



**WAY 2 VAT LIMITED**

**ARBN 637 709 114**

# **OFFER BOOKLET**

**For a non-renounceable pro-rata entitlement offer of one (1) New Share for every one (1) Share held by Eligible Shareholders at the Record Date at an offer price of A\$0.01 per New Share to raise approximately A\$2.35 million.**

**THE ENTITLEMENT OFFER OPENS ON THURSDAY, 27 APRIL 2023 AND CLOSSES AT 5.00PM (SYDNEY TIME) ON THURSDAY, 11 MAY 2023 (UNLESS EXTENDED). VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.**

**PLEASE READ THE INSTRUCTIONS IN THIS OFFER BOOKLET AND ON THE ACCOMPANYING ENTITLEMENT AND ACCEPTANCE FORM REGARDING THE ACCEPTANCE OF YOUR ENTITLEMENT UNDER THE ENTITLEMENT OFFER.**

**THIS IS AN IMPORTANT DOCUMENT WHICH REQUIRES YOUR IMMEDIATE ATTENTION AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISER.**

**THIS OFFER BOOKLET IS NOT A PROSPECTUS. IT DOES NOT DETAIL ALL OF THE INFORMATION THAT AN INVESTOR WOULD FIND IN A PROSPECTUS OR WHICH MAY BE REQUIRED IN ORDER TO MAKE AN INFORMED INVESTMENT DECISION REGARDING, OR ABOUT THE RIGHTS ATTACHING TO, THE NEW SHARES OFFERED BY THIS OFFER BOOKLET.**

**AN INVESTMENT IN THE SECURITIES OFFERED UNDER THIS OFFER BOOKLET SHOULD BE CONSIDERED HIGHLY SPECULATIVE IN NATURE.**

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## IMPORTANT NOTICES

**Defined terms used in these important notices have the meaning given in this Offer Booklet.**

The Entitlement Offer is being made pursuant to provisions of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allow entitlement offers to be made without a prospectus. This Offer Booklet does not detail all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to carefully read and understand the information on Way2VAT Limited ARBN 637 709 114 (**Way2VAT** or **Company**) and the Entitlement Offer made publicly available, prior to accepting all or part of your Entitlement or doing nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, Way2VAT's half year and annual reports and other announcements lodged with the Australian Securities Exchange (**ASX**) (including announcements which may be made by Way2VAT after publication of this Offer Booklet).

This information is important and requires your immediate attention.

You should read this Offer Booklet carefully in its entirety before deciding whether to invest in New Shares. In particular, you should consider the risk factors outlined in Section 4 that could affect the operating and financial performance of Way2VAT or the value of an investment in Way2VAT.

BW Equities Pty Ltd ACN 146 642 462 (**Lead Manager**) nor any of its affiliates, related bodies corporate, nor their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (each a **Limited Party**), have permitted or caused the issue, submission, or operation of this Offer Booklet, or authorised, approved or verified any forward-looking statements or any other statements. To the maximum extent permitted by law, the Lead Manager and each of the Lead Manager and Limited Parties expressly disclaim all liabilities (including, without limitation, any liability arising from fault or negligence on the part of any person) and any direct, indirect, consequential or contingent loss or damage whatsoever arising from, make no representations regarding, and take no responsibility for, any part of this Offer Booklet and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Offer Booklet.

The Lead Manager and Limited Parties make no recommendation as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information and by paying for your New Shares or additional New Shares (in excess of your entitlement) through BPAY® or EFT payment in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Lead Manager and Limited Parties in relation to the New Shares, additional New Shares (in excess of your entitlement) or the Entitlement Offer generally.

The Entitlement Offer is being undertaken by Way2VAT and the Lead Manager has no role, involvement or responsibility for the Entitlement Offer.

You acknowledge and agree that:

- determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Way2VAT and the Lead Manager;
- each of Way2VAT, the Lead Manager and each of their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law; and
- the information in this Offer Booklet remains subject to change without notice.

## **Future performance and forward looking statements**

This Offer Booklet details certain forward looking statements including but not limited to estimates, the outcome and effects of the Entitlement Offer and the Placement and the use of proceeds and the future performance of Way2VAT. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements include those detailing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may" "intends", "guidance", "project", "forecast", "target", "likely", "continue", "objectives" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the Placement and the use of proceeds, certain plans, strategies and objectives of management, expected financial performance. Any forward looking statements, opinions and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Way2VAT and its officers, employees, agents, associates and advisers. This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied in such statements. Except as required by law or regulation, Way2VAT undertakes no obligation to update these forward-looking statements whether as a result of new information, future events or results or otherwise.

To the maximum extent permitted by law, Way2VAT and its officers, employees, agents, associates and advisers and the Lead Manager and Limited Parties do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of such information, or likelihood of fulfilment of any forward looking statement, and disclaim all responsibility and liability for these forward looking statements (including, without limitation, liability for negligence). Refer to Section 4 – Key Risks for a summary of certain risk factors that may affect Way2VAT. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The forward looking statements are based on information available to Way2VAT as at the date of this Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), Way2VAT, the Lead Manager and Limited Parties undertake no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

## **Financial information**

All financial information in this Offer Booklet is in Australian dollars (\$) or A\$) or United States dollars (US\$ or USD) unless otherwise stated. Investors should note that this Offer Booklet details pro forma financial information. Investors should also note that this Offer Booklet does not include financial statements of Way2VAT. For more detail, please refer to this Offer Booklet, Way2VAT's half year and annual reports and other announcements lodged with ASX (including announcements which may be made by Way2VAT after publication of this Offer Booklet).

Investors should be aware that certain financial measures included in this Offer Booklet are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and International Financial Reporting Standards (**IFRS**). Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this Offer Booklet.

## **Past performance**

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future Way2VAT performance including future share price performance.

## Foreign Jurisdictions

The information in this Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the New Shares, or otherwise permit a public offering of the New Shares, in any jurisdiction outside of Australia.

The distribution of this Offer Booklet (including an electronic copy) outside of Australia, Israel, New Zealand and Singapore may be restricted by law. If you come into possession of the information in this Offer Booklet, you should observe such restrictions, including those included in this Offer Booklet.

Because of legal restrictions, you must not send copies of this Offer Booklet or any material in relation to the Entitlement Offer to any person outside Australia, Israel, New Zealand, and Singapore. Failure to comply with these restrictions may result in violations of applicable securities laws.

### ***Israel***

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968 (**Securities Law**) and has not been filed with or approved by the Israel Securities Authority. In the State of Israel, this document is being distributed only to, and is directed only at, and any offer of the ordinary shares is directed only at, (i) a limited number of not more than 35 persons or entities in accordance with the Securities Law and the regulations thereunder and (ii) investors listed in the first addendum to the Securities Law (**Addendum**), consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds (all as defined under the Israeli law), entities with equity in excess of ILS 50 million (other than entities formed for the acquisition of securities from a certain offer) and “qualified individuals,” each as defined in the Addendum (as it may be amended from time to time), collectively referred to as **Qualified Investors** (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified Investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it. Certain Qualified Investors may be required to submit additional confirmations.

### ***New Zealand***

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### ***Singapore***

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## **United States of America**

This Offer Booklet, the accompanying Letter, the accompanying Investor Presentation and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States of America. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States of America, and may not be offered or sold within the United States of America except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States of America. The New Shares in the Entitlement Offer may only be offered and sold outside the United States of America in “offshore transactions” in reliance on Regulation S under the Securities Act. None of this Offer Booklet, the accompanying Letter, any accompanying ASX announcements or the Entitlement and Acceptance Form may be distributed or released in the United States of America.

## **Times and dates**

Times and dates in this Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney Time. Refer to the Indicative Timetable for more details.

## **Currency**

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (\$) or A\$).

## **Trading New Shares**

Way2VAT will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Way2VAT or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

Refer to the Section 6 – Important Information for details.

## **Is this booklet relevant to you?**

This Offer Booklet is relevant to you if you are an Eligible Shareholder.

In this Offer Booklet, references to “you” are references to Eligible Shareholders and references to “your Entitlement” or “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

Eligible Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on Friday, 21 April 2023;
- have a registered address on the Way2VAT share register in Australia, Israel, New Zealand or Singapore;
- are not in the United States of America and are not acting for the account or benefit of a person in the United States of America (to the extent such person holds Shares for the account or benefit of such person in the United States of America); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Refer to the Section 6 – Important Information for further details.

# CORPORATE DIRECTORY

## Directors

Mr Amos Simantov - Chief Executive Officer and Managing Director

Mr Adoram Ga'ash - Non-Executive Chairman

Mr David Assia - Non-Executive Director

Mr David Buckingham - Non-Executive Director

Mr Robert Edgley - Non-Executive Director

Ms Ayelet Verbin - Non-Executive Director

## Joint Company Secretaries

Ms Emily Austin

Ms Lucy Rowe

## Registered and Principal Office (Israel)

3rd Floor, 34A Ha'Barzel Street

Tel Aviv, Israel 6971051

Telephone: 97 2 3 508 0022

Website: [www.way2vat.com](http://www.way2vat.com)

## Registered Office (Australia)

C/ - Automic Group Pty Ltd

Level 5, 126 Phillip Street

Sydney, NSW 2000

**ASX Code:** W2V

## Lawyers (Australia)

Thomson Geer

Level 27, Exchange Tower

2 The Esplanade

Perth WA 6000

## Lawyers (Israel)

Kafri Leibovich

3rd Floor, 11 Habarzel Street

Tel Aviv, Israel 6971017

## Lead Manager

BW Equities Pty Ltd

Level 30

360 Collins Street

Melbourne Victoria 3000

## Auditors\*

BDO Israel

Amot BDO House,

48 Menachem Begin Road

Tel Aviv, Israel 6618001

Telephone: +97 2 363 6868

## Share Registry

Automic Pty Ltd

Level 5, 126 Phillip Street

Sydney NSW 2000

Australian telephone: 1300 288 664

International telephone: +61 2 9698 5414

\*These entities have not been involved in the preparation of this Offer Booklet and have not consented to being named in this Offer Booklet. Their names are included for information purposes only.



# LETTER FROM THE CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

20 April 2023

Dear Shareholder

On behalf of the Board of Way2VAT Limited (**Way2VAT** or the **Company**), I am delighted to invite you to participate in a one (1) for one (1) non-renounceable pro-rata entitlement offer of new ordinary shares in the Company (**New Shares**) at an offer price of A\$0.01 per New Share (**Offer Price**) to raise gross proceeds of approximately A\$2,350,000 (**Entitlement Offer**). The Entitlement Offer is fully underwritten.

The Entitlement Offer was announced on 17 April 2023 in conjunction with the Company announcing the receipt of firm commitments to raise A\$1,194,000 via the issue of 119,400,000 Shares at the Offer Price under a placement to sophisticated investors (**Placement**, and together with the Entitlement Offer, the **Capital Raising**). The issue of Shares pursuant to the Placement is subject to the Company obtaining shareholder approval. Shares issued pursuant to the Placement will not carry any entitlement to participate in the Entitlement Offer

Proceeds from the Capital Raising will be utilised to:

- fund the acceleration of sales execution and revenue growth in the Company's key product suites of VAT reclaim for travel expenses and accounts payable for enterprise and small-to-medium enterprise clients;
- fund the Company's Smart Spend Debit Mastercard initiatives to roll out this product to new and existing customers in the UK and European market;
- support investment in further development and maintenance of the Company's "in market" proprietary AI technologies; and
- fund general working capital.

## Cornerstone Investor and Directors support

Cornerstone investor Thorney Investment Group (**Thorney**) has, via its associated and nominee entities, also advanced a A\$1,000,000 loan to Company (**Loan**) and has committed to subscribe for approximately A\$80,369.20 under the Entitlement Offer and sub-underwrite up to A\$919,630.80 of any Entitlement Offer shortfall (a total commitment of A\$1,000,000), to be offset against the Loan.

Certain Directors, being Messrs Amos Simantov, David Assia and Robert Edgley, have also committed to take up an aggregate of approximately A\$170,000 of the Entitlement Offer via subscription of their entitlements and/or sub-underwriting of the Entitlement Offer.

## Entitlement Offer details

Under the Entitlement Offer, Eligible Shareholders are being offered the opportunity to subscribe for one (1) New Share for every one (1) existing Share held on the Record Date of 7:00pm (Sydney time) on Friday, 21 April 2023 (**Entitlements**).

Eligible Shareholders who take up their Entitlements in full may also apply for additional New Shares in excess of their Entitlements at the Offer Price. The availability of additional New Shares will be limited to the Entitlements attributable to Eligible Shareholders that do not take up their Entitlements. In the event it is necessary to scale-back applications for additional New Shares (where there are more applications for additional New Shares than there is Shortfall) then the scale back will be on a pro-rata basis based on your Entitlement. Any Shortfall Shares not allocated to Eligible Shareholders will be allotted in accordance with the allocation policy detailed in this Offer Booklet.

The Entitlement Offer to which this Offer Booklet relates closes at 5.00pm (Sydney time) on Thursday, 11 May 2023 (unless extended).



Accompanying this Offer Booklet is your personalised entitlement and acceptance form (**Entitlement and Acceptance Form**). It details your Entitlement and is to be completed in accordance with the instructions provided on the form and the instructions in this Offer Booklet under “How to Apply”.

To participate, you must ensure that you have completed your application by paying application monies by BPAY® or EFT in accordance with the instructions on the Entitlement and Acceptance Form so that they are received by the Share Registry before 5:00pm (Sydney time) on Thursday, 11 May 2023.

If you do not wish to take up any of your Entitlement, you do not have to take any action. As the Entitlement Offer is non-renounceable, Entitlements will not be tradeable on ASX or otherwise transferable. If you do not take up your full Entitlement, those Entitlements that you do not take up will lapse and you will not receive any payments or value for them.

