

DOUUGH LIMITED
ACN 108 042 593

PROSPECTUS

For the offer of up to 8,211,080 Shares at a deemed issue price of 18.268 cents per Share (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 17 March 2021 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares offered by this Prospectus should be considered as highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be made by an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs

(including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offer does not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or The Offer is not being extended and Shares will not be issued to

Shareholders with a registered address which is outside Australia.

For further information on overseas Shareholders please refer to Section 2.8.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.dough.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of

For personal use only

this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6556 2400 during office hours or by emailing the Company at info@sasglobal.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in

the Company during the preceding month.

Photographs and Diagrams

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the settlement rules of the securities clearing house which operates CHESS. You should note that if you do not provide the information required on the application for Shares, the Company

may not be able to accept or process your application.

Use of Trademarks

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 8 6556 2400.

CORPORATE DIRECTORY

Directors

Andrew Taylor
Managing Director and CEO

Umberto Mondello
Non-Executive Director

Steve Bellotti
Non-Executive Director

Patrick Tuttle
Non-Executive Director

Company Secretary

Derek Hall

ASX Code

DOU

Registered Office

Level 7
44 Market Street
SYDNEY NSW 2000

Email: info@dough.com
Website: www.dough.com

Share Registry*

Automic Pty Ltd
Level 2
267 St Georges Terrace
PERTH WA 6000

Telephone:

1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

RSM Australia Partners
Level 13, 60 Castlereagh Street
SYDNEY NSW 2000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION.....	1
2.	DETAILS OF THE OFFER.....	2
3.	PURPOSE AND EFFECT OF THE OFFER.....	4
4.	RIGHTS AND LIABILITIES ATTACHING TO SHARES	6
5.	RISK FACTORS	8
6.	ADDITIONAL INFORMATION	20
7.	DIRECTORS' AUTHORISATION	29
8.	GLOSSARY	30

1. KEY OFFER INFORMATION

1.1 Timetable

Action	Date
Announcement of Acquisition and Appendix 3B	26 February 2021
Lodgement of Prospectus with the ASIC and ASX	17 March 2021
Opening Date of the Offer	17 March 2021
Closing Date of the Offer*	7 April 2021
Issue of Shares under the Offer	9 April 2021
Expected date of Official Quotation of the Shares	12 April 2021

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

1.2 Background to the Offer

As set out in the Company's ASX announcements of 6 January 2021 and 26 February 2021:

- (a) The Company has agreed to acquire the shares in Goodments Pty Ltd (ACN 617 000 138) held by Thomas Culver and Emily Taylor pursuant to a share sale agreement between the Company, Mr Culver, Ms Taylor and Goodments dated 25 February 2021.
- (b) The conditions precedent to settlement of the acquisition the subject of the Share Sale Agreement include:
 - (i) the preparation and lodgement of this Prospectus with ASIC; and
 - (ii) at least 90% in aggregate of Goodments shareholders who hold fully paid ordinary shares and Goodments shareholders who hold seed preference shares agreeing to sell their respective Goodments shares by provision of share transfer forms and completed application forms in connection with this Prospectus.
- (c) Subject to satisfaction or waiver of the conditions precedent to Settlement (a list of which is set out in Section 6.4(a)), the Company has agreed issue an aggregate of up to \$1,500,000 worth of Shares (**Consideration**) at a deemed issue price of 18.268 cents per Share to Ms Taylor and the other shareholders of Goodments at Settlement.

Accordingly, the Offer under this Prospectus is made only to the existing shareholders of Goodments (**Recipients**), in consideration for, and in satisfaction of the Company's obligations under the Share Sale Agreement.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is an offer of up to 8,211,080 Shares at a deemed issue price of 18.268 cents per Share and represents the issue by the Company of the Consideration pursuant to the Share Sale Agreement.

The Offer will only be extended to the Recipients and only the Recipients may accept the Offer. A personalised Application Form in relation to the Offer will be issued to the Recipients together with a copy of this Prospectus.

Issue of the Shares pursuant to the Offer is subject to and conditional upon the satisfaction or waiver of the conditions precedent to Settlement. The outstanding conditions precedent to Settlement are set out in Section 6.4 (a) below.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4 for further information regarding the rights and liabilities attaching to the Shares.

2.2 Opening and Closing Date of the Offer

The Opening Date of the Offer will be 17 March 2021 and the Closing Date for the Offer will be 7 April 2021. The Directors reserve the right to close the Offer early or extend the Closing Dates (as the case may be), should it be considered necessary to do so.

2.3 Minimum subscription

There is no minimum subscription to the Offer.

2.4 Not underwritten

The Offer is not underwritten.

2.5 Lead Manager

There is no lead manager to the Offer under this Prospectus.

2.6 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.7 Issue of Shares

Shares to be issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Holding statements for Shares issued under the Offer will be mailed as soon as practicable after the issue of Shares.

