

ASX release

Monday, 17 April 2023

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

Not for release to US wire services or distribution in the United States

Way 2 VAT Ltd (ARBN 637 709 114) (**W2V** or the **Company**) (ASX: W2V) today announced a fully underwritten one (1) for one (1) non-renounceable entitlement offer to raise approximately A\$2.35 million (before costs) (**Entitlement Offer**) and that it had received firm commitments for a A\$1.194 million placement (subject to shareholder approval) (**Placement**) to raise an aggregate of approximately A\$3.544 million (before costs) (together, the **Capital Raising**).

Under the Entitlement Offer, eligible shareholders will be invited to subscribe for one (1) new fully paid ordinary share (**New Shares**) for every one (1) existing share held in the Company at the record date, being 5:00pm (AWST) on 20 April 2023, at an issue price of A\$0.01 per New Share.

The Entitlement Offer will be fully underwritten by BW Equities Pty Ltd (**Underwriter**).

Further details regarding the Entitlement Offer and the Placement are detailed in the ASX announcement and Appendix 3B lodged on Monday, 17 April 2023.

The Company advises that it will offer the New Shares to investors under Part 6D.2 of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and states that this notice is given to ASX under section 708AA(2)(f) of the Corporations Act, as modified by the Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

Accordingly, the Company confirms that:

- (a) the Company will offer the New Shares under the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified by ASIC;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act;
- (d) as at the date of this notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

- (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the New Shares; and
- (e) the potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the extent to which eligible shareholders take up their entitlements under the Entitlement Offer (refer below for further details).

Potential Effect and Consequence on Control

The Company is not incorporated under the Corporations Act (as it is an Israeli company) and the provisions of Chapters 6 and 6C of the Corporations Act do not apply to the Company. However, for the purposes of detailing the effect of the Entitlement Offer on the control of the Company, this notice utilises the terms defined in those chapters of the Corporations Act as if they did apply.

The potential effect of the Entitlement Offer on control of the Company is as follows:

- (a) If all eligible shareholders take up their full entitlement, there will be no actual or potential effect or consequence arising from the Entitlement Offer on the control of the Company.
- (b) In the event there is a shortfall under the Entitlement Offer, the shortfall New Shares will be offered to other eligible shareholders under a top-up facility, whereby eligible shareholders may apply for additional New Shares in addition to their entitlement under the Entitlement Offer.
- (c) The Entitlement Offer is fully underwritten by the Underwriter, subject to certain conditions precedent, termination events and other customary provisions. The Underwriter has also separately entered into various sub-underwriting arrangements in respect to the Entitlement Offer, including with an entity associated with Thorney Investment Group (**Thorney Group**) who as at the date of this notice, via entities associated with, or nominee entities of, the Thorney Group hold 9,674,945 shares in the Company (being approximately 4.1% of the issued share capital of the Company).
- (d) Entities associated with, or nominee entities of, the Thorney Group have agreed to take up their full entitlement under the Entitlement Offer and sub-underwrite the Entitlement Offer, up to an aggregate amount of A\$1,000,000.
- (e) If all eligible shareholders do not take up their entitlement under the Entitlement Offer and do not apply for shortfall New Shares, the interests of eligible shareholders and ineligible shareholders not entitled to participate in the Entitlement Offer will be diluted and the voting power of the Thorney Group will increase to up to approximately 23.25% (note that this voting power will be reduced by the issue of shares under the Placement).



- (f) The potential increase in voting power of the Thorney Group means that Thorney Group may be in a position to potentially influence the decisions of the Company and its business. As at the date of this Notice and to the best of the Company's knowledge, the Thorney Group has no present intention to change the Company's business. However, the Thorney Group may (subject to consultation with the Company) appoint an additional director to the board of the Company in the future.

This announcement was authorised for release to the ASX by the Board of Way2VAT.

ENDS

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About Way2VAT

Way2VAT is a global leader in automated VAT/GST claim and return solutions in more than 40 countries and over 20 languages, serving hundreds of enterprise businesses worldwide. Owns and operates a patented artificial intelligence technology that powers the world's first fully automated, end-to-end VAT reclaim platform.

Established in 2014, Way2VAT is headquartered in Tel Aviv with offices in the United Kingdom, Spain, and Romania and has over 60 employees.

Used by more than 225 enterprise companies including Amdocs, EY Israel, MasterCard, eToro, Kimberly-Clark, Hitachi ABB, Mobileye Intel, RB, Willis Towers, Siemens-Israel, Daily Mail Group, Sage, Falck, Boston Red Sox, and Foot Locker Europe with customer retention over 97%. www.way2vat.com

Not an offer of securities

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