Further information and application instructions for the Entitlement Offer, as well as the risks associated with investing in the Entitlement Offer are detailed in this Offer Booklet (including in Section 4 – Key Risks) which you should read carefully and in its entirety.

If you have any questions in relation to the Entitlement Offer, please contact the Way2VAT Shareholder Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday during the Entitlement Offer Period. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

On behalf of the Board of Way2VAT, I invite you to consider this investment opportunity and thank you for your continued support.

Yours faithfully



**Amos Simantov**  
**Chief Executive Officer and Managing Director**

## INDICATIVE TIMETABLE

Event <sup>1</sup>	Date <sup>1</sup>
Announcement of the Entitlement Offer and Placement	Monday, 17 April 2023
Lodgement of Offer Booklet with ASX	Thursday, 20 April 2023
"Ex" Date	Thursday, 20 April 2023
Record Date (Sydney time)	7.00pm Friday, 21 April 2023
Offer Booklet and Entitlement and Acceptance Form dispatched	Thursday, 27 April 2023
Entitlement Offer opens	Thursday, 27 April 2023
Entitlement Offer closes (Sydney time)	5.00pm Thursday, 11 May 2023
Announcement of results under Entitlement Offer Settlement of Entitlement Offer and Shortfall	Monday, 15 May 2023
Issue and allotment of New Shares under the Entitlement Offer and Shortfall Shares	Thursday, 18 May 2023
Normal trading of New Shares issued under the Entitlement Offer and Shortfall Shares expected to commence on ASX	Friday, 19 May 2023
Indicative date of general meeting to consider issue of Shares under the Placement <sup>2</sup>	Monday, 29 May 2023

### Notes:

1. Timetable is indicative only and subject to change. Way2VAT reserves the right to amend the timetable for the Entitlement Offer without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Way2VAT reserves the right to extend the closing date of the Entitlement Offer at any time, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to submit their application in accordance with the instructions on the Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.
2. Refer to Section 2.2(b) for further details.

### Enquiries

If you have any questions, please contact the Way2VAT Shareholder Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

## 1. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Shareholder (as defined in Section 6 – Important Information) you may take one of the following actions:

- (a) take up ALL of your Entitlement and apply for additional New Shares in excess of your entitlement under the top up facility (**Top Up Facility**);
- (b) take up PART of your Entitlement; or
- (c) do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 11 May 2023.

Ineligible Shareholders are not entitled to participate in the Entitlement Offer (refer to Section 6 for further details).

Options available to you	Key considerations
1 Take up ALL of your Entitlement or take up ALL of your Entitlement and participate in the Top Up Facility	<ul style="list-style-type: none"><li>You may elect to purchase New Shares at the Offer Price (see Section 2 – How to Apply for instructions on how to take up your Entitlement).</li><li>If you elect to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.</li><li>The New Shares will rank equally in all respects with existing Shares.</li></ul>
2 Take up PART of your Entitlement	<ul style="list-style-type: none"><li>You may take up part of your Entitlement, the part not taken up will lapse. You will not be entitled to apply for additional New Shares under the Top Up Facility.</li><li>The New Shares will rank equally in all respects with existing Shares.</li><li>If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up.</li><li>If you do not take up all of your Entitlement, you will have your percentage holding in Way2VAT reduced as a result of dilution by the New Shares issued under the Entitlement Offer.</li></ul>
3 Do nothing, in which case your Entitlement will LAPSE and you will receive no value for those lapsed Entitlements	<ul style="list-style-type: none"><li>If you do not take up your Entitlement, or if your application is not supported by cleared funds, you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.</li><li>If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up.</li><li>If you do not take up all of your Entitlement, you will have your percentage holding in Way2VAT reduced as a result of dilution by the New Shares issued under the Entitlement Offer.</li></ul>

## 2. HOW TO APPLY

### 2.1 Before making a decision

This Offer Booklet (including the Investor Presentation detailed in Section 3 and the Important Information detailed in Section 6) should be read carefully and in its entirety before making any decision about your Entitlement. You should also carefully consider the other publicly available information in relation to Way2VAT available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and Way2VAT's website ([www.way2vat.com](http://www.way2vat.com)), including any further announcements released by Way2VAT after the date of this Offer Booklet. You should be aware that an investment in Way2VAT involves risks. The key risks identified by Way2VAT are detailed in Section 4 – Key Risks.

### 2.2 Overview of the Capital Raising

The Capital Raising comprises two components:

- (a) **Entitlement Offer** - a non-renounceable pro rata offer of one (1) New Share for every one (1) Share held by Eligible Shareholders on the Record Date to raise A\$2,357,839.98 (before costs) via the issue of 235,783,998 Shares at the Offer Price per New Share. Eligible Shareholders (as defined in Section 6 – Important Information) will be allotted Entitlements which can be taken up in whole or in part; and
- (b) **Placement** – a condition placement to raise A\$1,194,000 via the issue of 119,400,000 Shares at the Offer Price to sophisticated investors. The issue of Shares under the Placement is subject to Shareholder approval. Shares are expected to be issued under the Placement on or around Monday, 29 May 2023, subject to Shareholder approval for such issue being obtained. Shares issued pursuant to the Placement will not carry any entitlement to participate in the Entitlement Offer.

This Offer Booklet relates to the Entitlement Offer to raise approximately A\$2,350,000 (before costs).

You should note that not all Shareholders will be eligible to participate in the offer of New Shares. Please read Section 6 – Important Information for further details.

The Offer Price under the Entitlement Offer is the same as the Placement.

The Entitlement Offer opens on Thursday, 27 April 2023 and will close at 5.00pm (Sydney time) on Thursday, 11 May 2023.

### 2.3 Your Entitlement

Your Entitlement is detailed on the accompanying personalised Entitlement and Acceptance Form and has been calculated as one (1) New Share for every one (1) Share you held as at the Record Date of 7.00pm (Sydney time) on Friday, 21 April 2023. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Shares on issue.

A BPAY® or EFT payment in accordance with the instructions provided in the Entitlement and Acceptance Form to the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company.

The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If the BPAY® or EFT payment is not completed in accordance with the instructions provided in the Entitlement and Acceptance Form, the Company may not be able to process or accept your application for New Shares and any application monies received in connection with your application will be returned to you (without interest).

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up (see definition of Eligible Shareholder in Section 6 – Important Information).

## **Nominees**

The Entitlement Offer is being made to all Eligible Shareholders (as defined in Section 6 – Important Information). Way2VAT does not undertake to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. See Section 6.10 entitled "Notice to Nominees" for further information.

## **2.4 Consider the Entitlement Offer in light of your particular investment objectives and circumstances**

The Entitlement Offer is being made pursuant to provisions of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allow entitlement offers to be made without a prospectus. This Offer Booklet does not detail all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to carefully read and understand the information on Way2VAT and the Entitlement Offer made publicly available, prior to accepting all or part of your Entitlement or doing nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, Way2VAT half year and annual reports, Appendix 4E and other announcements lodged with ASX (including announcements which may be made by Way2VAT after publication of this Offer Booklet).

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to Section 4 – Key Risks.

## **2.5 Options available to you**

If you are an Eligible Shareholder, you may do any one of the following:

- (a) take up all of your Entitlement and also apply for additional New Shares under the Top Up Facility;
- (b) take up all of your Entitlement but not apply for additional New Shares under the Top Up Facility;
- (c) take up part of your Entitlement, the part not taken up will lapse; or
- (d) do nothing, in which case all of your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

These options available to you are detailed further below.

### **1. If you wish to take up all of your Entitlement and also apply for additional New Shares in the Top Up Facility or if you wish to take up all of your Entitlement only**

If you decide to take up all of your Entitlement, or take up all of your Entitlement and participate in the Top Up Facility, please pay your application monies via BPAY® or EFT by following the instructions detailed on the personalised Entitlement and Acceptance Form so that they are received by the Share Registry by no later than 5.00pm (Sydney time) on Thursday, 11 May 2023.

If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Amounts received by Way2VAT in excess of the Offer

Price multiplied by your Entitlement may be treated as an application to apply for as many additional New Shares as your application monies will pay for in full.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up all of your Entitlement and apply for additional New Shares under the Top Up Facility and if your application is successful (in whole or in part) you will be issued your New Shares on or about Thursday, 18 May 2023. Way2VAT's decision on the number of New Shares to be issued to you will be final. Additional New Shares under the Top Up Facility will only be allocated first to Eligible Shareholders if available and to the extent that Way2VAT so determines, in its absolute discretion and then to the sub-underwriters (refer to Section 6.4 for details in respect to the Top Up Facility allocation policy). If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares.

Any New Shares not taken up by 5.00pm on Thursday, 11 May 2023 (Sydney time) may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility. There is no guarantee that such Shareholders will receive the number of New Shares applied for under the Top Up Facility, or any. Additional New Shares under the Top Up Facility will only be allocated to Eligible Shareholders if available and to the extent that Way2VAT so determines, in its absolute discretion.

Way2VAT also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if Way2VAT believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to Way2VAT's satisfaction.

All shareholders, including those Eligible Shareholders who participate in the Entitlement Offer, will have their percentage holding in Way2VAT reduced by the Placement (subject to Shareholder approval being obtained).

## **2. If you wish to take up part of your Entitlement**

If you decide to take up part of your Entitlement, and allow the balance to lapse, please pay your application monies via BPAY® or EFT by following the instructions detailed on the personalised Entitlement and Acceptance Form so that they are received by the Share Registry by no later than 5.00pm (Sydney time) on Thursday, 11 May 2023.

Way2VAT will treat you as applying for as many New Shares as your payment will pay for in full. If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up and pay part of your Entitlement before the close of the Entitlement Offer you will be issued your New Shares on or about Thursday, 18 May 2023. Way2VAT's decision on the number of New Shares to be issued to you will be final.

Way2VAT also reserves the right (in its absolute discretion) to reduce the number of New Shares issued to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if Way2VAT believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to Way2VAT's satisfaction.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in Way2VAT reduced. All shareholders, including those Eligible Shareholders who participate in the Entitlement Offer, will have their percentage holding

in Way2VAT reduced by the Placement (subject to Shareholder approval being obtained).

You will not receive any value for the Entitlements you choose not to take up and they will lapse worthless.

**3. If you take no action:**

If you take no action you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in Way2VAT reduced. All Shareholders, including those Eligible Shareholders who participate in the Entitlement Offer, will have their percentage holding in Way2VAT reduced by the Placement (subject to Shareholder approval being obtained).

## **2.6 Payment**

The method of acceptance of the Entitlement Offer will depend on your method of payment being by BPAY® or EFT.

Cash payments will not be accepted. Receipts for payment will not be issued.

Way2VAT will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

Any application monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any application monies received or refunded.

### **Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Customer Reference Number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in this Section 2 – How to Apply and Section 6 – Important Information of this Offer Booklet; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Thursday, 11 May 2023. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

Please make sure you use the specific Biller Code and your unique Customer Reference Number on your personalised Entitlement and Acceptance Form. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one



personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

Any application monies received for more than your final allocation of New Shares will be refunded as soon as reasonably practicable. No interest will be paid on any application monies received or refunded.

### **Payment by EFT**

To pay by EFT, you must follow the instructions on the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement and subscribed for Top Up Shares (as applicable) upon receipt of the EFT payment by the Company.

If paying via EFT, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regard to electronic payment and it is the responsibility of Eligible Shareholders to ensure that funds are submitted through EFT by no later than 5.00pm (AEST) on Thursday, 11 May 2023. If you elect to pay via EFT, you must follow the instructions for EFT detailed in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

Any application monies received for more than your final allocation of New Shares will be refunded as soon as reasonably practicable. No interest will be paid on any application monies received or refunded.