2.8 Overseas shareholders

This Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person and the Shares may not be offered or sold in any country outside Australia.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose and Effect of the Offer

The primary purpose of the Offer is summarised in Section 2.1.

The principal effect of the Offer, assuming all Shares offered under this Prospectus are issued and no other Shares are issued, Options exercised, or Performance Shares converted, will be to remove any trading restrictions that may have attached to the Shares issued by the Company as Consideration pursuant to the Share Sale Agreement prior to the Closing Date of the Offer. The Company is **not** seeking to raise any money under the Offer as the purpose of the Offer is not to raise capital.

3.2 Effect on capital structure

The effect of the Offer on the capital structure of the Company is set out below.

	Shares	Options	Performance Shares
Securities currently on issue	655,652,144	105,000,000 ¹	75,000,000
Securities offered pursuant to the Offer	8,211,080	Nil	Nil.
Securities to be issued to Tom Culver ³	Nil	2,014,451	Nil
Total Securities on issue after completion of the Offer	663,863,224	107,014,451	75,000,000

Notes:

1. Comprising unlisted options exercisable at \$0.04 each on or before the date that is 4 years from the date of issue (escrowed for 24 months from issue).
2. Comprising 25,000,00 each of Class A Performance Shares, Class B Performance Shares and Class C Performance Shares. The terms and conditions of the Performance Shares are set out in Section 3.2 of the Company's (then known as Ziptel Limited) Replacement Prospectus dated 12 August 2020.
3. It is a condition precedent to settlement of the Acquisition that the Company enter into an employment agreement with Tom Culver (founder of Goodments) and Mr Culver be issued Options under the Company's Employee Share Option Plan. Refer to Section 6.4(b) for a summary of the Employment Agreement.

3.3 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
THE DIGITAL BAKERY LIMITED ¹	191,676,612	29.23

Notes:

1. An entity associated with director Andrew Taylor.

3.4 Pro-forma balance sheet

The reviewed balance sheet as at 31 December 2020 and the unaudited pro-forma balance sheet as at 31 December 2020 shown below have been prepared

on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming no Options or convertible securities are exercised and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 December 2020	ADJUSTMENT	PROFORMA
	\$	\$	\$
CURRENT ASSETS			
Cash	16,021,191	27,824	16,049,015
Other current assets	503,489	4,954	508,443
TOTAL CURRENT ASSETS	16,524,680		16,557,458
NON-CURRENT ASSETS			
Plant and equipment	-		
Intangibles	486,678	54,245	540,923
TOTAL NON-CURRENT ASSETS	486,678		540,923
TOTAL ASSETS	17,011,358		17,098,381
CURRENT LIABILITIES			
Creditors and borrowings	1,849,837	16,653	1,866,490
Employee Benefits	97,823		97,823
TOTAL CURRENT LIABILITIES	1,947,660		1,964,313
TOTAL LIABILITIES	1,947,660		1,964,313
NET ASSETS (LIABILITIES)	15,063,698		15,134,068
EQUITY			
Share capital	23,904,529	1,500,000	25,404,529
Options Reserve	614,991		614,991
Retained loss	- 9,455,822	1,429,630	- 10,885,452
TOTAL EQUITY	15,063,698		15,134,068

4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The Constitution is of the kind usually adopted by a public company, with certain provisions taking effect once (and for so long as) the Company is listed on the ASX. A summary of the rights attaching to Shares under the Constitution is set out below.

The summary is qualified by the full terms of the Constitution (copies of the Constitution may be inspected at the registered office of the Company during normal business hours by appointment with the Company secretary). These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory, ASX Listing Rules and common law requirements. This summary is not intended to be exhaustive.

A summary of the rights which relate to the Shares which may be issued pursuant to this Prospectus are set out below. This summary does not purport to be exhaustive or constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

4.1 Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

4.2 Dividends

The Shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such interim dividends as in their judgement the position of the Company justifies.

4.3 Winding up

Upon paying the application moneys, Shareholders will have no further liability to make payments to the company in the event of the company being wound up pursuant to the provisions of the Corporations Act.

4.4 Transfer of securities

Generally, Shares in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

4.5 Sale of non-marketable holdings

- (a) The Company may take steps in respect of non-marketable holdings of Shares in the Company to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings.
- (b) The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the ASX Listing Rules.

- (c) For more particular details of the rights attaching to Shares in the Company, investors should refer to the Constitution of the Company.

4.6 Variation of Rights

At present, the Company's only class of Shares is fully paid ordinary Shares. However, if at any time the share capital is divided into different classes of Shares, preference capital (other than redeemable preference capital) shall not be repaid, and the rights attached to any class of Shares (unless otherwise provided by the terms of issue of the Shares of that class) shall not at any time, be varied without:

- (a) the consent in writing of the holders of 75% of the issued Shares of that class; or
- (b) the sanction of a special resolution passed at a separate Meeting of the holders of the Shares of that class.

