

DOUGH LIMITED
ACN 108 042 593

PROSPECTUS

For the offers of:

- (a) up to 120,312,500 Options, exercisable at \$0.04 each, expiring on 31 August 2024 (**Placement Options**) to participants under the Placement (**Placement Options Offer**); and
- (b) 20,000,000 Options, exercisable at \$0.024 each on or before the date that is three years from the date of issue (**Lead Manager Options**) to the lead manager to the Placement (or its nominee/s) (**Lead Manager Options Offer**);

together the **Offers**.

No funds will be raised under the Offers.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

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

The Placement Options Offer and Lead Manager Options Offer are being made such that relief provided under ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

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CORPORATE DIRECTORY

Directors

Andrew Taylor
Managing Director & CEO

Bert Mondello
Non-Executive Director

Derek Hall
Non-Executive Director

Company Secretary

Derek Hall

Share Registry*

Automic Group Share Registry
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ASX Code

DOU

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Lead Manager

Canaccord Genuity (Australia) Limited
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MELBOURNE VIC 3000

Solicitors

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 have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

1. TIMETABLE AND IMPORTANT NOTES

1.1 Timetable

Action	Date
Date of General Meeting	7 March 2023
Lodgement of Prospectus with ASIC and ASX	9 March 2023
Opening Date of the Offers	9 March 2023
Issue of Placement Options and Lead Manager Options	10 March 2023
Closing Date of the Offers**	13 March 2023
Quotation of Placement Options issued under the Placement Options Offer	13 March 2023

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice.

1.2 Important Notes

This Prospectus is dated 8 March 2023 and was lodged with the ASIC on that date. The ASIC, the 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 Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

1.3 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.douugh.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 or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

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 this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

1.4 Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

1.5 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

1.6 Disclaimer

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

2. DETAILS OF THE OFFERS

2.1 Offers

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to:

- (a) 120,312,500 Placement Options, exercisable at \$0.04 per Placement Option on or before 31 August 2024 under the Placement Options Offer; and
- (b) 20,000,000 Lead Manager Options, exercisable at \$0.024 each on or before the date that is three years from the date of issue under the Lead Manager Options Offer,

(together, the **Offers**).

2.2 Background to the Offers

On 19 December 2022, the Company announced a capital raising of 118,750,000 Shares under a placement to unrelated sophisticated and professional investors at an issue price of \$0.016 per Share (**Placement Shares**) to raise approximately \$1,900,000 (before costs) (**Placement**).

The Company also announced that, subject to obtaining Shareholder approval, participants in the Placement would be issued one (1) free-attaching Option for every one (1) Share subscribed for and issued to them pursuant to the Placement (**Placement Options**). The Placement Options are exercisable at \$0.04 on or before 31 August 2024.

Further, Andrew Taylor (and/or nominee) would be issued, subject to shareholder approval, 1,562,500 Placement Shares and 1,562,500 Placement Options.

The Company engaged the services of Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL 234666) (**Canaccord**) to act as lead manager to the Placement (**Lead Manager**) pursuant to a capital raising mandate dated 16 November 2022. In consideration for the services to be provided to the Company, Canaccord received the following fees:

- (a) a capital raising fee of 4% of the total amount raised under the Placement (plus GST);
- (b) a management fee of 2% of the total amount raised under the Placement (plus GST); and
- (c) subject to obtaining Shareholder approval, 20,000,000 Options, exercisable at \$0.024 each on or before the date that is three years from the date of issue (**Lead Manager Options**).

On 19 December 2022, the Company issued 118,750,000 Placement Shares under the Placement, pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

On 7 March 2023, the Company obtained shareholder approval (**General Meeting**) to approve:

- For personal use only
- (a) the issue of 118,750,000 Placement Options to the participants of the Placement (being one free attaching Option for every one Placement Share subscribed for under the Placement);
 - (b) Andrew Taylor's subscription for Securities on the same terms as the Placement for 1,562,500 Placement Shares and 1,562,500 Placement Options; and
 - (c) the issue of 20,000,000 Lead Manager Options to the Lead Manager (and/or its nominee) as part consideration for services provided to the Company.