## **2.7 Representations by acceptance**

By making a payment by BPAY® or EFT, you will be deemed to have represented to Way2VAT that you are an Eligible Shareholder and:

- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet, and Way2VAT's articles;
- authorise Way2VAT to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once Way2VAT receives any payment of application monies via BPAY® or EFT payment you may not withdraw your application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any application monies via BPAY® or EFT payment, at the Offer Price per New Share;
- authorise Way2VAT, the Lead Manager, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details provided in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:

- determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Way2VAT and the Lead Manager;
- each of Way2VAT, the Lead Manager and each of their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law; and
- the information in this Offer Booklet remains subject to change without notice;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information detailed in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not detail all of the information that you may require in order to assess an investment in Way2VAT and is given in the context of Way2VAT's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risks" section of this Offer Booklet (Section 4), and that any investment in Way2VAT is subject to risk;
- acknowledge that none of Way2VAT, the Lead Manager, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Way2VAT, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- authorise Way2VAT to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that you and each person on whose account you are acting are not in the United States of America;
- you and each person on whose account you are acting understand and acknowledge that the New Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States of America and accordingly that the New Shares may not be offered, sold or otherwise transferred to, persons in the United States of America or to persons who are acting for the account or benefit of a person in the United States of America except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. you are subscribing for or purchasing New Shares outside the United States of America (i.e. in an "offshore

transaction” (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S under the Securities Act);

- you have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States of America or any person acting for the account or benefit of a person in the United States of America or any other country outside Australia, Israel, New Zealand or Singapore;
- if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the Securities Act; notwithstanding the foregoing, after the quotation of the New Shares commences, you may sell such New Shares in regular way transactions on ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States of America or a person acting for the account or benefit of a person in the United States of America; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia, Israel, New Zealand or Singapore and is not acting for the account or benefit of a person in the United States of America, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

## **2.8 Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Way2VAT Shareholder Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday. Alternatively, you can access information about the Entitlement Offer online at [www.way2vat.com](http://www.way2vat.com). If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

### **3. INVESTOR PRESENTATION**



# Global VAT Refunds

Amos Simantov, CEO



## Expediting the pathway to profitability

March 2023

## Purpose

Simplify and fully automate VAT reclaim for business

## Vision

Challenge the status quo of the global VAT/GST industry from

**Payment to Recovery**

## Leadership Team



**Amos Simantov**  
Founder & CEO



**Smadar Noy**  
Chief Financial Officer



**Alex Alegert**  
CEO DevoluIVA



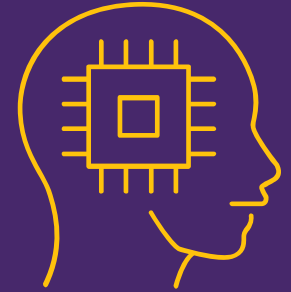
**Amir Peretz**  
VP Product



**David Bermudez**  
VP R&D

# W2V is one of the world's fintech company

That automates global VAT/GST reclaim processing through image processing and AI



Leading technology partners



webexpenses  
an ELMO company



ALLOCATE

yokoy  
PARTNER

sage

Enterprise Customers

Over **250**



CBRE



Resulting in significantly more reclaimed VAT/GST



# Wide range of multinational enterprise customers



# Proprietary technology automating VAT/GST reclaim processing across 40 countries in 20 languages

AI technology patents used in proprietary image-processing technology

USPTO granted (App.17.059,482)

100% owned by W2V

Four patents enable:

- Full AI-driven automation
- Human-level perception
- Accurate image processing

8%-27% VAT/GST Rate

Australia		Austria		Belgium		Bulgaria		Bahrain		Cyprus	
Croatia		Canada		C. Republic		Dubai		Denmark		Estonia	
Finland		France		Germany		Greece		Hungary		Iceland	
Ireland		Italy		Japan		Latvia		Lithuania		Luxembourg	
Malta		Netherlands		New Zealand		Norway		Poland		Portugal	
Romania		Saudi Arabia		Serbia		Slovakia		Slovenia		South Korea	
Spain		Sweden		Switzerland		Taiwan		UK			

# Business Model: The Process



# Revenue streams

## Pre-Covid



VAT reclaim  
for Travel  
expenses

## Post-Covid



Subscriptions

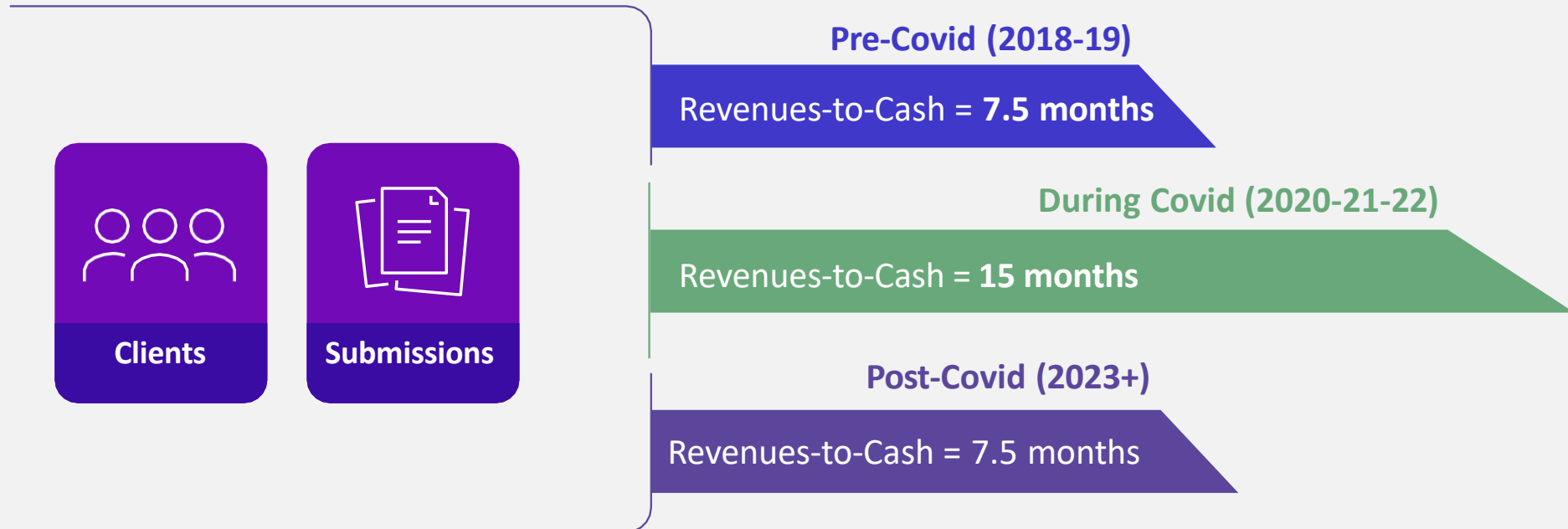
- *Monthly SaaS fee per card/employee*
- *Monthly SaaS fee per admin user/company*
- Quarterly fees for VAT reclaim/company
- Interchange fee



VAT reclaim for Travel  
expenses and  
Accounts Payable

- *Foreign and local*

# During Covid years the revenue-to-cash latency doubled



We believe that over time, the Rev-to-cash latency, will revert to pre-covid standards

# Smart spend debit Mastercard

## SaaS Revenue Model



Subscriptions fee via user  
& admin license fee  
Interchange fees



Percentage of successful  
local & foreign VAT Reclaim

## Initial Focused / Cross industry



Aviation



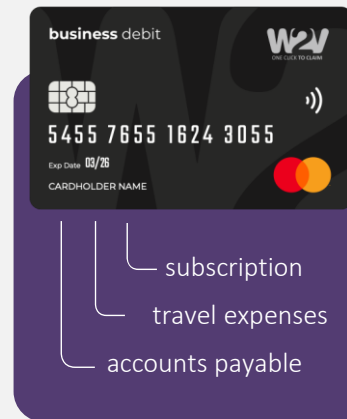
Security



Automotive



Technology



### Payment

(smart spend card)

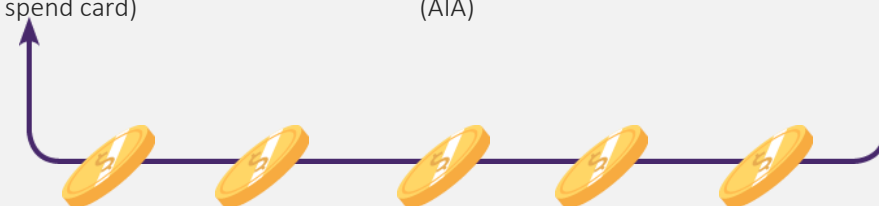


### VAT Compliance

(AIA)



### VAT Refund



Money is back to card balance

## DevoluIVA acquisition completed Sept 2022

- DevoluIVA offers wide-range management solutions including of digitation corporate expenses and the automatic recovery of national and international VAT
- Providing automatic local VAT reclaims through an expansive network of >35,000 merchants across Spain, including restaurants, taxis, petrol stations and car parks
- Complementary product line with a similar business model to Way2VAT with about 30% fees
- Opens gateway to the Spanish marketing with foreign VAT for T&E and accounts payable services offered to the market,
- Post-acquisition to scale operational and financial efficiency

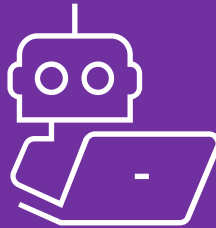


# Key drivers and FY22 highlights



**Multi year  
contracts**

Average  
2-3 years



**250**

Enterprise clients at end  
2022



**57%**

Increase in Transaction  
Volume to **\$21.33M**

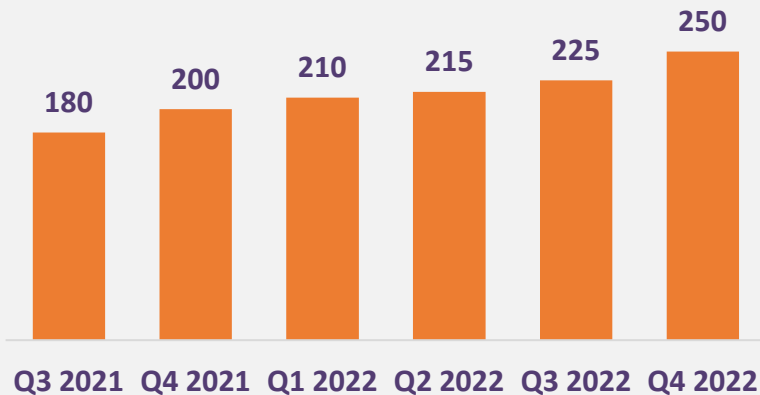


**\$21.33M**

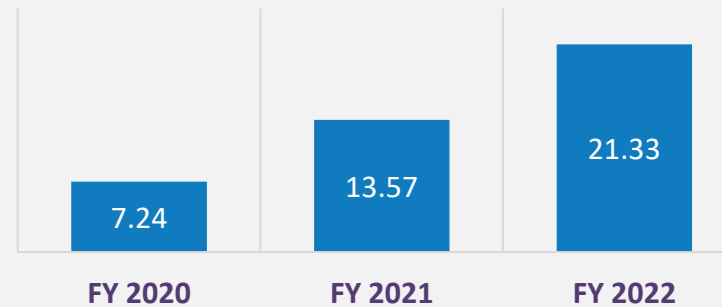
VAT refunds in 2022

# Growing our client base increases revenue and gross transaction value with momentum building (Dec financial year end)

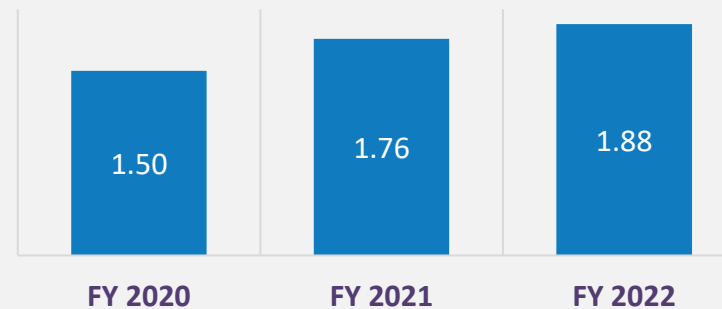
## Enterprise Clients



## Annual transaction volume (A\$m)



## Revenue (A\$m)



## ✓ Q4 2022 Summary

- ✓ Transaction volumes up 40% on pcip
- ✓ Revenues up 92% on Q3
- ✓ Signed 25 new Enterprise customers
- ✓ Platform scaling as transaction volumes and revenue increase
- ✓ Tax authority processing speeds normalising

# Financial Snapshot FY22



**\$1.9M**

Net Revenue in 2022  
+7% on pcg  
+11% before currency  
adjustment\*



**77%**

Gross Profit Margin



**\$1.5M**

Cash balance\*\*  
(as at 31/12/22)



**\$2.5M**

Trade Receivables  
(as at 31/12/22)

\* Operational currency in Euro: FY22 Revenue €1.23m up 10.9% on FY21 €1.12million

\*\* Cash balance includes net funds owed to clients of \$515k

# Growth Strategies

✓ **Grow VAT sales through European enterprise hubs: UK and Spain**

✓ **Spain growth utilising DevoluIVA partners; integrating product suite and SmartSpend Card**

✓ **Provide SMBs with holistic solution: SmartSpend Card & VAT**

✓ **Consider additional growth opportunities via acquisition**

# Expediting the pathway to profitability



- ✓ Continuing focus on sales execution
- ✓ Increased online marketing, focussing on SmartSpend Card
  - ✓ Google Ads
- ✓ Industry activity
  - ✓ Events & Trade Shows (London, Amsterdam) and related travel
- ✓ Reducing operating costs
- ✓ Focusing on core parts of the business that bolster growth

# Transaction summary – Rights Issue, Placement and Loan

- Non-Renounceable Rights Issue
  - To raise approximately \$2.35m
  - Pro rata rights issue of 1 new share for every 1 share held by eligible shareholders at an issue price of 1c each
  - All shares to rank equally with existing shares on issue
  - Fully underwritten by BW Equities
- Placement
  - To raise \$1.194m at 1c per share
  - Subject to shareholder approval to be sought at a general meeting in late May / early June 2023
- Loan
  - \$1m from Thorney Investments to be advanced on or around 18 April 2023
  - Loan to be set off against Thorney Investment's entitlements and sub-underwriting commitment under the Rights Issue

# Indicative Timetable

Event	Date
Announcement of Rights Issue, Placement and Loan	17 April 2023
Ex date	19 April 2023
Offer booklet lodged with ASX	19 April 2023
Record date for determining eligible shareholders to participate in the Rights Issue	20 April 2023
Offer booklet and entitlement and acceptance form dispatched to eligible shareholders	26 April 2023
Opening date of Rights Issue	26 April 2023
Closing date of Rights Issue (3:00pm AWST)	10 May 2023
Commencement of trading of new shares issued under Rights Issue	17 May 2023
General meeting to approve issue of shares under Placement	29 May 2023



# Thank You



[www.way2vat.com](http://www.way2vat.com)

## 4. KEY RISKS

The New Shares are considered highly speculative. An investment in the Company is not risk free. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks detailed in this Section 4 are not an exhaustive list of the risks faced by the Company or by investors in the Company. It should be considered in conjunction with other information in this Offer Booklet. The risks detailed in, and others not specifically referred to, this Section 4 may in the future materially affect the financial performance and position of the Company and the value of the New Shares offered under this Offer Booklet. The New Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, return of capital or the market value of those securities. The risks detailed in this Section 4 also necessarily include forward looking statements. Actual events may be materially different to those detailed and may therefore affect the Company in a different way.