4.7 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.8 Interaction with ASX Listing Rules

Where the Company is listed, the Constitution provides that in the case of any inconsistency between any rule under the Constitution and a provision of the ASX Listing Rules, the ASX Listing Rules prevail to the extent of the inconsistency.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Specific Risks

In addition to the general market and economic risks noted in Section 5.3, investors should be aware of the risks specific to an investment in the Company. The major risks are described below.

(a) Settlement Risk

Settlement of the Share Sale Agreement is subject to the fulfilment of certain conditions precedent. There is a risk that the conditions for Settlement cannot be fulfilled and, in turn, that completion of the Acquisition will not occur. If the Acquisition is not completed, the Company will have incurred significant costs without any material benefit to Shareholders.

(b) COVID-19 Pandemic

The occurrence of the COVID-19 pandemic has resulted in significant market uncertainty in global equity, currency, finance, trade and commodity markets. The effects of this pandemic are far-reaching and uncertain outcomes may impact the timing and viability of further investment in the Company and the Company's operations generally. Global financial markets have been severely impacted by this pandemic and such impacts may affect the ability of the Company to raise equity and debt.

To date, COVID-19 has not had any material impact on the Company's operations, however, any infections at the Company or to any of the Company's personnel could result in operations being suspended or otherwise disrupted for an unknown period of time which may have an adverse impact and adverse implications on future cash flows, profitability and financial condition.

The general level of economic uncertainty caused by the COVID-19 pandemic may also adversely impact the company's operations, financial position and prospectus.

The Company has implemented appropriate controls and will continue to review this response based on the latest guidance from health professionals and the government as the situation develops.

(c) **Rate of Customer adoption**

The Company is currently in the early stages of establishing its presence in the US and Australia, and its ability to profitably scale its business is heavily reliant on adoption and usage rates customer base to increase revenues from debit card interchange fees and achieve profitable operations.

Failure to expand in this way may materially and adversely impact the Company's ability to achieve economies of scale and to optimise its systems and may therefore adversely impact the Company's ability to achieve future profitability.

The Company's growth strategy also includes the introduction of new services and technologies, such as a wealth management program and cashback rewards. There is a risk that expansion initiatives may result in additional costs and risks or may not deliver the outcomes intended. This strategy depends on increasingly expanding its customer base.

Specifically, the Company's future revenue prospects are heavily contingent upon both:

- (i) consumer adoption rates; and
- (ii) the use of the Dough products by users.

The Company currently earns revenue predominantly from debit card interchange transaction fees and acquisition of brokered deposits sourced from partner banks. An increase in revenue generation requires greater use of Dough products by customers and for the Company to continue to increase the number of registered users.

The Company's success, growth and expansion could be impacted by a number of factors including but not limited to:

- (i) failure to increase adoption and usage of the Dough App and products;
- (ii) Dough's ability to meet users' demands for new products in a timely manner;
- (iii) cost-effectiveness and pricing of Dough's product offering;
- (iv) the availability of competing products in the market (including new market entrants);
- (v) software/product capabilities and performance;
- (vi) the ability to anticipate and quickly respond to changing technology, opportunities, regulatory requirements, industry standards or consumer requirements in the industry (i.e. first mover advantage); and
- (vii) the Dough's reputation.

The Company cannot guarantee that it will continue to increase its revenue from existing or new users.

There is also the risk that the marginal cost to acquire a new user may increase or be higher than anticipated.

If the Company fails in the execution of its marketing campaign and user adoption strategies, and consequently cannot attract additional users to the Dough App, this may have an adverse impact upon the financial position of the Company.

(d) **Loss of Customers**

In addition to attracting new users through marketing and adoption strategies, the Company's revenue is dependent upon existing users and their continued use of the Dough App. Part of the Company's expansion strategy is also dependent upon new users being attracted to the Company's products via existing foundational users. Accordingly, the Company must support its existing and future user base to ensure that they continue to support and use the Company's products, and support any future product offerings. If the Company fails to retain its existing users, this is likely to affect the Company's financial performance.

(e) **Cost of direct marketing**

The growth of new direct users of the Company's products depends in part on the effectiveness of the direct marketing efforts. There is a risk that the Company's direct advertising and direct marketing channels may become less effective or more expensive as a result of:

- (i) increased competition or costs associated with bidding for search engine key words;
- (ii) increased competition or cost for online and social media advertisements;
- (iii) changes to the algorithms or terms of services for search engines, such as Google, which may cause the Company to be ranked lower or excluded from search results; and
- (iv) reduced effectiveness of mass marketing.

Additionally, Dough's user acquisition strategy is substantially based on the support provided by loyal brand advocates who may not be effective in referring new members or acquisition of new customers.