The Company intends to issue the 118,750,000 Placement Options to the Placement Participants, 1,562,500 Placement Shares and 1,562,500 Placement Options to Mr Taylor (or his nominee) and 20,000,000 Lead Manager Options to the Lead Manager (and/or its nominee) following closing of the Offers.

The total funds raised under the Placement have been and will be used to fund marketing and promotional activities in relation to the launch of the Dough platform in Australia, research and development of the Dough platform and cover the costs of the Offers.

The Options are being offered pursuant to this Prospectus so that the Options (and any Shares issued on conversion of the Options) are freely tradable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

2.3 Purpose of the Offers

This Prospectus contains offers for the issue of the Placement Options and Lead Manager Options for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of the Placement Options and Lead Manager Options issued by the Company.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Further details of the Placement Options Offer and Lead Manager Options Offer are set out below.

2.4 Placement Options Offer

The Placement Options Offer is an offer of one (1) free attaching Option for every one (1) Placement Share. Based on the number of Placement Shares issued, 120,312,500 Placement Options may be issued under the Placement Options Offer.

No funds will be raised from the issue of the Placement Options as they are being issued free attaching with the Placement Shares.

The Placement Options Offer will only be extended to the participants (or their nominee) in the Placement. Only participants in the Placement will be eligible to apply for the Placement Options under the Placement Options Offer. Accordingly, the Placement Options Offer will only be extended to specific parties on invitation from the Directors and the Placement Options Offer Application Form will be provided by the Company to these parties only.

By completing a Placement Options Offer Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Placement Options Offer Application Form together with a complete and unaltered copy of the Prospectus.

The Placement Options will be exercisable at \$0.04 each on or before 31 August 2024 and otherwise on the terms and conditions set out in Section 4.2. Shares issued upon exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus.

Application for Official Quotation of the Placement Options offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1. If ASX does not grant Official Quotation of the Placement Options 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 the Placement Options offered under this Prospectus within the time prescribed under the Corporations Act.

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

2.5 Lead Manager Options Offer

On or about 16 November 2022, the Company entered into a lead manager mandate with the Lead Manager, pursuant to which the Company has agreed to issue a total of 20,000,000 Lead Manager Options, exercisable at \$0.024 each on or before the date that is three years from the date of issue, to the Lead Manager (or its nominee/s).

The Company has obtained Shareholder approval for the issue of the Lead Manager Options at the General Meeting held on 7 March 2023.

No funds will be raised from the issue of Lead Manager Options pursuant to the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided by the Lead Manager to the Company (refer to Section 2.1 for further detail).

Only the Lead Manager (or its nominee/s) will be eligible to apply for Lead Manager Options under the Lead Manager Options Offer. Accordingly, the Lead

Manager Options Offer will only be extended to specific parties on invitation from the Directors and the Application Form will be provided by the Company to these parties only.

By completing a Lead Manager Options Offer Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Lead Manager Options Offer Application Form together with a complete and unaltered copy of the Prospectus.

The Lead Manager Options will be exercisable at \$0.024 each on or before the date that is three years from the date of issue and otherwise, will be issued on the terms and conditions set out in Section 4.3. All of the Shares issued upon exercise of the Lead Manager Options will rank equally with the Shares on issue at the date of this Prospectus.

The Company will not apply for Official Quotation of the Lead Manager Options offered pursuant to this Prospectus.

2.6 Minimum subscription

There is no minimum subscription. No funds will be raised under the Offers.

2.7 ASX listing

Application for Official Quotation of the Placement Options offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1. If ASX does not grant Official Quotation of the Placement Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Placement Options will not be issued under this Prospectus.

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

2.8 Issue of Options

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.1.