Investors should be aware that the performance of the Company may be affected and the value of the Shares may rise or fall over any given period. None of the Directors or any person associated with the Company guarantee the Company's performance, the performance of the New Shares the subject of the Entitlement Offer or the market price at which the Shares will trade. The Directors strongly recommend that potential investors consider the risks detailed in this Section 4, together with information detailed elsewhere in this Offer Booklet, and consult their professional advisers, before they decide whether or not to apply for New Shares.

### 4.1 Company Specific Risks

#### (a) Future Capital Needs and Additional Funding

At present, the Company is not operating on a cash flow positive basis, meaning it is reliant on raising additional funds from investors to continue to fund its operations and development of its platform. The Company intends to continue to spend significant funds to develop its platform, expand its sales and marketing and grow its operations as well as meet the compliance obligations, resulting in further net losses in the future.

The Directors consider that the Placement and the underwritten Entitlement Offer will provide the Company with sufficient capital to continue to operate as a going concern and progress and grow its operations. However, the Company may require additional funding in the future to finance ongoing operations and realise its growth strategy. The future capital requirements of the Company (both in respect to timing and quantum) will depend on many factors, including whether the Company can grow existing revenues and achieve its business strategy/plan.

No assurances can be given that the Company will be able to raise additional funding and the Company's ability to obtain additional funding will depend on investor demand, its performance and reputation, market conditions and other factors. The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities and business may have a material adverse effect on the Company's business and its financial condition and performance. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable. If the Company continues to incur losses in the future, the net losses and negative cash flows may have an adverse effect on shareholder equity and the Company's working capital.

#### (b) Potential for dilution

Assuming no Options are exercised prior to the Record Date, upon completion of the:

- (i) Entitlement Offer, the number of Shares will increase from 235,783,998 to 471,567,996. This increase equates to 100% of all the issued Shares following completion of the Entitlement Offer; and
- (ii) the Capital Raising, the number of Shares will increase from 235,783,998 to 590,967,996. This increase equates to approximately 151% of all issued Shares following completion of the Capital Raising.

This means that each Share will represent a lower proportion of the ownership of the Company. It is not possible to predict what the value of the Company or a Share will be following the completion of the Entitlement Offer or the Capital Raising and the Directors do not make any representations with respect to such matters.

The last closing trading price of Shares on ASX on the day prior to the date of announcement of the Entitlement Offer of A\$0.01 on 12 April 2023 is not a reliable indicator as to the potential trading price of Shares following completion of the Entitlement Offer.

Shareholders should note that if they do not take up their Entitlement under the Entitlement Offer in full, their holdings will be diluted as a result by 50% following completion of the Entitlement Offer and approximately 60.1% following completion of the Capital Raising (assuming no Options are exercised prior to the Record Date) as compared to their holdings and number of Shares on issue at the date of this Offer Booklet.

(c) **Underwriting risk**

The Company has entered into the Underwriting Agreement with the Lead Manager under which, subject to (amongst other matters) certain conditions precedent (refer to Section 5.1(a), the Lead Manager has agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement.

The Lead Manager's obligations to underwrite the Entitlement Offer is conditional on certain customary matters, including (but not limited to) the Company delivering certain confirmation certificates and shortfall certificates. Further, if certain events occur, the Lead Manager may terminate the Underwriting Agreement. These events include if any representation, warranty or undertaking given by the Company under the Underwriting Agreement is or becomes untrue or incorrect, or if any material information supplied at any time by the Company or any person on its behalf to the Lead Manager in respect of any aspect of the Entitlement Offer or the affairs of the Company is misleading or deceptive or likely to mislead or deceive.

If the Underwriting Agreement is terminated and the Entitlement Offer is not fully subscribed, the Company may need to find alternative funding to fund its ongoing operations.

(d) **Loss of client relationships**

The success of Way2VAT's business will depend on its continued relationships with its existing clients. There can be no guarantee that these relationships will continue or, if they do continue, that these relationships will continue to be successful.

There is a risk that Way2VAT may lose its clients for a variety of reasons including a failure to successfully reclaim VAT, meet key contractual or commercial requirements, and/or customers shifting to in-house solutions or competitor service providers.

Although Way2VAT does not currently depend on any one customer for its revenue, the Way2VAT business is still at a relatively early stage and client revenue is not as diversified as it might be for a more mature business. The loss of even a small number of Way2VAT's clients may materially and adversely impact Way2VAT's revenue, and increase marketing expenses to sign up new clients to replace those lost. Depending on

the reason for the loss of a clients, it may also have a negative impact on Way2VAT's reputation with other clients.

There is also a risk that new agreements formed with clients in the future may be less favourable to Way2VAT, including in relation to commission and other key terms, due to unanticipated changes in the market in which Way2VAT operates.

(e) **Failure to increase reclaim volumes, number of clients or establish its brand**

Way2VAT considers that establishing, expanding and maintaining the Way2VAT brand is important to growing its client base. Failure to expand in this way may materially and adversely impact Way2VAT's ability to achieve economies of scale and to optimise its systems, and may therefore adversely impact Way2VAT's ability to achieve future profitability.

Way2VAT's growth strategy may also include the introduction of new services or technologies. There is a risk that expansion initiatives may result in additional costs and risks, or may not deliver the outcomes intended. Way2VAT's strategy depends on increasingly expanding the number clients, which may not eventuate as hoped.

(f) **Compliance with laws, treaties, regulations and industry compliance standards**

Way2VAT is subject to a range of legal and industry compliance requirements that are constantly changing. This includes taxation laws and treaties, privacy laws, anti-money laundering procedures, data protection laws and contractual conditions, including:

- (i) the European Union Sixth Council Directive;
- (ii) the Refund Directive (2008/09/EC);
- (iii) the 13th EU VAT Directive; and
- (iv) EU GDPR regulation.

In addition, there is potential that Way2VAT may become subject to additional legal or regulatory requirements if its business, operations, strategy or geographic reach expand in the future. This may potentially include the requirement to register as a tax agent and/or representative or other licensing or regulatory requirements or similar limitations on the conduct of business.

There is a risk that additional or changed legal, regulatory or licensing requirements, and industry compliance standards, may make it unviable or uneconomic for Way2VAT to continue to operate in certain jurisdiction, or to expand in accordance with its strategy. This may materially and adversely impact Way2VAT's revenue and ability to achieve profitability, including by preventing its business from reaching a sufficient scale.

There is also a risk that if Way2VAT fails to comply with these laws, regulations and industry compliance standards, this may result in significantly increased compliance costs, cessation of certain business activities or the ability to conduct business, litigation or regulatory enquiry or investigation and significant reputational damage.

(g) **Reliance on tax agents and representatives**

Way2VAT's business and operations is largely dependent on various third parties, including its tax agents, representatives, legal advisers and consultants. The Company relies heavily on its tax agents, representatives and consultants in each jurisdiction that it operates in for taxation and VAT and GST reclaim knowledge and there is a risk that its tax agents, representatives, legal advisers and consultants are inadequate.

Although the Company has implemented internal measures to reduce its reliance on its tax agents and representatives and expanded its in-house know how, including via the engagement of employees with extensive VAT compliance backgrounds. The loss of the

services of any of its third party representatives, including due to insolvency, loss of key licences, certifications or permits or any other reason, and the inability of the Company to find adequate replacements on a timely basis, or at all, could have a material effect on the Company's business, financial condition, operations and prospects.

**(h) Failure to achieve its growth strategy**

The success of Way2VAT's business is dependent on the achievement of its growth strategy, including (but not limited to), expanding its geographical reach in the enterprise market and further developing the SMB solution. If Way2VAT is unable to enter into future arrangements to expand its geographical reach or develop these solutions, this may materially and adversely impact Way2VAT's financial performance, reputation and ability to achieve future profitability.

**(i) Integration risk**

The operating results of the Company will also depend on the success of management and integration of the acquisition of DevoluIVA S.L.U. There is no guarantee that the Company will be able to integrate the business of DevoluIVA S.L.U into the Company successfully, or that any economic benefits will be able to be realised. There is a risk that the Company's future profitability and prospects could be adversely impacted if successful integration is not achieved in an orderly and timely fashion.

**(j) Failures or disruptions to its platform and third party providers**

Way2VAT depends on the performance, reliability and availability of its technology system, third party software providers, including the integration with expense management systems, and cloud based platform providers to achieve its business strategy and growth.

There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside the control of Way2VAT, including damage, equipment faults, power failure, fire, natural disasters, computer viruses, and external malicious interventions such as hacking or denial-of-service attacks. Events of that nature may cause part or all of Way2VAT's technology system and/or the communication networks used by Way2VAT to become unavailable. Way2VAT's operational processes and contingency plans may not adequately address every potential event. This may disrupt transaction flow and adversely impact Way2VAT's financial performance and reputation.

There is a risk that repeated failures to keep Way2VAT's technology available may result in clients cancelling their contracts with Way2VAT. This may materially and adversely impact Way2VAT's financial performance, including a reduction in revenue and an increase in the costs associated with servicing clients through the disruption, as well as negatively impacting Way2VAT's reputation.

**(k) Way2VAT may suffer reputational damage**

Maintaining the strength of Way2VAT's reputation is important to retaining and increasing its client base, maintaining its relationships with its partners and other service providers and successfully implementing Way2VAT's business strategy. There is a risk that unforeseen issues or events may adversely impact Way2VAT's reputation. This may adversely impact Way2VAT's future growth and its ability to achieve profitability.

Way2VAT's reputation is also closely linked to its ability to successfully reclaim VAT for its clients. There is a risk that Way2VAT's actions and the actions of Way2VAT's agents and representatives may adversely impact Way2VAT's reputation. Any factors that diminish Way2VAT's reputation could result in clients or other parties ceasing to do business with Way2VAT, impede its ability to successfully provide the its VAT and GST reclaim service, negatively affect its future business strategy and materially and adversely impact Way2VAT's financial position and performance.

(l) **Loss of key management personnel**

Way2VAT is largely dependent on the performance of its management team and certain highly qualified employees, including data scientists, engineers and other research and development personnel, sales personnel and the Company's continuing ability to attract and retain such employees.

The unplanned loss of the services of any of the Directors or members of senior management could materially and adversely affect the business of the Company until a suitable successor can be found. There are limited persons with the requisite competencies to serve in these positions, and the Company cannot provide any assurance that the Company would be able to locate or employ such qualified personnel in a timely manner, on terms acceptable to the Company or at all. The inability to attract and retain key and other highly qualified personnel could have a material adverse effect on the business, financial condition, results of operations and prospects of the business.

(m) **Competitors and new market entrants**

There is a risk that new entrants in the market which may disrupt Way2VAT's business and existing market share. Existing competitors as well as new competitors entering the industry, may engage in aggressive client acquisition campaigns, develop superior technology offerings or consolidate with other entities to deliver enhanced scale benefits. Such competitive pressures may materially erode Way2VAT's market share and revenue, and may materially and adversely impact Way2VAT's revenue and profitability.

A general increase in competition may also require Way2VAT to increase marketing expenditure or offer lower fees to clients, which would decrease profitability even if Way2VAT's market share does not decrease.

(n) **Employee recruitment risk and retention**

Way2VAT ability to effectively execute its growth strategy depends upon the performance and expertise of its staff. Way2VAT relies on experienced managerial and highly qualified technical staff to develop and operate its technology and to direct operational staff to manage the operational, sales, compliance and other functions of its business. There is a risk that Way2VAT may not be able to attract and retain key staff or be able to find effective replacements in a timely manner. The loss of staff, or any delay in their replacement, could impact Way2VAT's ability to operate its business and achieve its growth strategies including through the development of new systems and technology.

There is a risk that Way2VAT may not be able to recruit suitably qualified and talented staff in a time frame that meets the growth objectives of Way2VAT. This may result in delays in the integration of new systems, development of technology and general business expansion, which may adversely impact Way2VAT's revenue and future profitability.

There is also a risk that Way2VAT will be unable to retain existing staff, or recruit new staff, on terms of retention that are as attractive to Way2VAT as past agreements. This would adversely impact employment costs and profitability.

(o) **Activities of fraudulent parties**

Way2VAT is exposed to risks imposed by fraudulent conduct, including the risks associated with inaccurate information being provided by clients. Although Way2VAT was put in place multiple checks and balances, including an automated and manual compliance systems, there is a risk that Way2VAT may be unsuccessful in defeating fraud attempts, resulting in inaccurate information being provided to the tax authorities.

Fraudulent activity may result in Way2VAT suffering losses due to fraud, a materially adverse impact to Way2VAT's reputation and bearing certain costs to rectify and safeguard business operations and Way2VAT's systems against fraudulent activity.



(p) **Protection and ownership of technology and intellectual property**

The business of Way2VAT depends on its ability to commercially exploit its technology and intellectual property, including the automatic invoice analyzer technology, its technological systems and data processing algorithms. Way2VAT relies on laws relating to trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of Way2VAT's software, data, specialised technology or platforms will occur. In addition, there is a risk that the validity, ownership or authorised use of intellectual property relevant to Way2VAT's business may be successfully challenged by third parties. This could involve significant expense and potentially the inability to use the intellectual property in question, and if an alternative cost-effective solution were not available, it may materially adversely impact Way2VAT's financial position and performance. Such disputes may also temporarily adversely impact Way2VAT's ability to integrate new systems which may adversely impact Way2VAT's revenue and profitability.

There is also a risk that Way2VAT will be unable to register or otherwise protect new intellectual property it develops in the future, or which is developed on its behalf by contractors. In addition, competitors may be able to work around any of the intellectual property rights used by Way2VAT, or independently develop technologies or competing products or services that are not protected by Way2VAT's intellectual property rights. Way2VAT's competitors may then be able to offer identical or very similar services or services that are otherwise competitive against those provided by Way2VAT, which could adversely affect Way2VAT's business.