If the costs of direct advertising materially increase, these brand advocates are ineffective, or the effectiveness of the Company's direct marketing strategies decreases, the Company may be unable to continue to grow at the expected rate or profitably, which would have a material adverse effect on the Company's business, financial condition, operating and financial performance, and/or growth.

(f) **Demand Risk**

Dough's business has the potential to grow rapidly. If that occurs and Dough fails to properly manage that growth, then that failure could harm its business. Any failure to properly meet customer demand could

adversely affect the Company, including demand for the Company's products and services, revenue collection, customer satisfaction and public perception.

(g) **Contractual risks**

The Company's operations and success are underpinned by various material agreements and the Company is reliant upon counterparties continuing to fulfil their obligations under these contracts. A failure by those parties to perform such obligations under these contracts, or the termination of these contracts, could adversely affect the Company. There can be no assurance that the Company would be successful in attempting to enforce any of its rights through legal action.

Key infrastructure required to facilitate the conduct of transactions via the Company's products is provided by third parties who deliver the requisite expertise and regulatory approvals to undertake the processing performed.

The Company's business is still at a relatively early stage and contractual partnerships are not as diversified as they might be for a more mature business. The loss of key partners may materially and adversely impact the Company's operations, revenue and profitability, and increase expenses to sign up new partners to replace those lost.

(h) **Banking Performance**

The Company's core proposition revolves around fostering financial wellness through a proprietary AI money assistant and delivering business model innovation via a SaaS offering, as opposed to offering traditional banking products.

The Company relies on its partnership arrangements to provide banking operations such as its debit card and bank accounts. Any failures or disruptions to these partners in the provision of their banking services may impact the financial performance of the Company.

(i) **Protection of Intellectual Property**

The Company's business depends in part on its ability to commercially exploit its technology and intellectual property, and it relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of patents, software, data, specialised technology or platforms will occur.

The Company's competitors or other third parties may have intellectual property rights and interests which could potentially come into conflict with the Company's. A patent does not grant the holder of the patent the right to freely or commercially practice the patent. There may also be patents currently registered in Australia or any other jurisdiction (e.g. the United States of America) which would restrict the Company from operating with the invention as disclosed in the Company's patent applications. If any trademark or patent infringement or other intellectual property claims against the Company is successful, the Company may not have a legal right to continue to develop, produce, use or sell products that are adjudicated to have infringed third parties' intellectual property rights. The Company may be legally required to expend

significant resources to redesign its products so that they do not infringe third parties' intellectual property rights, or it may be required to obtain relevant licenses to avoid further infringements. Intellectual property litigation against the Company could significantly disrupt its business, divert its management's attention, or consume much of its financial resources.

The Company cannot give any assurance that counterfeiting or imitation of its products will not occur in the future or, if it does occur, that it will be able to detect or address the problem effectively. Any occurrence of counterfeiting or imitation of its products or other breaches of intellectual property rights could negatively affect the Company's reputation and brand name, lead to loss of consumer confidence in its brands, and, as a consequence, adversely affect its operations. Any litigation to prosecute infringements upon the Company's rights and products is likely to be expensive and may divert the management's attention, as well as other resources, away from its business. If the intellectual property of the Company is compromised, this may have an adverse impact upon the financial position of the Company

(j) **Improving Technology**

The Company's business is predominantly based upon the success of its products. As with all new technology, there is the risk that the technology underlying it will be superseded by other rapidly developing technologies which have an advantage over the functionality and usability of the Company's products. If the Douough App is superseded by other more efficient and customer friendly applications, this may have an adverse impact upon the financial position of the Company.

(k) **New Technologies/Services**

New products and services planned by the Company may be delayed in development, may not be capable of cost-effective commercialisation, or may not be supported or adopted by new or existing customers. Accordingly, products in development may not be released to the market, or released in time, and there is no guarantee that these new developments will be successful at driving increases in customers or revenue.

Furthermore, expenditure on research and development technologies is often uncertain or unproven and may yield no results or results different to what is expected. Investments in new technologies, products and processes may not yield the required return on those products for the Company to generate a return above cost.

(l) **Competitor Risk**

The fintech sector is highly competitive with many new entrants seeking to develop and commercialise their products. Though the market is still in early stages of development, there are already several key actors offering products and services in the same sector.

There also is a risk of new entrants in the market or that an existing organisation may disrupt the Company's business operations and market share. Existing competitors as well as new competitors may engage in aggressive customer acquisition campaigns, develop superior technology offerings or consolidate with other entities to deliver

enhanced scale benefits. Such competitive pressures may materially erode the Company's market share and revenue, and may materially and adversely impact the Company's revenue and profitability.

If the Company is unable to compete effectively with new entrants into the market, or attract new customers or expand into new jurisdictions, its financial performance may be materially impacted and reduce the value of an investment in Shares. A general increase in competition may also require the Company to increase marketing expenditure or offer lower fees to its partners, which would decrease profitability even if the Company's market share does not decrease.

