "Termination of Endeavor Group Arrangement" lodged on the ASX Market Announcements Platform on 27 February 2023 (the 'Announcement'), disclosing the following, among other things:

*"Way2Vat received a purported notice of termination ('Notice of Termination') from Endeavor in January 2022 alleging that Way2Vat had breached certain confidentiality provisions under the Endeavor Agreement due to the release of the ASX announcements and media releases;*

*Way2Vat disputed the legal basis of Endeavor's purported termination;*

*following protracted negotiations and discussions with Endeavor, the parties entered into a deed of settlement and release ('Deed of Settlement') in January 2023 to resolve all outstanding matters and claims in respect to the Endeavor arrangement. The deed of settlement and release details (amongst other things):*

- a) a payment of £30,000 from Endeavor to Way2Vat for services rendered by Way2Vat to Endeavor; and*
- b) a mutual release, whereby each party releases and forever discharges the other party from any and all claims, demands, liabilities, obligations, damages or causes of action of every kind, character, nature and manner whatsoever, whether asserted or not, relating to, on account of, or arising out of the Endeavor Agreement; and*

*Way2Vat has not rendered any services to Endeavor since on or about 31 December 2021 and the arrangement with Endeavor, and subsequent termination, has had no material impact on the Company's earnings ('Earnings Guidance')."*

(together, the 'Information').

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- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information", which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*
- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.
- "3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1 One or more of the following applies:*
- It would be a breach of a law to disclose the information;*
  - The information concerns an incomplete proposal or negotiation;*
  - The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
  - The information is generated for the internal management purposes of the entity; or*
  - The information is a trade secret; and*
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 A reasonable person would not expect the information to be disclosed."*
- F. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:
- "Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*
- G. Section 4.1 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "What type of information has to be disclosed", which gives a number of examples of the type of information that could be market sensitive, including:
- "the entry into, variation or termination of a material agreement."*

### **Request for information**

Having regard to the above, ASX asks W2V to respond separately to each of the following questions and requests for information:

1. Does W2V consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.

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3. When did W2V first become aware of the Information? Please comment specifically on when W2V first became aware of the Notice of Termination, Deed of Settlement and Earnings Guidance.
  4. If the answer to question 1 is “yes” and W2V first became aware of the Information before the relevant date, did W2V make any announcement prior to the relevant date which disclosed the Information? If so, please provide details. If not, please explain why this Information was not released to the market at an earlier time, commenting specifically on when you believe W2V was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps W2V took to ensure that the Information was released promptly and without delay.
  5. Please confirm that W2V is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  6. Please confirm that W2V’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of W2V with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Friday, 3 March 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, W2V’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require W2V to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in W2V’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

#### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in W2V’s securities under Listing Rule 17.3.

#### **Listing Rules 3.1 and 3.1A**

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In responding to this letter, you should have regard to W2V's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that W2V's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

**Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

**Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Sean Maloney**  
Senior Adviser, Listings Compliance