(q) **W2V technology may be superseded by other technology or changes in business practice**

Way2VAT participates in a competitive environment. Information technology systems are continuing to develop and are subject to rapid change, while business practices continue to evolve. Way2VAT's success will in part depend on its ability to offer services and systems that remain current with the continuing changes in technology, evolving industry standards and changing consumer preferences. There is a risk that Way2VAT will not be successful in addressing these developments in a timely manner, or that expenses will be greater than expected. In addition, there is a risk that new products or technologies (or alternative systems) developed by third parties will supersede Way2VAT's technology. This may materially and adversely impact Way2VAT's revenue and profitability.

(r) **Government regulation and legal requirements**

Way2VAT is subject to the taxation laws in each respective jurisdiction that it operates and anti-money laundering/counter terrorism financing legislation in relation to clients. Outside of this Way2VAT is not currently subject to any other specific laws or regulations other than the laws and regulations applicable to business generally. There is a risk that a number of laws and regulations may be adopted with respect to Way2VAT's operations covering issues such as user privacy, pricing, intellectual property rights and information security which could limit the proposed scope of activities of Way2VAT.

(s) **Reliance on internet**

Way2VAT will depend on the ability of its clients to access the internet. Should access to the internet be disrupted or restricted, usage of Way2VAT's services may be adversely impacted.

(t) **Exposure to potential security breaches and data protection issues**

Through the ordinary course of business, Way2VAT collects a wide range of confidential information. Cyber-attacks may compromise or breach the technology platform used by Way2VAT to protect confidential information.

There is a risk that the measures taken by Way2VAT may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or Way2VAT's failure to protect confidential information could result in the loss of information integrity, or breaches of Way2VAT's obligations under applicable laws or agreements, each of which may materially adversely impact the Way2VAT's financial performance and reputation.

(u) **Exposure to adverse macroeconomic conditions**

Way2VAT's business is reliant on clients reclaiming VAT via its platform and changes in the economic outlook globally may impact the performance of the Company. Such changes may include:

- (i) uncertainty in the global economy or increase in the rate of inflation resulting from domestic or internal conditions (including movements in domestic interest rates and reduced economic activity);
- (ii) increases in the costs of doing business globally;
- (iii) new government taxes, duties or changes in taxation law to reduce VAT and GST reclaims; or
- (iv) fluctuations in equity markets internationally.

A prolonged and significant downturn of generaleconomic conditions may have a material adverse impact on the Company's trading and financial performance.

(v) **Risk of litigation, claims and disputes**

Way2VAT may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes, employment disputes, indemnity claims, and occupational and personal claims. Even if Way2VAT is ultimately successful, there is a risk that such litigation, claims and disputes could materially and adversely impact Way2VAT's operating and financial performance due to the cost of settling such claims, and affect Way2VAT's reputation.

(w) **Risks of an Israeli company**

The Company is incorporated in Israel and its development and research and development facilities are based in Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region, and national, company, consumer and other boycotts, may directly affect the Company's business. Any hostilities involving Israel, or the interruption or curtailment of trade within Israel or between Israel and its trading partners, or the mandatory military service obligations of Israeli citizens (including the Company's Israeli-based Directors and key management and scientific personnel) could materially and adversely affect the Company's business and make it more difficult for the Company to raise capital.

Furthermore, several countries, principally in the Middle East, restrict business with Israel and Israeli companies, and additional countries may impose restrictions on doing business with Israel and Israeli companies whether as a result of hostilities or otherwise. In addition, there have been increased efforts by activists to cause companies and consumers to boycott Israeli goods based on Israeli government policies. Such actions, particularly if they become more widespread, may have an adverse impact on the Way2VAT's ability to sell its products, its business operations and financial performance.

(x) **Applicability of Israeli law**

The rights and responsibilities of Shareholders will be governed by Israeli law which differs in some material respects from the rights and responsibilities of shareholders of Australian companies. In certain respects, Israeli law may be interpreted as imposing additional obligations and liabilities on Shareholders than would typically be the case for shareholders of companies incorporated in Australia. It may be difficult to enforce a judgment of an Australian court against the Company, its officers and directors in Israel



or elsewhere, to assert Australian securities laws claims in Israel or to serve process on the Company's officers and directors. Provisions of Israeli law may delay, prevent or otherwise impede a merger with, or an acquisition of, the Company even when the terms of such a transaction are favourable to the Company and its Shareholders.

However, it should be noted that since its inception the Company has never been affected by any of the above-mentioned adversities.

(y) **Currency risk**

The Company expects to derive a majority of its revenue in British pound sterling and Euro. The Company's representing currency is US dollar while for operational

and management accounts its currency is EURO. Accordingly, changes in the exchange rate between the US dollar, Euro, British pound sterling any other currencies and the Israeli new shekels would be expected to have a direct effect on the performance of Way2VAT.

(z) **Cost and management time involving in complying with the Companies Law and Australian laws**

As an Israeli company, Way2VAT must ensure its continuous compliance with the Companies Law and since Way2VAT is listed on ASX and registered as a foreign company in Australia, Way2VAT must also ensure continuous compliance with relevant Australian laws and regulations, including the ASX Listing Rules and certain provisions of the Corporations Act. To the extent of any inconsistency between the Companies Law and the Australian law and regulations, Way2VAT may need to make changes to its business operations, structure or policies to resolve such inconsistency. If Way2VAT is required to make such changes, this is likely to result in additional demands on management and extra costs.

In certain respects, Israeli law may be interpreted as imposing additional obligations and liabilities on the Shareholders than would typically be the case for shareholders of companies incorporated in Australia.

(aa) **Payments to satisfy the company's indemnification obligations**

The Company has agreements with its directors and senior officers which may require the Company, subject to Israeli law and certain limitations in the agreements, to indemnify the Directors and senior officers for certain liabilities and expenses that may be imposed on them due to acts performed, or failures to act, in their capacity as office holders as defined in the Companies Law. These liabilities may include financial liabilities imposed by judgments or settlements in favour of third parties, and reasonable litigation expenses imposed by a court in relation to criminal charges from which the indemnitee was acquitted or criminal proceedings in which the indemnitee was convicted of an offence that does not require proof of criminal intent. Furthermore, the Company agreed to exculpate its directors and officers with respect to a breach of their duty of care towards the Company.

The Company could be required to expend significant amounts of cash to meet the Company's indemnification obligations. Payments made pursuant to such indemnification obligations may materially adversely affect the Company's financial condition.

## **4.2 General Investment Risks**

(a) **Potential fluctuations in the price of Shares**

There are risks associated with any listed company investment. Some of these risks are listed below. The price at which Shares are quoted on ASX may be subject to fluctuations in response to factors such as:

- (i) changes to government fiscal, monetary or regulatory policy, legislation or the regulatory environment in which Way2VAT operates;
- (ii) changes in financial outcomes estimated by securities analysts;

- (iii) changes in the market valuation of other comparable companies and the nature of the market in which Way2VAT operates;
- (iv) announcements by Way2VAT or its competitors of significant acquisitions;
- (v) an event of force majeure, such as terrorism, fire, flood, earthquake, war or strikes;
- (vi) fluctuations in the domestic and international market for listed stocks;
- (vii) fluctuations in general domestic and global economic conditions, including interest rates and exchange rates; and
- (viii) other events or factors which may be beyond Way2VAT's control.

There is a risk that broader market and industry factors Way2VAT's materially and adversely impact the price of the Shares, regardless of Way2VAT's operating performance and may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following the quotation on ASX.

**(b) Liquidity of Shares**

There can be no guarantee that there will be an active trading market for Shares quoted on ASX. There may be relatively few potential buyers or sellers of Shares on ASX at any given time.

**(c) Exposure to general economic and financial market conditions**

General domestic and global economic conditions may adversely impact the price of Shares for reasons outside Way2VAT's control. This includes increases in unemployment rates, negative consumer and business sentiment and an increase in interest rates, amongst other factors. There is a risk that Shares may trade on ASX at a price below the Offer Price for a wide variety of reasons, not all of them related to the financial performance of the Company.

**(d) Exposure to changes in tax rules or their interpretations**

Tax rules or their interpretation for both Way2VAT and its Shareholders may change. There is a risk that both the level and basis of taxation may change both in Australia and in foreign jurisdictions where Way2VAT currently transacts, as well as new markets it may enter in the future. The tax considerations of investing in New Shares may differ for each Shareholder. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in Way2VAT.

**(e) Insurance risks**

Way2VAT intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover or insurers may decline to continue to insure the Company's operations or reduce available coverage. 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.

**(f) Accounting standards**

Changes to any applicable accounting standards or to any assumptions, estimates or judgements applied by management in connection with complex accounting matters may adversely impact the Company's financial statements, results or condition.

(g) **Unforeseen risk**

There may be other risks of which the Directors are unaware at the time of issuing this Offer Booklet which may impact Way2VAT, its operations and/or the valuation and performance of Shares. This is particularly so for an early-stage business such as Way2VAT's, where there is limited operating history and experience. The above list of key risks ought not to be taken as exhaustive of the risks faced by Way2VAT or by investors in Way2VAT. The above risks and others not specifically referred to above may in the future materially affect Way2VAT, its financial performance or the value of Shares.

(h) **Speculative nature of investment**

The above lists of key risks ought not to be taken as exhaustive of the risks faced by Way2VAT or by investors in Way2VAT. The above risks and others not specifically referred to above may in the future materially affect Way2VAT, its financial performance or the value of the Shares. The New Shares issued under the Offer carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. Potential investors should therefore consider an investment in Way2VAT as speculative and should consult their professional advisers before deciding whether to apply for New Shares under the Entitlement Offer.

## 5. ADDITIONAL INFORMATION

### 5.1 Underwriting Agreement and Sub-Underwriting Arrangements

#### (a) Underwriting Agreement

Way2VAT has entered into an underwriting agreement with the Lead Manager, who has agreed to fully underwrite the Entitlement Offer for A\$2,357,839.98 (**Underwritten Amount**) pursuant to the underwriting agreement between the Lead Manager and the Company (**Underwriting Agreement**).

This means that, subject to:

- (i) satisfaction of the conditions precedent in the Underwriting Agreement summarised in this Section 5.1; and
- (ii) the Underwriting Agreement not being terminate in accordance with any of the termination events summarised in this Section 5.1,

the Lead Manager is obliged to subscribe (at the Offer Price per Shortfall Share) for the number of Shortfall Shares remaining after the allocation of Shortfall Shares under the Top Up Facility up to the Underwritten Amount. The Underwriter's commitment is subject to the Top Up Facility allocation policy for the Entitlement Offer (as detailed in Section 6.4).

The Company must pay the Lead Manager:

- (i) an underwriting fee equal to:
  - (A) 2% of the amount sub-underwritten by the priority sub-underwriters pursuant to the priority sub-underwriting agreements; and
  - (B) 4% of the amount that is the proceeds raised under the Entitlement Offer less the amount sub-underwritten by the priority sub-underwriters pursuant to the priority sub-underwriting agreements,(refer to Section 5.1(b) for further details of the sub-underwriting agreements) as consideration for the Lead Manager's underwriting obligation, which includes all sub-underwriting fees and selling fees to third parties; and
- (ii) an issue management fee equal to 2% of the proceeds raised under the Entitlement Offer as consideration for the Lead Manager's management of the Entitlement Offer, which includes all fees payable to third parties in connection with the Entitlement Offer.

The Company must also reimburse the Lead Manager for its reasonable legal fees associated with the underwriting up to a maximum of A\$10,000.

The obligation for the Lead Manager to fully underwrite the Entitlement Offer is subject to the satisfaction (or waiver by the Lead Manager) of the following outstanding conditions precedent:

- (i) (**official quotation**) ASX not having indicated on or before 8.00am on the Allotment Date that it will not provide approval to the official quotation of all the New Shares;
- (ii) (**Shortfall Notice**) receipt by the Lead Manager of a written notice specifying the number of Shortfall Shares in accordance with the Underwriting Agreement; and

- (iii) **(Certificate and sign-off)** the closing certificate being delivered in accordance with the Underwriting Agreement.