The emergence of mobile digital wallet products by established technology companies pose a risk to the Company's products, in circumstances where those products are bank and card agnostic, allowing customers to utilise different payment sources and methods, which may compete directly with the Company and redirect users away from the Company's product offering. The Company's products also compete with banking mobile applications to the extent that consumers use those applications to pay their bills and accordingly increased funding to the technology sector of the banks and any improved functionality and product offering to those applications may adversely affect the Company.

(m) **Fraud Risk**

Although the Company may not be directly exposed to risks imposed by fraudulent conduct, an increase in fraudulent activities on any of its products may result in a materially adverse impact to the Company's reputation, which would result in the Company bearing costs to rectify and safeguard its business operations, and to protect its products against further fraudulent activity.

(n) **Disruption Risk**

The Company depends on the constant real-time performance, reliability and availability of its technology platforms, communications systems, servers and the internet in order to provide its services. Many potential operational issues are outside the Company's control. There is a risk that these systems may be adversely affected by disruption, failure, service outages or corruption of the Company's IT network and information systems that may occur as a result of bugs, viruses and other destructive or disruptive software as well as natural disasters, power outages, terrorist attacks and similar events. Any disruption or failure of the Company's technology systems, including those provided by third party providers may adversely affect the Company's business and financial position.

There is a risk that repeated availability failures may result in a decline in customers. This may also materially and adversely impact the Company's financial performance, including a reduction in revenue from completed transactions and an increase in the costs associated with servicing customers through the disruption, as well as negatively impacting the Company's reputation.

In addition, the Company will depend on the ability of its partners and users to access the internet. Should access to the internet be disrupted or restricted, usage of the Company's products may be adversely impacted.

(o) **Security and Data Breaches**

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

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

(p) **General Change of Law and Regulation Risk**

The Company's and its business are subject to a broad range of laws, regulations and industry compliance requirements.

There is a risk the Company may fail to comply in all material respects with all the laws, regulations and industry rules relating to the markets and industry in which it operates. If the Company does not meet regulatory requirements it may be exposed to fines or other penalties, it may be forced to pay compensation or it may even be suspended or have its authorisations cancelled, in which case it may not be able to continue to provide some or all of the services it currently provides. In such circumstances, the Company's financial position and business may be adversely impacted,

(q) **Reputation risks**

Maintaining the strength of the Company's reputation is important to retaining and increasing its end customer base, maintaining its relationships with its current customers and partners and other service providers and successfully implementing the Company's business strategy. There is a risk that unforeseen issues or events may adversely impact the Company's reputation. This may adversely impact the future growth and profitability of the Company. The Company's reputation is also closely linked to the timely and accurate provision of services to users. There is a risk that the Company's actions and the actions of the Company's suppliers may adversely impact the Company's reputation. Any factors that diminish the Company's reputation could result in customers, customers or other parties ceasing to do business with the Company, impede its ability to successfully operate its product, negatively affect its future business strategy and materially and adversely impact the Company's financial position and performance.

(r) **Domain name risks**

the Company's business depends to some extent on customers being attracted to its various products including the Company's website. The Company has registered its domain name, www.dough.com. However, should the Company not renew or otherwise lose control of its domain name, it would lose all traffic directed to the Company Website and its various web applications, which would adversely affect the Company's revenue.

(s) **Operational risk**

The Company will be exposed to operational risks present in the current business including risks arising from system failure, failure of security and physical protection systems, customer services, staff skills and performance, and product development and maintenance. Operational risk has the potential to have a material adverse effect on the Company's financial performance and position as well as reputation. The Company will endeavour to take appropriate action or obtain appropriate insurance to mitigate these risks, however, certain residual risk will remain with the Company.

(t) **Insurance arrangements**

The Company intends to ensure that insurance is maintained within ranges of coverage that the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance, however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

(u) **Government policy and regulatory risk**

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia or the US, may have an adverse effect on the assets, operations and ultimately the financial performance of the Company. These factors may ultimately affect the financial performance of the Company and the market price of its securities.

The Company may be exposed to the evolving regulations governing banks and the financial services sector. In addition, the Company will have to navigate any differences in regulatory regimes that will occur from operating in multiple jurisdictions.

In addition to the normal level of income tax imposed on all industries, the Company may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

(v) **The Company may be subject to additional legal or regulatory requirements in the future**

The legal and regulatory regime applicable to the Company, and the industry rules under which the Company operates, is subject to change.

Changes in laws, regulations, government policy and industry rules may positively or negatively affect the Company and the attractiveness of an investment in the Company. The Company cannot predict what changes to laws, regulations and industry rules may be made in the future or the impact that these changes may have on its business. In addition, if the amount and/or complexity of new laws, regulations and industry rules increase, the cost of compliance and the risk of non-compliance to the Company may also increase. This may have an adverse impact on the financial performance and prospects of the Company.