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

2.9 Enquiries

Any questions concerning the Offers should be directed to the Company on +61 (0) 8 6380 2555 or the Company's registry, Automic Group, on 1300 288 664.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The Options are being offered pursuant to this Prospectus so that the Options are freely tradable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

In addition, the Company notes that ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 provides that if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can also be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Offers (other than funds raised if the Options are subsequently exercised). The Options are being issued, with respect to the Placement Offer, free attaching to Shares issued under the Placement and, with respect to the Placement Offer, as part consideration for acting as lead manager of the Placement.

3.2 Effect of the Offers

The principal effect of the Offers (assuming no other Securities are issued) will be to:

- (a) increase the number of Options on issue from 144,705,318 as at the date of this Prospectus to 285,017,818 Options; and
- (b) enable the Options (and any Shares issued on exercise of the Options) to be freely tradable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

3.3 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure (assuming all Options offered under the Prospectus are issued) is set out below.

Shares	Number
Shares currently on issue ¹	966,264,438
Shares to be issued to Andrew Taylor ²	1,562,500
Shares to be issued under the Offers	Nil
Total Shares on issue on completion of the Offers³	967,826,938

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.
2. The Company has obtained Shareholder approval at the General Meeting to approve Director, Andrew Taylor's subscription on the same terms as the Placement and to issue these Placement Shares to Mr Taylor (and/or nominee).

Options	Number
Options currently on issue ¹	144,705,318
Options to be issued under the Placement Options Offer ²	120,312,500
Options to be issued under the Lead Manager Options Offer ³	20,000,000
Total Options on issue on completion of the Offers⁴	285,017,818

Notes:

- Comprising:
 - 20,937,440 unquoted Options exercisable at various dates and prices;
 - 20,000,000 unquoted Options exercisable at \$0.0216 each on and before 10 October 2025;
 - 30,000,000 unquoted Options exercisable at \$0.04 each on or before 31 July 2024;
 - 54,286,369 unquoted Options exercisable at \$0.04 each on or before 31 August 2024. The Company intends to seek Official Quotation of these Options since they have been issued on the same terms as the Placement Options;
 - 19,481,509 unquoted consideration Options;
- The rights and liabilities attaching to the Placement Options are summarised in Section 4.2.
- The rights and liabilities attaching to the Lead Manager Options are summarised in Section 4.3.

Performance Shares	Number
Performance Shares currently on issue ¹	25,000,000
Performance Shares offered under the Offers	Nil
Total Performance Shares on issue on completion of the Offers²	25,000,000

Notes:

- Comprising 25,000,000 Class C Performance Shares to convert to Shares upon the first to occur of the acquisition of 25,000 customer accounts or achievement of \$250,000 monthly recurring revenue for 3 consecutive calendar months. These performance rights expire on 6 October 2023.
- This assumes no milestones for the existing performance rights are achieved.

Performance Rights ¹	Number
Performance Rights currently on issue ²	12,300,000
Performance Rights offered under the Offers	Nil
Total Performance Rights on issue on completion of the Offers^{3, 4}	12,300,000

Notes:

- The issue of the Performance Rights was approved by Shareholders at the Company's Annual General Meeting held on 30 November 2021 and the Performance Rights were issued on 7 December 2021.
- Comprising:
 - 5,650,000 Class B Performance Rights to convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$65,000,000. The Class B Performance Rights will expire on 6 December 2024; and

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- For personal use only
- (b) 6,650,000 Class C Performance Rights to convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$80,000,000. The Class C Performance Rights will expire on 6 December 2024.
 - 3. This assumes no milestones for the existing performance rights are achieved.
 - 4. The Company has obtained Shareholder approval during its recent general meeting held on 7 March 2023, pursuant to which the Company will issue up to 3,000,000 Performance Rights to Mr Derek Hall (or his nominee) under the Company's Employee Incentive Securities Plan following the completion of the Offers.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either

pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **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.

4.2 **Terms and Conditions of the Placement Options**

The terms and conditions of the Placement Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

The Placement Options will expire at 5:00pm (AEDT) on 31 August 2024 (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

4.3 Terms and Conditions of the Lead Manager Options

The terms and conditions of the Lead Manager Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph 4.2(i), the amount payable upon exercise of each Option will be \$0.024 (**Exercise Price**).