The obligation for the Lead Manager to underwrite the Entitlement Offer may also be terminated, in the Lead Manager's discretion, prior to the Allotment Date in accordance with the Underwriting Agreement, if one or more of the following events occur:

- (i) **(restriction on allotment)** the Company is prevented from issuing and allotting all Shares required to be issued and allotted pursuant to the Entitlement Offer and the Underwriting Agreement within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (ii) **\*(defect)** the Company becomes aware of or a circumstance arises that gives rise to:
  - (A) a material statement in the Offer Materials which is a misleading or deceptive statement in a material respect; or
  - (B) the cleansing notice prepared by the Company for the Entitlement Offer pursuant to section 708AA of the Corporations Act being defective (as that term is defined in section 708AA(11) of the Corporations Act);
- (iii) **(delisting or ASX suspension)** the Company is removed from the official list of ASX or ASX suspends the Company's Shares from quotation (which for the avoidance of doubt, does not include a trading halt or voluntary suspension in connection with the Entitlement Offer nor the voluntary suspension which applies to the Company as at the date of the Underwriting Agreement, provided that voluntary suspension is lifted within five (5) Business Days after the commencement of that voluntary suspension)) and that suspension is not lifted within five (5) Business Days following such suspension;
- (iv) **\*(default)** there is any other material breach by the Company of its obligations under the Underwriting Agreement;
- (v) **\*(failure to comply)** the Company fails to comply, in a material respect, with its articles, the Corporations Act or any other applicable law or regulation, including any policy, guideline, order or request made or issued by ASIC or any Government Agency;
- (vi) **\*(market fall)** at any time the S&P/ASX Small Ordinaries Index or S&P/ASX 200 Index falls to a level that is 85% or less of the level as at the close of trading on the date of this agreement and closes at or below that 85% level on two (2) consecutive Business Days prior to the Shortfall Notification Date, or on the Business Day immediately prior to the Shortfall Notification Date;
- (vii) **\*(new circumstance)** any materially adverse new circumstance arises since the Offer Materials were issued that would have been required to be included in the Offer Materials if it had arisen before the Offer Materials were issued;
- (viii) **\*(incorrect or untrue representation)** any representation, warranty or undertaking given by the Company under the Underwriting Agreement is or becomes untrue or incorrect;
- (ix) **\*(adverse change)** an event occurs which is, or is likely to give rise to:
  - (A) an adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company from those

disclosed in the Offer Materials lodged with ASX on the Announcement Date; or

- (B) an adverse change in the nature of the business conducted by the Group as disclosed in the Offer Materials lodged with ASX on the Announcement Date;
- (x) **\*(certificate)** the Company does not provide a closing certificate as and when required by the Underwriting Agreement or a statement in any closing certificate is false, misleading, inaccurate or untrue or incorrect, as at the date it is given;
- (xi) **\*(hostilities)** in respect of Australia, New Zealand, the United Kingdom, the United States of America or Singapore:
  - (A) hostilities not presently existing commence;
  - (B) a major escalation in existing hostilities occurs (whether war is declared or not);
  - (C) a declaration is made of a national emergency or war (but other than a declaration made in relation to pandemics or other health emergencies, but for the avoidance of doubt does not exclude COVID-19 where it results in a material shut-down of business in any of these jurisdictions); or
  - (D) a major terrorist act is perpetrated;
- (xii) **\*(misleading information)** any material information supplied at any time by the Company or any person on its behalf to the Lead Manager in respect of any aspect of the Entitlement Offer or the affairs of the Company is misleading or deceptive or likely to mislead or deceive;
- (xiii) **\*(authorisation)** any authorisation which is material to anything referred to in the Offer Materials is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Lead Manager;
- (xiv) **(Prescribed Occurrence)** a Prescribed Occurrence occurs;
- (xv) **(Event of Insolvency)** an Event of Insolvency occurs in respect of the Company;
- (xvi) **(Shares to be fully paid)** all New Shares issued pursuant to the Entitlement Offer and in accordance with the terms of the Underwriting Agreement do not, from the date of allotment, rank equally in all respects with other fully paid ordinary shares in the Company or if they are not issued free of all encumbrances;
- (xvii) **(withdrawal of Entitlement Offer)** the Company withdraws the Entitlement Offer or indicates that it does not intend to or is unable to proceed with the Entitlement Offer;
- (xviii) **(change to Company)** the Company:
  - (A) alters the issued capital of the Company or a member of the Group, other than any one or more of the following:
    - (1) the issue of the New Shares;
    - (2) the issue of Excluded Shares;
    - (3) the issue of other securities by the Company as disclosed fully and fairly in the Offer Materials;

- (4) an issue of securities pursuant to a non-underwritten dividend or distribution plan or employee incentive scheme (as those terms are defined in the ASX Listing Rules) or otherwise to employees or officers of the Company or as a result of the conversion or exercise of any such securities or otherwise on issue at the date of the Underwriting Agreement;
    - (5) an issue of securities that is necessary to ensure an event of insolvency does not occur in respect of the Company; or
    - (6) the issue of the Shares under the Placement; or
  - (B) disposes or attempts to dispose of a substantial part of the business or property of the Group,
- without the prior written consent of the Lead Manager (not to be unreasonably withheld or delayed);
- (xix) **(timetable)** an event specified in the timetable up to and including the Allotment Date is delayed by more than three (3) Business Days (other than any delay caused solely by the Lead Manager or any delay agreed between the Company and the Lead Manager in accordance with the Underwriting Agreement);
  - (xx) **(change in management)** a change in the managing director of the Company occurs, or there is a change in the board of directors of the Company without the prior written consent of the Lead Manager (which must not be unreasonably withheld or delayed); and
  - (xxi) **\*(legal proceedings and offence by Directors)** any of the following occurs:
    - (A) a Director is charged with an indictable offence; or
    - (B) the commencement or threatening of legal proceedings which has a material adverse effect against the Company or any Director.

The right for the Lead Manager to terminate the Underwriting Agreement in respect of the events above marked with an \* (above) applies only if the Lead Manager reasonably believes the event has or is likely to have (or two or more events together have or are likely to have) a material adverse effect on the success of the Entitlement Offer or could result in the Lead Manager becoming liable under any law or regulation.

The Company may, by written notice to the Lead Manager at any time, terminate the Underwriting Agreement if any of the following events occurs:

- (i) **(Default)** default by the Lead Manager of a material obligation under the Underwriting Agreement;
- (ii) **(incorrect or untrue representation)** any representation, warranty or undertaking given by the Lead Manager under the Underwriting Agreement is or becomes untrue or incorrect; or
- (iii) **(withdrawal)** the Company withdraws or otherwise determines not to proceed with the Entitlement Offer.

The Underwriting Agreement also details covenants, warranties, undertakings (such as a 90-day moratorium on certain issues of securities by the Company (subject to exceptions) without the prior written consent of the Lead Manager (such consent not to be unreasonably withheld or delayed)), representations and other terms usual for an agreement of this nature.

Pursuant to the Underwriting Agreement, the Lead Manager has agreed to the Top Up Facility allocation policy for the Entitlement Offer, as detailed in Section 6.4.



The Company proposes to make any issue of New Shares to the Lead Manager pursuant to the Underwriting Agreement on the Allotment Date (but reserves the rights to alter the timing subject to the consent of the Lead Manager).

(b) **Sub-Underwriting Arrangements**

The Lead Manager has entered into sub-underwriting agreements with various third parties to sub-underwrite the Entitlement Offer.

Under the terms of the sub-underwriting agreements:

- (i) certain sub-underwriters, including Tiga Trading Pty Ltd (**Tiga Trading**) (an entity associated with Thorney), have committed to priority sub-underwrite the Entitlement Offer, up to 117,363,919 Shortfall Shares; and
- (ii) the remaining sub-underwriters, including Directors Messrs David Assia and Robert Edgley, have committed to sub-underwrite the remaining Shortfall Shares,

to the extent there remains a Shortfall following the allocation under the allocation policy detailed in Section 6.4.

(c) **Thorney Arrangements**

The Company and Tiga Trading, an entity associated with Thorney, have entered into a loan agreement, pursuant to which Tiga Trading has advanced A\$1,000,000 (**Loan**) to the Company. The Loan has a term of four months and is non-interest bearing and unsecured.

The Company and Tiga Trading have agreed that the Loan will be set off against the subscription of the Entitlements of entities associated with, or nominee entities of, Thorney under the Entitlement Offer and Tiga Trading's priority sub-underwriting commitment (refer to section 5.1(b)).

As at the date of this Offer Booklet, entities associated with, or nominee entities of, Thorney who are shareholders of the Company (**Thorney Entities**), have an aggregate interest in 9,674,945 Shares (being approximately 4.1% of the total issued share capital of the Company as at the date of this Offer Booklet).

Under the terms of the set-off arrangement:

- (i) the Thorney Entities will subscribe for 8,036,920 New Shares under the Entitlement Offer (A\$80,369.20); and
- (ii) Tiga Trading has committed to a priority sub-underwriting of up to 91,963,080 Shortfall Shares (A\$919,630.80),

being an aggregate amount of A\$1,000,000 and the parties have agreed that the obligation to pay for their Entitlements and the sub-underwriting amount will be set off against the Loan.

If there is insufficient shortfall under the Entitlement Offer to set off the entire Loan amount, the Company has agreed to convene a general meeting to obtain shareholder approval to convert the outstanding Loan amount into Shares at a conversion price A\$0.01 (being the same issue price as the Entitlement Offer).

(d) **Effect on Control**

The Company is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of its shares (including substantial holdings and takeovers), as it is a company incorporated in Israel. However, for the purposes of detailing the effect on control for the Thorney Entities, assuming that none of the Eligible Shareholders take up



their Entitlements under the Entitlement Offer, the table below details the voting power of the Thorney Entities following completion of the Entitlement Offer and Placement:

Timing	Shares	Shareholding (%)
At the date of this Offer Booklet	9,674,945	4.1
After completion of the Entitlement Offer	109,674,945	23.3
After completion of the Entitlement Offer and Placement	109,674,945	18.6

If Eligible Shareholders take up their Entitlements or participate in the Top Up Facility, the proportion of New Shares that the Thorney Entities will hold will decrease by the proportion of New Shares under the Top Up Facility. Refer to Section 6.4 for details in respect to the Top Up Facility allocation policy.

The potential dilution effect with respect to Eligible Shareholders who do not take up their full Entitlement is detailed in Section 5.4.

## 5.2 Significant Shareholders interests in Securities

As at the date of this Offer Booklet and based on information available to the Company, the following Shareholders have a relevant interest in 5% or more of the total Shares on issue:

Significant Shareholder	Shares	Shareholding (%)
Prytek Investment Holding Pte Ltd	13,940,026	5.91
Moneta Seeds LP <sup>1</sup>	13,534,332	5.74

**Notes:**

1. Moneta Seeds LP is an entity associated with Mr Adoram Ga'ash, a Director.

## 5.3 Directors' interests in Securities and Sub-Underwriting

As at the date of this Offer Booklet, the interests of the Directors and their related entities in the securities of the Company and their Entitlements are detailed in the table below.

Director	Shares	Options	Entitlement <sup>1</sup>	Maximum number of Shortfall Shares (Maximum sub-underwriting commitment)
Amos Simantov <sup>2</sup>	8,928,378	16,890,319	8,928,378	-
Adoram Ga'ash <sup>3</sup>	13,534,332	3,355,577	13,534,332	-
David Assia <sup>4</sup>	3,954,668	-	3,954,668	3,000,000 Shares (\$30,000)
David Buckingham <sup>5</sup>	476,114	2,000,000	476,114	-
Robert Edgley <sup>6</sup>	196,078	2,000,000	196,078	5,000,000 Shares (\$50,000)
Ayelet Verbin	-	1,000,000	-	-

**Notes:**

1. Assumes no Options are exercised prior to the Record Date.
2. Mr Simantov intends to take up all of his Entitlement.
3. Mr Ga'ash does not intend to take up any of his Entitlement.
4. Mr Assia does not intend to take up any of his Entitlement.

5. Mr Buckingham does not intend to take up any of his Entitlement.
6. Mr Edgley does not intend to take up any of his Entitlement.

Mr Amos Simantov intends to take up his full Entitlement and Messrs Assia and Edgley have agreed to partially sub-underwrite the Entitlement Offer at the Offer Price pursuant to separate sub-underwriting agreements with the Lead Manager in accordance with the allocation policy detailed in Section 6.4.

The sub-underwriting agreements with Messrs David Assia and Robert Edgley provide that:

- (a) Messrs Assia and Edgley will subscribe for and be allocated up to an aggregate of 8,000,000 Shortfall Shares (detailed in the table above);
- (b) Messrs Assia and Edgley will not receive any fees in association with their sub-underwriting commitment; and
- (c) there are no significant events that could lead to the sub-underwriting agreements being terminated.

New Shares will be issued to Messrs Assia and Edgley referred in accordance with the sub-underwriting agreements and, in any event, within 15 Business Days after the Closing Date in accordance with the ASX Listing Rules.

## 5.4 Potential Dilution Effect

You should note that if you do not participate in the Entitlement Offer, your holdings will be diluted as a result by 50% following completion of the Entitlement Offer and approximately 60.1% following completion of the Capital Raising (assuming no Options are exercised prior to the Record Date) as compared to your holdings and number of Shares on issue at the date of this Offer Booklet. The following are examples of how any dilution may impact you if you do not participate in the Entitlement Offer, assuming the maximum number of New Shares are issued:

Example Shareholder	Holdings as at Record Date	% as at Record Date	Entitlements	Holdings if Entitlement not taken up	% following allotment of New Shares under the Entitlement Offer	% following allotment of Shares under the Placement
Shareholder 1	10,000,000	4.24%	10,000,000	10,000,000	2.12	1.69
Shareholder 2	5,000,000	2.12%	5,000,000	5,000,000	1.06	0.85
Shareholder 3	1,000,000	0.42%	1,000,000	1,000,000	0.21	0.17
Shareholder 4	100,000	0.04%	100,000	100,000	0.02	0.02
Shareholder 5	10,000	0.00%	10,000	10,000	0.00	0.00

**Notes:**

1. The issue of Shares pursuant to the Placement is subject to Shareholder approval.

## 5.5 Capital structure on completion of the Capital Raising

On the basis that the Company completes the Entitlement Offer and Placement, the Company's capital structure will be as follows:

	Shares	Options
<b>Balance as at the date of this Offer Booklet</b>	235,783,998 <sup>1</sup>	37,972,023
<b>Entitlement Offer</b>	235,783,998	-
<b><i>Sub-Total</i></b>	<b><i>471,567,996</i></b>	<b><i>-</i></b>
<b>Placement<sup>2</sup></b>	119,400,000	-
<b>Issue of Options to Lead Manager<sup>2</sup></b>	-	10,000,000
<b>TOTAL</b>	<b>590,967,996<sup>1</sup></b>	<b>47,972,023</b>

**Notes:**

1. Includes 15,632,111 Shares subject to escrow.
2. Issue of Shares under the Placement is subject to shareholder approval. Refer to the Company's ASX announcement dated 17 April 2023 for further details.