In addition, there is potential that the Company 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 financial services licensing, or other licencing or regulatory requirements or similar limitations of the conduct of its business.

(w) **Reliance on Key Personnel**

The emergence and development of the Company's business has been largely due to the talent, effort, experience and leadership of its board of directors, key employees and Management personnel, especially Mr Andrew Taylor. The Company is substantially dependent on the continued service of 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 no assurance that the Company will be able to retain the services of such persons or that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of the key management personnel cease their engagement with the Company and suitable replacements are not identified or engaged in a timely manner.

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

(x) **Hiring Risk**

The labour market in the technology sector is competitive. The Company's ability to attract and retain the best talent to help the Company grow will be a determinative factor in its success. Accordingly, any loss of talent may adversely impact the Company's revenue and profitability.

(y) **Limited Trading History**

Although the Company believes that its proposed operations and business model will be successful, the Company is a start-up company with limited trading history and any number of factors could adversely affect the operations and business model of the Company.

Given the Company's limited trading history, there is no guarantee that the proposed marketing and customer adoption strategies of the Company will be successful to achieve a sizeable adoption rate by Customers of its products and/or market share.

(z) **Privacy and Protection Risk**

One area of particular concern is that of data privacy and protection. The Company's products may be impacted by informational privacy laws. Such laws differ from jurisdiction to jurisdiction.

In Australia, the collection, use, storage and disclosure of "personal information" is principally regulated by the Privacy Act. The Privacy Act

does not prohibit the Company from operating its products; but it could in certain circumstances impose additional compliance obligations on the Company. The compliance obligations under the Privacy Act only extend to "personal information".

In the event the Company collects personal information, the Company will be required to comply with the compliance regime under the Privacy Act will apply to the Company in respect of the collection, use, storage and disclosure of that "personal information". Any failure of the Company to comply with the requirements of personal information storage and collection of personal information, or associated data breach in the security of such personal information, may negatively impact the Company.

(aa) **Hacker risk; Technology / disruption / corruption / systems failure**

Security concerns and the possibility of data corruption and data manipulation are particular concerns with the ongoing confidence in applications in general and the adoption of short-range wireless technology. Where consumers perceive that the Company's product may be insecure and open to being hacked, then its utilisation may be impacted. This may ultimately impact on the success of the Company.

Similarly, the threat of the hacking of communications over the internet between devices may similarly impact uptake of the Company's product.

The perception of risk associated with the theft of devices on which consumers are running the Company's product may also have a significant impact on the uptake of the Company's product.

Whilst the Company has sought to incorporate security aspects in its products, no assurance can be given that they are immune from the usual range of application issues.

To mitigate any risks associated with security, the Company will be integrating changes continuously to keep its products secure.

(bb) **Execution Risk**

Notwithstanding the number of existing partnerships held by the Company, there may be a risk in the future that the Company is unable to find local banks to partner with in new jurisdictions, or they will need to agree on onerous contractual terms, or that an established banking relationship may be lost. This may adversely impact the Company's revenue and profitability.

5.3 **General Risks**

(a) **Investment risk**

There are a number of risks associated with any stock market investment. The market price of Shares can be expected to rise and fall in accordance with general market conditions and factors and there can be no certainty that, following listing, an active market for the Shares will develop.

The value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Company or its Directors. These factors include movements in local and international stock exchanges, local interest rates and exchange rates, domestic and international economic and political conditions, government taxation, market supply, competition and demand and other legal, regulatory or policy changes.

The trading price after listing may also be affected by the financial and operating performance of the Company.

(b) **Share Market Risk**

The market price of Shares and other securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting Australian technology companies and technology companies with operations in the US.

There are a number of factors (both national and international) that may affect the share market price and neither the Company nor its Directors have control of these factors.

(c) **Management actions**

Directors of the Company will, to the best of their knowledge, experience and ability endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for the same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its security.

(d) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

(e) **Force majeure events**

Acts of terrorism, an outbreak of international hostilities or fires, floods, earthquakes, labour strikes, pandemics, civil wars and other natural disasters may cause an adverse change in investor sentiment with respect to the Company specifically or the stock market more generally, which could have a negative impact on the value of an investment in the Shares.

(f) **Speculative nature of investment**

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may

For personal use only

materially affect the financial performance of the Company and the value of the Shares offered under the Offer. The 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 the ASX. Potential investors should therefore consider an investment in the Company as speculative and should consult their professional advisers before deciding whether to apply for Shares under the Offer.

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

The Company's business depends on users transacting through its products, which in turn is affected by such macroeconomic conditions as unemployment, interest rates, customer confidence, economic recessions, downturns or extended periods of uncertainty or volatility. This may impact the Company's ability to generate revenue.

