

ASX Announcement

18 September 2024

Cleansing notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth)

This notice is given by NTAW Holdings Limited (ASX:NTD) ACN 095 843 020 (**NTAW**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth), as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Corporations Act**).

NTAW today announced a non-renounceable entitlement offer to eligible shareholders to subscribe for 1 new fully paid ordinary share in NTAW (**New Shares**) for every 4 existing NTAW shares held at 7.00pm (Sydney time) on 23 September 2024 to raise approximately \$12.41 million (before costs) (**Entitlement Offer**). Each New Share will be issued at an issue price of \$0.37.

The Entitlement Offer is being underwritten by Exldata Pty Ltd ACN 095 080 041 (**Exldata**), an existing shareholder of the Company and an associate of Mr Tony Young, a substantial shareholder of the Company.

Further details regarding the Entitlement Offer are contained in the announcements released to ASX today by NTAW.

NTAW advises:

- (a) the New Shares to be issued under the Entitlement Offer will be issued without disclosure under Part 6D.2 of the Corporations Act;
- (b) this notice is given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, NTAW has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to NTAW; and
 - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- (e) information regarding the potential effect of the issue of New Shares pursuant to the Entitlement Offer on the control of NTAW, and the consequences of that effect, is set out below.

Effect of the Entitlement Offer on control

The potential effect that the Entitlement Offer will have on the control of NTAW, and the consequences of that effect, will depend on a number of factors, including investor demand and the underwriting arrangements entered into by the Company and Exldata.

Given the size and pricing of the Entitlement Offer, the composition of NTAW's share register and the structure of the Entitlement Offer as an underwritten pro rata offer, the likely effect that the Entitlement Offer will have on the control of NTAW can be summarised as follows:

- (a) if all eligible shareholders take up their entitlement for New Shares under the Entitlement Offer, the Entitlement Offer will have no material effect on the control of NTAW;
- (b) to the extent that any eligible shareholder does not take up their entitlement for New Shares under the Entitlement Offer, that eligible shareholder's percentage holding in NTAW will be diluted;
- (c) the percentage holding in NTAW's shares of ineligible shareholders (being those shareholders with registered addresses outside Australia and New Zealand, or as otherwise determined by NTAW) will be diluted as a result of the issue of New Shares under the Entitlement Offer;
- (d) NTAW has appointed Taylor Collison Limited (**Nominee**) to act as a nominee for ineligible shareholders, for the purposes of section 615 of the Corporations Act, and NTAW will apply to the Australian Securities and Investments Commission (**ASIC**) to approve the appointment of Taylor Collison as the Nominee;
- (e) to the extent that there are any shortfall shares (which do not include New Shares issued to the Nominee) following completion of the Entitlement Offer, Exldata will acquire those New Shares pursuant to the underwriting arrangement discussed below;
- (f) the Entitlement Offer (other than in respect of New Shares issued to the Nominee) is underwritten by Exldata pursuant to an underwriting agreement entered into between NTAW and Exldata dated 17 September 2024;
- (g) NTAW and Exldata have agreed that if ASIC does not approve the Nominee, Exldata's underwriting commitment will be reduced to the extent that it would need to rely on item 10 of section 611 of the Corporations Act;
- (h) Exldata is an existing shareholder of the Company and an associate of Mr Tony Young, a substantial shareholder of the Company whose voting power in the Company at the date of this Notice (based on the Company's records) is 9.4%;
- (i) Tony Young has advised the Company, without making any binding commitment, that Exldata and each of the other entities associated with Tony Young that hold shares in NTAW and represent the above voting power (the **Young Shareholders**) intend to take up their full entitlements under the Entitlement Offer, representing 3,137,988 New Shares;
- (j) directors of the Company other than Mr Tynan Young have advised the Company that they or their associated entities intend to subscribe for a total of 4,738,946 New Shares, representing 14.13% of the number of New Shares proposed to be issued under the Entitlement Offer, including Mr Terry Smith, whose associated entities intend to subscribe for 4,054,054 New Shares;
- (k) while the Company understands that Exldata has not entered into, and does not intend to enter into, formal sub-underwriting agreements in respect of any shortfall under the Entitlement Offer, it has been informed by Exldata that it intends to endeavour to procure subscriptions from institutional investors for at least 30% of any shortfall;
- (l) if Terry Smith's associated entities subscribe for 4,054,054 New Shares under the Entitlement Offer as intended, the voting power of Terry Smith and his associated entities will decrease from 20.8% to 19.1%;

- (m) where:
- (i) the Young Shareholders take up their full entitlements under the Entitlement Offer;
 - (ii) the directors of the Company referred to in paragraph (j) above or their associated entities subscribe for a total of 4,738,946 New Shares under the Entitlement Offer;
 - (iii) there is zero uptake from any other shareholders under the Entitlement Offer;
 - (iv) no existing options are exercised and no existing rights are converted into shares; and
 - (v) Exldata underwrites the maximum amount of its underwriting commitment in relation to the shortfall of the Entitlement Offer,

Tony Young's voting power could increase from 9.4% up to 24.6% (if the Nominee is approved by ASIC) or up to 19.9% (if the Nominee is not approved by ASIC), and if Tony Young is successful in procuring subscriptions from institutional investors for 30% of the shortfall (calculated based on the above assumptions), his voting power could increase from 9.4% up to 20.03% (if the Nominee is approved by ASIC) or up to 19.9% (if the Nominee is not approved by ASIC);

- (n) the Company believes that it is unlikely that the voting power of Tony Young will increase to 24.6% as a result of the Entitlement Offer, having regard to Exldata's intention in relation to endeavouring to procure subscriptions for at least 30% of any shortfall and also given it is likely that at least some of the other shareholders will elect to take up their Entitlements;
- (o) although the issue of New Shares which are not taken up by eligible shareholders under the Entitlement Offer may result in an increase in the voting power in NTAW of the underwriter of the Entitlement Offer, it is not expected that such issue of New Shares will have a material effect on the control of NTAW.

This announcement was approved, and authorised for release, by NTAW's Board of Directors.

ENDS

For further information, please contact:

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