## 5.6 Pro forma statement of financial position

The pro forma statement of financial position of the Company as at 31 December 2022 has been prepared by the Company based on the audited consolidated statement of financial position as at 31 December 2022. The pro forma statement of financial position has been prepared on the assumption that all proposed New Shares pursuant to the Capital Raising are issued and in order to reflect the changes to the Company's financial position following completion of the Capital Raising (all figures are in thousands USD).

The pro-forma financial information has not been audited or reviewed and, other than the estimated costs of the Placement and Entitlement Offer, it does not include the indicative expenditure of the proceeds of the Placement and Entitlement Offer.

The pro forma financial information is presented in an abbreviated form, in so far as it does not include all of the disclosure statements or comparative information required by Australian Accounting Standards applicable to the Company's annual financial statements.

The financial information should be read in conjunction with the Company's Financial Report for the Year Ended 31 December 2022. It should also be read in conjunction with the risk factors described in Section 4, as well as the policies of the Company as disclosed in its most recent financial reports.

	31 December 2022 US\$ (thousands)	Pro-forma Adjustments US\$ (thousands)	Pro-forma 31 December 2022 US\$ (thousands)
<b>Current Assets</b>			
Cash and cash equivalents	1,030	2,237	3,267
Trade Receivables	1,669		1,669
Other accounts receivable	493		493
<b>Total Current Assets</b>	<b>3,192</b>		<b>5,429</b>
<b>Non-Current Assets</b>			
Right-of-use assets	363		363
Intangible Assets	776		776
Property, plant and equipment, net	129		129
<b>Total Non-Current Assets</b>	<b>1,268</b>		<b>1,268</b>
<b>TOTAL ASSETS</b>	<b>4,460</b>	<b>2,237</b>	<b>6,697</b>
<b>LIABILITIES AND EQUITY (DEFICIT)</b>			
<b>Current Liabilities</b>			
Credit Line	876		876
Trade payables	467		467
Lease liabilities	86		86
Contingent consideration	102		102
Other accounts payable	1,491		1,491
<b>Total Current Liabilities</b>	<b>3,022</b>		<b>3,022</b>
<b>Non-Current Liabilities</b>			
Borrowings	145		145
Contingent consideration	307		307
Deferred tax liability	30		30
Lease liabilities	273		273
Liability for royalties payable	344		344
<b>Total Non-Current Liabilities</b>	<b>1,099</b>		<b>1,099</b>
<b>EQUITY</b>			
Share Capital	706	395	1,101
Additional paid in capital	19,844	1,842	21,686
Share based payment reserve	3,245		3,245
Adjustments arising from translation to reporting currency	(520)		(520)
Accumulated deficit	(22,936)		(22,936)
<b>TOTAL EQUITY</b>	<b>339</b>	<b>2,237</b>	<b>2,576</b>
<b>Total Liabilities and Equity</b>	<b>4,460</b>	<b>2,237</b>	<b>6,697</b>

#### Notes and assumptions

The key assumptions on which the pro forma statement of financial position above is based are as follows:

- a foreign exchange rate as at 31 December 2022 of AUD/USD 0.6795 and NIS/AUD of 0.4182;
- cash raised under the Capital Raising of approximately A\$3.544 million (before costs) (USD2.408M) via the issue of approximately 235,000,000 Shares under the Entitlement Offer at an issue price of A\$0.01 cents per Share and 119,400,000 Shares under the Placement at an issue price of 0.01 cents per Share (subject to shareholder approval) (refer to the Company's announcement to the ASX on 17 April 2023);
- the Company incurs:
  - underwriting costs calculated at 2% of priority Entitlement Offer proceeds (including sub-underwriters fees), 4% of the remaining Entitlement Offer proceeds, 2% management fee for the Entitlement Offer and 6% lead manager fee of the total amount raised under the Placement (estimated to be approximately A\$192,640 (being US\$130,907)); and
  - other costs of the Capital Raising of approximately A\$60,000 (US\$40,772);
- the accounting policies adopted in the preparation of the proforma statement of financial position are consistent with the accounting policies adopted and described in the Company's financial report for the year ended 31 December 2022 and should be read in conjunction with that financial report; and
- the Company suffers no material adverse event.

## 6. IMPORTANT INFORMATION

This Offer Booklet (including the Investor Presentation) and enclosed personalised Entitlement and Acceptance Form (**Information**) have been prepared by Way2VAT. This Information is current as of Thursday, 20 April 2023. This Information remains subject to change without notice and Way2VAT is not responsible for updating this Information.

There may be additional announcements made by Way2VAT after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Way2VAT (by visiting the ASX website at [www.asx.com.au](http://www.asx.com.au)) before submitting your application to take up your Entitlement.

No party other than Way2VAT has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

**This Information is important and requires your immediate attention.**

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors detailed in Section 4 – Key Risks, any of which could affect the operating and financial performance of Way2VAT or the value of an investment in Way2VAT.

You should consult your stockbroker, accountant or other independent professional adviser to evaluate whether or not to participate in the Entitlement Offer.

### Trading of New Shares

It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk.

Way2VAT and the Lead Manager disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement, whether on the basis of confirmation of the allocation provided by Way2VAT, the Share Registry or the Lead Manager.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other independent professional adviser.

### 6.1 Eligible Shareholders

This Information details an offer of New Shares to Eligible Shareholders in Australia, Israel, New Zealand or Singapore and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). Accordingly, neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Entitlement Offer will be prepared. These documents do not detail, or purport to detail, all of the information that a prospective investor may require in evaluating a possible investment in Way2VAT. They do not and are not required to detail all of the information which would be required to be disclosed in a prospectus.

Eligible Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (Sydney time) on Friday, 21 April 2023;
- have a registered address on the Way2VAT share register in Australia, Israel, New Zealand or Singapore;

- are not in the United States of America and are not acting for the account or benefit of a person in the United States of America (to the extent such person holds Shares for the account or benefit of such person in the United States of America); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer,

(an **Eligible Shareholder**).

If you are a shareholder who does not satisfy each of the criteria listed above, you are an **"Ineligible Shareholder"**. Where this Offer Booklet has been despatched to Ineligible Shareholders, this Offer Booklet is provided for information purposes only. Way2VAT reserves the right to determine whether a shareholder is an Eligible Shareholder or an Ineligible Shareholder.

By making a payment by BPAY® or EFT, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

By receiving this Offer Booklet, you will be taken to have acknowledged and agreed that determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Way2VAT and each of Way2VAT and the Lead Manager and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Way2VAT has decided that it is unreasonable to make offers under the Entitlement Offer to shareholders who have registered addresses outside Australia, Israel, New Zealand or Singapore, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places. Way2VAT may (in its absolute discretion) extend the Entitlement Offer to shareholders who have registered addresses outside Australia, Israel, New Zealand or Singapore in accordance with applicable law. Ineligible Shareholders are not eligible to participate in the Entitlement Offer due to securities laws restrictions on the offer of New Shares in certain jurisdictions.

### **Foreign Shareholders**

**This Offer Booklet and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such offers.**

Shareholders resident in Australia, Israel, New Zealand or Singapore holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Payment by BPAY® or EFT will be taken by the Company to constitute a representation that there has been no breach of those regulations.

## **6.2 Ranking of New Shares**

New Shares issued under the Entitlement Offer will rank equally with existing Shares. New Shares will be entitled to any dividends on ordinary shares with a record date after the date of issue. The rights and liabilities attaching to the New Shares are detailed in Way2VAT's articles, a copy of which is available at [www.asx.com.au](http://www.asx.com.au).

## **6.3 Minimum Subscription**

There is no minimum subscription for the Entitlement Offer.

## 6.4 Top Up Facility allocation policy

Unless otherwise agreed between the Company and the Lead Manager, to the extent any New Shares are not taken up under the Entitlement Offer (**Shortfall Shares**) the Company will allocate Shortfall Shares according to the following priority:

- (a) to each Eligible Shareholder who has applied for Shortfall Shares through the Top Up Facility, provided that no Eligible Shareholder will increase their shareholding in the Company to 25% or more through the allocation of the Top Up Shares; and
- (b) if following the allocation in paragraph (a) there remains unallocated Shortfall Shares, the Shortfall Shares will be allocated to the Lead Manager who will allocate these Shortfall Shares:
  - (i) first to the priority sub-underwriters pursuant to their priority sub-underwriting commitments of up to 117,363,919 Shortfall Shares; and
  - (ii) any remaining Shortfall Shares will be allocated on a pro-rata basis between the other sub-underwriters (including Messrs David Assia and Robert Edgley referred to in Section 5.3), unless otherwise determined by the Lead Manager (in consultation with the Company; and
- (c) if following the allocation in paragraph (b) there remains unallocated Shortfall Shares, the Shortfall Shares will be allocated to any other investors in accordance with a policy determined by the Board (including as may be introduced to the Company by one or more stockbrokers), provided again that no investor will increase their shareholding in the Company to 25% through the allocation of those unallocated Shortfall Shares.

This shortfall allocation policy has been structured to allow each Eligible Shareholder to participate in priority to the sub-underwriters to try to reduce the number of New Shares that may be issued to the sub-underwriters. The Company reserves the right to issue, at its sole discretion, to an Eligible Shareholder who has applied for Shortfall Shares a lesser number of Shortfall Shares than the number applied for, reject an application or not proceed with the issuing of the Shortfall Shares or part thereof.

The Directors reserve, in consultation with the Lead Manager and subject to compliance with the Corporations Act and the ASX Listing Rules, the right to place these Shortfall Shares within three months of the Closing Date at a price not less than the Offer Price.

## 6.5 Reconciliation, Top Up Shares and the rights of Way2VAT and the Lead Manager

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. In addition, where trustees of employee share plans hold Shares on behalf of participants in those plans, the number of New Shares that are offered may need to increase to take account of the rounding. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that Way2VAT may need to issue additional New Shares (**Top Up Shares**) to ensure that the relevant investors receive their appropriate allocation of New Shares. The price at which these Top Up Shares would be issued would be the Offer Price.

Way2VAT also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable investors, if Way2VAT believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, Way2VAT may, in its discretion, require the relevant shareholder to transfer excess New Shares to the Lead Manager at the Offer Price per New Share. If necessary, the relevant shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.



By applying under the Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by Way2VAT in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of Way2VAT or the Lead Manager to require any of the actions detailed above.

## **6.6 Taxation**

The Directors do not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for New Shares under the Entitlement Offer. The implications associated with participation in the Entitlement Offer will vary depending upon the individual circumstances of individual Eligible Shareholders.

Way2VAT, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders. As a result, shareholders should consult their professional tax adviser in connection with subscribing for Shares under the Entitlement Offer.

## **6.7 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an application once it has been accepted.

## **6.8 No Entitlements trading**

Entitlements under the Entitlement Offer are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

## **6.9 Risks**

Section 4 – Key Risks details important factors and risks that could affect the financial and operating performance of Way2VAT. Please refer to Section 4 – Key Risks for details. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Entitlement Offer.

## **6.10 Notice to nominees and custodians**

The Entitlement Offer is only being made to Eligible Shareholders. Nominees and custodians may not distribute any part of this Offer Booklet in any other country outside Australia, Israel, New Zealand or Singapore except (i) nominees in Australia, Israel, New Zealand or Singapore may send this Offer Booklet and related offer documents to beneficial shareholders who are professional or institutional shareholders in other countries listed in, and to the extent permitted under, the “Foreign Jurisdictions” section of the Important Notices included in this Offer Booklet and (ii) to beneficial shareholders in other countries where Way2VAT may determine it is lawful and practical to make the Entitlement Offer.

Way2VAT is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary, including following acquisition of Entitlements on ASX or otherwise, complies with applicable foreign laws. Way2VAT is not able to advise on foreign laws.

## **6.11 Continuous Disclosure**

Way2VAT is a “disclosing entity” under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Way2VAT is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Way2VAT has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a



reasonable person would expect to have a material effect on the price of value of Shares. That information is available to the public from ASX.

## **6.12 Not investment advice**

This Information is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Way2VAT is not licensed to provide financial product advice in respect of the New Shares. This Information does not purport to detail all the information that you may require to evaluate a possible application for New Shares, nor does it purport to detail all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Way2VAT's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

Prospective investors should conduct their own independent investigation and assessment of the Entitlement Offer and the information detailed in, or referred to in, this Offer Booklet. An investment in Way2VAT is subject to investment risk including possible loss of income and principal invested. Before deciding whether to apply for New Shares, you should consider all materials sent to you in relation to the Entitlement Offer and any relevant materials lodged with ASX, and whether the New Shares are a suitable investment for you in light of your own investment objectives, financial circumstances and investment needs (including financial and taxation issues) and having regard to the merits or risks involved (including Section 4 – Key Risks). If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser or call contact the Way2VAT Shareholder Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser during the Entitlement Offer period.

## **6.13 Rounding of Entitlements**

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

## **6.14 Quotation and trading**

Way2VAT has applied to ASX for official quotation of the New Shares in accordance with the ASX Listing Rules requirements. Application monies will be held on trust in a subscription account until allotment. No interest earned on application monies will be paid by Way2VAT, irrespective of whether allotment takes place.

If ASX does not grant quotation of the New Shares, Way2VAT will repay all application monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares allotted under the Entitlement Offer will commence at 10am (Sydney time) on Thursday, 18 May 2023.

## **6.15 Information availability**

Eligible Shareholders in Australia, Israel, New Zealand or Singapore can obtain a copy of this Information during the period of the Entitlement Offer on the Way2VAT website at [www.way2vat.com](http://www.way2vat.com) or by calling Way2VAT. Eligible Shareholders who access the electronic version of this Information should ensure that they download and read the entire Information. The electronic version of this Information on the Way2VAT website will not include a personalised Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be obtained during the period of the Entitlement Offer by calling the contact the Way2VAT Shareholder Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday during the Entitlement Offer period. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

## **6.16 Governing law**

This Information, the Entitlement Offer and the contracts formed on acceptance of Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in Western Australia, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia.