5.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

Recipients should therefore have regard to other publicly available information in relation to the Company before making a decision whether or not to accept the Offer.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
11 March 2021	Dough launches instant virtual cards with Mastercard
9 March 2021	Additional information on Rakuten partnership
8 March 2021	Dough partners with leading affiliate platform Rakuten
26 February 2021	Half Yearly Report and Accounts
26 February 2021	Appendix 3B
26 February 2021	Dough signs share sale agreement with Goodments
19 February 2021	Notice of General Meeting/Proxy Form
18 February 2021	Dough delivers strong growth metrics, 3 months since launch
15 February 2021	Response to ASX Price & Volume Query
9 February 2021	Dough launches self-driving money mgmt feature Autopilot
4 February 2021	Reinstatement to Official Quotation
4 February 2021	DOU remedial action and Corporate Governance Update
29 January 2021	Results of Meeting
29 January 2021	Statement pursuant to ASX Listing Rule 4.7C.3
29 January 2021	Change of Registered Office
29 January 2021	Appendix 4C – quarterly
28 January 2021	Annual General meeting details
21 January 2021	Voluntary Suspension Update
19 January 2021	Response to ASX Queries
14 January 2021	Response to ASX Aware Letter
11 January 2021	Response to ASX Queries
6 January 2021	Appendix 3B
6 January 2021	Dough to acquire millennial focused investing app Goodments
6 January 2021	Voluntary Suspension Update
5 January 2021	Extension to Voluntary Suspension
29 December 2020	Notice of Annual General Meeting/Proxy Form
29 December 2020	Request for Extension to Voluntary Suspension
23 December 2020	Suspension from Official Quotation
21 December 2020	Trading Halt
8 December 2020	Dough to accelerate customer acquisition post placement
7 December 2020	Appendix 2A
7 December 2020	Cleansing Prospectus
3 December 2020	Response to ASX Query
1 December 2020	Appendix 3B
1 December 2020	Dough partners Humm in BNPL offering, raises \$12m
1 December 2020	HUM: HUM announces proposed JV with Dough
27 November 2020	Trading Halt

Date	Description of Announcement
26 November 2020	Change of Registered Office
17 November 2020	Next-gen neobank Dough launches on the U.S.
11 November 2020	Dough beta testing completed ahead of U.S. launch
30 October 2020	Appendix 4C – quarterly
8 October 2020	Dough ASX Investor Presentation – October 2020
6 October 2020	Next-gen neobank Dough debuts on ASX. App to launch
5 October 2020	Reinstatement to Official Quotation
2 October 2020	Pre-Reinstatement Disclosure
2 October 2020	Securities Trading Policy
2 October 2020	Top 20 Holders
2 October 2020	Distribution Schedule
2 October 2020	Appendix 1A and Information Form and Checklist
2 October 2020	Pro-Forma Financial Statements
2 October 2020	Employee Share and Option Plan
2 October 2020	Dough Technologies Limited Accounts FY20
2 October 2020	Dough Technologies Limited Accounts HY 19, FY 19 and FY18
2 October 2020	Constitution
2 October 2020	Anticipated Reinstatement to Official Quotation
25 September 2020	Initial Director's Interest Notices x3
25 September 2020	Final Director's Interest Notices x2
25 September 2020	Change of Director's Interest Notices x3
25 September 2020	Appendix 2A
25 September 2020	Proposed Issue of Securities - ZIP
3 September 2020	DOU RTO Raises Maximum \$6M, Offer Closed
1 September 2020	Dough Limited Supplementary Prospectus
31 August 2020	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.dough.com.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus

with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.155	8 February 2021
Lowest	\$0.275	17 February 2021
Last	\$0.195	16 March 2021

6.4 Material contracts

(a) Share Sale Agreement

The key terms of the Share Sale Agreement are as follows:

(i) Parties

The Company has entered into the Share Sale Agreement with Goodments and its founding shareholders, Thomas Culver and Emily Taylor (together, the **Vendors**) to acquire all of the shares that the Vendors hold in Goodments.

(ii) Consideration

Subject to satisfaction or waiver of the conditions precedent set out below, Dough has agreed to issue an aggregate of up to \$1,500,000 in Shares at a deemed issue price of 18.268 cents per Share (being a total of 8,211,080 Shares) to Ms Taylor and the other shareholders of Goodments at settlement (**Consideration**).

The Consideration Shares will be issued out of the Company's current Listing Rule 7.1 placement capacity.

(iii) Conditions Precedent

Settlement is conditional upon satisfaction or waiver of the following outstanding conditions precedent on or before 5.00pm (Australian Eastern Standard Time) on 30 April 2021 (or such other date agreed by the parties in writing):

(A) Exercise / Conversion of current Goodments securities:

All of the holders of options on issue in Goodments exercising their options and being issued Goodments shares in accordance with the option terms and all of the holders of convertible notes on issue in Goodments converting their convertible notes and being issued Goodments shares in accordance with the convertible note terms.