(c) **Expiry Date**

The Lead Manager Options will expire on or before three years from the date of issue (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 4.2(g)4.2(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will not apply for quotation of the Options on ASX.

5. RISK FACTORS

5.1 Introduction

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to 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 Options 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 Options.

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

5.2 Company specific

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

(a) Rate of Customer adoption

The Company is currently in the early stages of establishing its presence in Australia, having previously announced its intention to wind-down its existing US operations. Its ability to profitably scale its business is therefore heavily reliant on adoption and usage rates of its Australian customer base to increase revenues from subscription fees, trading fees, interest income on deposits and FX fees to 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 card linked unsecured line of credit offering. 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.

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) 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.

(b) **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.

(c) **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.

(d) **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.

(e) **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.

(f) **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.

(g) **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.

(h) **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 Dough App is superseded by other more efficient and customer friendly applications, this may have an adverse impact upon the financial position of the Company.

(i) **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.

(j) **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.

(k) **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.

(l) **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.

(m) **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.

(n) **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.

(o) **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, 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.

(p) **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.

(q) **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.

(r) **Dough portfolio risk**

Through the Dough platform, customers have the opportunity to transfer different investment products. There are a number of factors (both national and international) that may affect the value of these investment products. Should these values decrease rapidly, there is a risk that customers will withdraw their investment products from the platform which can adversely impact the Company.

(s) **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.

(t) **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.

(u) **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.

(v) **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 Andy 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.

(w) **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.

(x) **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.

(y) **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.

(z) **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.

(aa) **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 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 New Shares under the Offers.

(g) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and

- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(h) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(i) **Ukraine Conflict**

The current evolving conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

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 Options offered under this Prospectus

Therefore, the Options 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 Options.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Options 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

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 Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the 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.

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 3 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.

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.

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 or an ASIC office during normal office hours.

Details of documents lodged 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
7 March 2023	Constitution
7 March 2023	Results of Meeting
28 February 2023	Half Yearly Report and Accounts
20 February 2023	Dough officially launches its AU money App
3 February 2023	Notice of Extraordinary General Meeting/Proxy Form
3 February 2023	Additional Information App 4C Quarterly Cash Flow Report
31 January 2023	Quarterly Activities/Appendix 4C Cash Flow Report
20 January 2023	Response to ASX Query
18 January 2023	Dough launches App based MGM feature to accelerate growth
23 December 2022	Notification of Unquoted Equity Securities
23 December 2022	Application for Quotation of Securities
23 December 2022	Grant of performance rights and shares
21 December 2022	Dough set for launch after Goodments migration
19 December 2022	Cleansing Notice
19 December 2022	Application for Quotation of Securities
13 December 2022	Dough Investor Presentation – December 2022
12 December 2022	Proposed issue of securities
12 December 2022	Dough secures growth funding to accelerate its AU rollout
8 December 2022	Trading Halt
1 December 2022	Notification of Unquoted Equity Securities

Date	Description of Announcement
1 December 2022	Notification of Unquoted Equity Securities
30 November 2022	Annual General Meeting results and resignation of Non-Executive Director
9 November 2022	Dough launches first phase of its super app in Australia
28 October 2022	Notice of Annual General Meeting/Proxy Form
28 October 2022	Quarterly Activities/Appendix 4C Cash Flow Report
18 October 2022	Dough appoints ex EML CEO Tom Cregan as Strategic Advisor
14 October 2022	Application for quotation of securities - DOU
14 October 2022	Vesting of employee securities
14 October 2022	Notification regarding unquoted securities - DOU
10 October 2022	Annual General Meeting - Key Dates
7 October 2022	Application for quotation of securities - DOU
3 October 2022	Dough banks \$2.22m R&D credit ahead of AU soft launch
30 September 2022	Appendix 4G and Corporate Governance Statement
30 September 2022	Annual Report to shareholders

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/au.