## **6.17 Foreign jurisdictions**

This Information has been prepared to comply with the requirements of the securities laws of Australia, Israel, New Zealand and Singapore.

This Information does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia, Israel, New Zealand and Singapore. Payment by BPAY® or EFT will be taken by the Company to constitute a representation by you that there has been no breach of any such laws. Eligible Shareholders who are nominees or custodians should see Section 6.10.

The distribution of this Information (including an electronic copy) outside Australia, Israel, New Zealand or Singapore may be restricted by law. If you come into possession of this Information, you should observe such restrictions. In particular, this document or any copy of it must not be distributed in the United States of America or in any other jurisdiction outside Australia and New Zealand. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. However, nominees should see the foreign selling restrictions detailed in the "Foreign Jurisdictions" in the Important Notices included in this Offer Booklet for more information. Any non-compliance with these restrictions may contravene applicable securities laws.

Refer to the "Foreign Jurisdictions" the Important Notices included in this Offer Booklet for further details of the offer restrictions in jurisdictions outside of Australia.

## **6.18 Privacy**

As a shareholder, Way2VAT has already collected certain personal information from you. If you apply for New Shares, Way2VAT may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, Way2VAT may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares or as otherwise under the *Privacy Act 1988* (Cth) and applicable Israeli privacy law.

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) Way2VAT. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to Way2VAT through the Share Registry as follows:

Way2VAT Limited  
C/- Automic Group Pty Ltd  
Level 5, 126 Phillip Street  
Sydney, NSW 2000

## **6.19 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not detailed in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by Way2VAT, or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of Way2VAT, or any other person, warrants or guarantees the future performance of Way2VAT or any return on any investment made pursuant to this Information or its content.

## **6.20 Withdrawal of the Entitlement Offer**

Way2VAT reserves the right to withdraw all or part of the Entitlement Offer and this information at any time, subject to applicable laws, in which case Way2VAT will refund application monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any application monies paid by you to Way2VAT will not entitle you to receive any interest and that any interest earned in respect of application monies will belong to Way2VAT.

## 7. GLOSSARY

In this Offer Booklet, unless the context requires otherwise:

**13<sup>th</sup> EU VAT Directive** means the Thirteenth Council Directive 86/560/EEC.

**\$ or A\$** means Australian dollars.

**Addendum** has the meaning given in the Important Notices included in this Offer Booklet.

**Allotment Date** means Thursday, 18 May 2023.

**Announcement Date** means Monday, 17 April 2023.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or where the context requires, the financial market operated by it known as the Australian Securities Exchange.

**ASX Listing Rules** means the listing rules of the ASX as amended from time to time.

**Australian Accounting Standards** means Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group interpretations.

**Board** means the board of Directors.

**Business Day** has the same meaning as in the ASX Listing Rules.

**Closing Date** means 5.00pm (Sydney time) Thursday, 11 May 2023.

**Companies Law** means Israeli Companies Law, 5759-1999.

**Company** or **Way2VAT** means Way2VAT Limited ARBN 637 709 114.

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

**Director** means a director of the Company.

**EFT** means Electronic Funds Transfer.

**Eligible Shareholder** has the meaning given in Section 6.1.

**Entitlement** has the meaning given in the Letter.

**Entitlement and Acceptance Form** has the meaning given in the Letter.

**Entitlement Offer** has the meaning given in the Letter.

**EU** means the European Union.

**Event of Insolvency** means:

- (a) a receiver, manager, receiver and manager, trustee, administrator, controller or similar officer is appointed in respect of a person or any asset of a person;
- (b) a liquidator or provisional liquidator is appointed in respect of a corporation;
- (c) any application (not being an application withdrawn or dismissed within seven (7) days) is made to a court for an order, or an order is made, or a meeting is convened, or a resolution is passed, for the purpose of:

- (i) appointing a person referred to in paragraphs (a) or (b);
  - (ii) winding up a corporation; or
  - (iii) proposing or implementing a scheme of arrangement;
- (d) any event or conduct occurs which would enable a court to grant a petition, or an order is made, for the bankruptcy of an individual or his or her estate under any Insolvency Provision;
- (e) a moratorium of any debts of a person, or an official assignment, or a composition, or an arrangement (formal or informal) with a person's creditors, or any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of that person's creditors or a trustee, is ordered, declared, or agreed to, or is applied for and the application is not withdrawn or dismissed within seven days;
- (f) a person becomes, or admits in writing that it is, is declared to be, or is deemed under any applicable act to be, insolvent or unable to pay its debts; or
- (g) any writ of execution, garnishee order, mareva injunction or similar order, attachment, distress or other process is made, levied or issued against or in relation to any asset of a person

**Excluded Shares** means the Shares which would have been offered to Ineligible Shareholders under the Entitlement Offer had they been entitled to participate in the Entitlement Offer.

**GDPR** means the General Data Protection Regulation (EU) 2016/679.

**Government Agency** means any government or any government department, governmental, semi-governmental, administrative, fiscal, judicial, investigative, review or regulatory body, department, commission, authority, tribunal, agency, stock exchange or entity in any jurisdiction relevant to the Entitlement Offer, including ASX, ASIC and the Takeovers Panel.

**Group** means the Company and each of its subsidiaries

**GST** means goods and services tax.

**IFRS** means the International Financial Reporting Standards.

**ILS** or **NIS** means Israeli new shekel.

**Ineligible Shareholder** has the meaning given in Section 6.1.

**Information** has the meaning given in Section 6.

**Insolvency Provision** means any applicable law relating to insolvency, sequestration, liquidation or bankruptcy, including any applicable laws regulating an Event of Insolvency.

**Investor Presentation** means the investor presentation of the Company dated 17 April 2023 detailed in Section 3.

**Lead Manager** means BW Equities Pty Ltd ACN 146 642 462.

**Letter** means the Letter from the Chief Executive Officer and Managing Director on pages 6 and 7.

**Limited Party** has the meaning given in the Important Notices included in this Offer Booklet.

**Loan** has the meaning given in the Letter.

**New Shares** means a Share offered under the Entitlement Offer.

**NIS** means Israeli new shekels.

**Offer Booklet** means this Offer Booklet dated Thursday, 20 April 2023.

**Offer Materials** means:

- (a) the notice prepared by the Company for the Entitlement Offer pursuant to section 708AA of the Corporations Act;
- (b) all announcements released to the ASX by the Company in connection with the Entitlement Offer, including the investor presentation in connection with the Entitlement Offer;
- (c) this Offer Booklet and any supplementary or replacement disclosure document;
- (d) all correspondence delivered to Eligible Shareholders or Ineligible Shareholders in respect of the Entitlement Offer and approved by the Company (or on their behalf with their consent); and
- (e) all announcements to ASX, presentation materials, public and other media statements made by or on behalf of the Company on or after the Announcement Date and up to and including the Allotment Date in relation to the affairs of the Company or the Entitlement Offer, including amendments or updates to any Offer Materials, or in relation to bids or applications received for New Shares or the progress or results of the Entitlement Offer, in each case by the Company (or on its behalf with its consent).

**Offer Price** has the meaning given in Section 2.1.

**Placement** has the meaning given in the Letter.

**Prescribed Occurrence** means:

- (a) the Company converting all or any of the Shares into a larger or smaller number of Shares;
- (b) the Company resolving to reduce its share capital in any way;
- (a) the Company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (b) the Company resolving that it be wound up;
- (c) the appointment of a liquidator or provisional liquidator to the Company;
- (d) the making of an order by a court for the winding up of the Company;
- (e) the Company executing a deed of company arrangement; or
- (f) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of the Company.

**Qualified Investors** has the meaning given in the Important Notices included in this Offer Booklet.

**Record Date** means 7.00pm (Sydney) Friday, 21 April 2023.

**Refund Directive** means the Council Directive 2008/9/EC.

**Securities Act** means the U.S. Securities Act of 1933, as amended.

**Securities Law** means the Israeli Securities Law, 5728-1968.

**Share** means a fully paid ordinary share in the capital of Way2VAT.

**Share Registry** means Automic Pty Ltd ACN 152 260 814.

**Shortfall Notification Date** means Monday, 15 May 2023.

**Shortfall Shares** has the meaning given in Section 6.4.

**SMB** means small medium businesses.

**Tiga Trading** has the meaning given in Section 5.1(b).

**Thorney** means Thorney Investment Group.

**Thorney Entities** has the meaning given in Section 5.1(c).

**Timetable** means the Indicative Timetable on page 8.

**Top Up Facility** has the meaning given in Section 1.

**Top Up Shares** has the meaning given in Section 6.5.

**Underwriting Agreement** has the meaning given in Section 5.1(a).

**Underwritten Amount** has the meaning given in Section 5.1(a).

**USD** or **US\$** means US dollars.

**VAT** means value added tax.

## **8. ENTITLEMENT AND ACCEPTANCE FORM**





Way 2 Vat Ltd| ARBN 637 709 114

All Registry Communication to:



GPO Box 5193, Sydney NSW 2001  
1300 288 664 (within Australia)  
+61 2 9698 5414 (international)  
corporate.actions@automicgroup.com.au  
www.automicgroup.com.au

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

Holder Number:  
[HolderNumberMasked]

Shares held as at the Record Date at  
7.00 pm (Sydney time) Friday, 21 April 2023  
[CumBalance]

## ENTITLEMENT AND ACCEPTANCE FORM

**OFFER CLOSES 5.00PM (Sydney time) 11 May 2023 (WHICH MAY CHANGE WITHOUT NOTICE)**

On 17 April 2023, Way 2 Vat Ltd (**Company**) announced a non-renounceable pro-rata rights issue offer of one (1) new share (**New Shares**) for every one (1) share held by shareholders with a registered address in Australia, Israel, New Zealand or Singapore as at the Record Date (**Eligible Shareholders**) at an issue price of \$0.01 (1 cent) per New Share to raise up to approximately \$2.35 million before costs (**Rights Issue**). The Rights Issue closes at 5.00pm Sydney time on 11 May 2023 (which date may change without notice) (**Rights Issue Closing Date**).

The Rights Issue Offer Booklet dated 20 April 2023 (**Offer Booklet**) also contains an offer of New Shares that are not taken up by Eligible Shareholders under the Rights Issue (including by applying for New Shares from the Top Up Facility (**Top Up Facility Shares**)) prior to the Rights Issue Closing Date at an issue price of \$0.01 (1 cent) per New Share (**Top Up Facility Offer**). If, following the allocation of New Shares pursuant to the Top Up Facility Offer, there remains unallocated New Shares, those New Shares may be issued on or before the date that is three months after the Rights Issue Closing Date (including as changed, if applicable, and unless closed earlier).

The Offer Booklet contains information about the Rights Issue and you should carefully read the Offer Booklet before applying for Shares. This Entitlement and Acceptance Form should be read in conjunction with the Offer Booklet. If you do not understand the information provided in the Offer Booklet or you are in doubt as to how you should deal with it, you should seek professional advice. Other than as defined in this Entitlement and Acceptance Form, capitalised terms have the same meaning as defined in the Offer Booklet.

### 1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

	Payment Amount A\$ (\$0.01 per Share)	Number of Shares Applied
Full Entitlement	[EntPayable]	[Entitlement]
Partial Entitlement	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

### 2 APPLICATION FOR TOP UP FACILITY SHARES

As an Eligible Shareholder, you are invited to apply for Top Up Facility Shares, providing you have taken up your Full Entitlement.

	Payment Amount A\$ (\$0.01 per Top Up Facility Share)	Number of Top Up Facility Shares Applied
Top Up Facility Application	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

No fractional shares will be issued. If the dollar amount for additional shares, divided by the issue price (\$0.01), is a fraction of a New Share, the New Shares allotted will be rounded up).

### 3 MAKE YOUR PAYMENT BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made by BPAY® or by EFT and may not be made by cheque or money order. You do not need to return this form if you have made payment via BPAY® or EFT.

Total Payment A\$	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/>
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#### Option A – BPAY®



Bill Code: XXXXXX  
Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

**Note:** You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares electronically.

#### Option B – Electronic Funds Transfer (EFT)

The unique reference number which has been assigned to your Application is: [HolderId]-XXX-W2V

Funds are to be deposited in AUD currency directly to following bank account:

Account name: Automic Pty Ltd  
Account BSB: XXX-XXX  
Account number: XXXXXX  
Swift Code: WPACAU2S

**IMPORTANT:** You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

#### 4 Elect to receive email communication

Return to Automic Group by email to [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au)

Telephone Number (    )	Contact Name (PLEASE PRINT)	W2V-[HolderId]
Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry, Automic Group		

## INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Rights Issue is optional and is offered exclusively to Eligible Shareholders.

### ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the terms detailed in the Offer Booklet and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of Shares acquired by you and agree to be bound by the articles of association of the Company (as amended from time to time).

#### 1 Acceptance of Full or Partial Entitlement for Shares

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your Full Entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

#### 2 Applying for Top Up Facility Shares

If you accept your Full Entitlement and wish to apply for Top Up Facility Shares in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Top Up Facility Facility by following the instructions on this Entitlement and Acceptance Form.

Your application for Top Up Facility Shares may not be successful (wholly or partially). The decision in relation to the number of Top Up Facility Shares in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

#### 3 Payment

By making a payment via BPAY® or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the closing date and time. Payment must be received by the Share Registry by 5.00pm (Sydney time ) on 11 May 2023.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

**Payment by BPAY®:** You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

**Payment by EFT:** You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (Sydney time) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid.

#### 4 Contact Details - Elect to receive email communication

The Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (Sydney time).