(B) Share transfer forms and share application forms: At least 90% in aggregate of Goodments shareholders who hold fully paid ordinary shares and Goodments shareholders who hold seed preference shares agreeing to sell their respective Goodments shares by provision of share transfer forms and completed application forms in connection with this Prospectus for the issue of the Consideration.

- (C) **Third party consents:** Goodments obtaining relevant third-party consents in respect of the change of control contemplated by the Share Sale Agreement.
- (D) **Termination of Shareholders Agreement:** Termination of the Goodments shareholders' agreement.
- (E) **Demerger of B2B related activities:** Dough and Goodments being satisfied (acting reasonably) that Goodments' current business to business related assets have been transferred out of Goodments.
- (F) **Entry into licencing agreements:** To the extent that there are any B2B assets used for the conduct of Goodments' current B2B activities and the Goodments business following settlement, the relevant parties entering into agreements pursuant to which Goodments will licence use of those assets,

(iv) **Settlement**

Settlement of the acquisition will occur on that date which is five (5) business days after satisfaction or waiver of the last of the Conditions Precedent set out above.

(b) **Employment Contract with Thomas Culver**

One of the conditions precedent to Settlement is Dough entering into an employment agreement, effective on and from Settlement, pursuant to which Mr Culver will be in the role of "Global Head of Wealth" and Mr Culver being offered Options under the Company's existing employee share option plan. A summary of the employment agreement executed on 17 March 2021 is set out below.

The Company's wholly owned subsidiary, Dough Labs Pty Ltd (**Dough Labs**) has entered into a letter of offer and employment agreement (**Employment Agreement**) with Tom Culver pursuant to which:

- (i) On and from Settlement, Mr Culver will be employed by Dough Labs in the position of "Global Head of Dough Wealth".
- (ii) Mr Culver will be paid a base salary of \$225,000 per annum (plus superannuation) with a maximum cash component of \$150,000 per annum.
- (iii) Mr Culver will be issued with a total of 2,014,451 Options, of which:
 - (A) 437,924 Options will vest and convert into Shares on the date on which completion occurs under the Share Sale Agreement (**Completion**);
 - (B) 525,509 Options will vest and convert into Shares on the first anniversary of Completion;
 - (C) 525,509 Options will vest and convert into Shares on the second anniversary of Completion; and

- (D) 525,509 Options will vest and convert into Shares on the third anniversary of Completion.

All of the Options will expire on that date which is 42 months from Completion. The Options will otherwise be issued on the terms and conditions contained in the ESOP.

- (iv) Mr Culver will be entitled to standard leave entitlements under the *Fair Work Act 2009* (Cth).
- (v) Either party may terminate the Employment Agreement with six (6) weeks' written notice.
- (vi) The Employment Agreement includes conflict of interest, restraint and intellectual property protection provisions considered standard for an agreement of this type.

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, is set out in the table below:

Director	Shares	Options	Performance Shares
Andrew Taylor	191,676,612	52,275,440 ¹	52,275,440
Steve Bellotti	4,062,618	1,107,986 ¹	1,107,986
Patrick Tuttle	3,310,788	902,942 ¹	902,942
Umberto Mondello	15,196,041	Nil	Nil

Notes:

1. Unlisted Options exercisable at \$0.04 each on or before 4 years from issue (escrowed for 24 months from issue).

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	FY2021	FY2022
Andrew Taylor	\$250,000	\$250,000
Steve Bellotti	\$40,000	\$40,000
Patrick Tuttle	\$40,000	\$40,000
Umberto Mondello	\$120,000	\$120,000

6.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:

- (i) its formation or promotion; or
- (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services.

6.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

RSM Australia Partners has given its written consent for the reviewed balance sheet of the Company as at 31 December 2020 to be used for the purposes of the pro-forma balance sheet set out in Section 3.4.

6.8 Expenses of the Offer

The total expenses of the Offer is estimated to be approximately \$22,462 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	7,256
Legal fees	10,000
Miscellaneous	2,000
Total	22,462

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Andrew Taylor
Director
For and on behalf of
Dough Limited

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Acquisition means the acquisition by the Company of not less than 90% in aggregate of all of the shares on issue in Goodments in accordance with the terms of the Share Sale Agreement.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company or **Dough** means Dough Limited (ACN 108 042 593).

Consideration has the meaning ascribed to it in Section 1.2.

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Goodments means Goodments Pty Ltd (ACN 617 000 138).

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Recipients means the existing shareholders of Goodments, to whom the Offer will be made.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

Settlement means settlement of the Share Sale Agreement in accordance with its terms.

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

Share Sale Agreement means the share sale agreement between Thomas Culver, Emily Taylor, the Company and Goodments dated 25 February 2021.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

For personal use only