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	\$0.020	9 December 2022
Lowest	\$0.008	1, 6 and 7 March 2023
Last	\$0.010	8 March 2023

6.4 Details of substantial holders

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

Shareholder	Shares	%
The Digital Bakery Limited ¹	229,526,905	23.75%

Notes:

- The Company has obtained shareholder approval at the Company's General Meeting to approve Andrew Taylor's subscription on the same terms as the Placement and to issue the up to 1,562,500 Placement Shares to The Digital Bakery Ltd, being an entity controlled by Director, Andrew Taylor (and/or nominee). The Company intends to issue these Shares to Mr Taylor (or his nominee) following completion of the Offers. Following the issue of the 1,562,500 Placement Shares to The Digital Bakery Ltd, it will have a relevant interest of 23.87% in the Company.

The Company confirms that no other existing Shareholder will increase its Shareholding to above 19.9% as a result of the Offers.

6.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers is set out in the table below.

Date of this Prospectus

Director	Shares ¹	Options ²	Performance Rights ³	Performance Shares ⁴
Bert Mondello	21,953,184	Nil	12,800,000	Nil
Andrew Taylor	240,241,191	52,275,440	27,000,000	17,425,147
Derek Hall	300,000	Nil	Nil	Nil

Notes:

- Fully paid ordinary shares in the capital of the Company (ASX: DOU).
- Exercisable at \$0.04 each with an expiry date of 31 August 2024.
- The Performance Rights comprise of the following classes and terms and conditions:

- (a) Class A Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$50,000,000. The performance rights expire on 6 December 2024.
- (b) Class B Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$65,000,000. The performance rights expire on 6 December 2024.
- (c) Class C Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$80,000,000. The performance rights expire on 6 December 2024.
- (d) This assumes no milestones for the existing performance rights are achieved.
4. The Performance Shares comprise of the following classes and terms and conditions:
- (a) Class A Performance Shares which convert to Shares upon the first to occur of the acquisition of 10,000 customer accounts or achievement of \$100,000 monthly recurring revenue for 3 consecutive calendar months. The performance shares expire on 6 October 2023.
- (b) Class B Performance Shares which convert to Shares upon the first to occur of the acquisition of 12,500 customer accounts or achievement of \$125,000 monthly recurring revenue for 3 consecutive calendar months. The performance rights expire on 6 October 2023.
- (c) Class C B Performance Shares which convert to Shares upon the first to occur of the acquisition of 25,000 customer accounts or achievement of \$250,000 monthly recurring revenue for 3 consecutive calendar months. The performance rights expire on 6 October 2023.
- (d) This assumes no milestones for the existing performance shares are achieved.

Completion of the Offers

Director	Shares ¹	Options ²	Performance Rights ³	Performance Shares ⁴
Bert Mondello	21,953,184	Nil	12,800,000	Nil
Andrew Taylor	241,803,691 ⁵	53,837,940 ⁵	27,000,000	17,425,147
Derek Hall	300,000	Nil	Nil ⁶	Nil

Notes:

- Fully paid ordinary shares in the capital of the Company (ASX: DOU).
- Exercisable at \$0.04 each with an expiry date of 31 August 2024.
- The Performance Rights comprise of the following classes and terms and conditions:
 - Class A Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$50,000,000. The performance rights expire on 6 December 2024.
 - Class B Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$65,000,000. The performance rights expire on 6 December 2024.
 - Class C Performance Rights which convert to Shares upon the Company's 10-day VWAP being equal or greater than a market capitalisation of \$80,000,000. The performance rights expire on 6 December 2024.
 - This assumes no milestones for the existing performance rights are achieved.
- The Performance Shares comprise of the following classes and terms and conditions:
 - Class A Performance Shares which convert to Shares upon the first to occur of the acquisition of 10,000 customer accounts or achievement of \$100,000 monthly recurring revenue for 3 consecutive calendar months. The performance shares expire on 6 October 2023.

- (b) Class B Performance Shares which convert to Shares upon the first to occur of the acquisition of 12,500 customer accounts or achievement of \$125,000 monthly recurring revenue for 3 consecutive calendar months. The performance rights expire on 6 October 2023.
- (c) Class C B Performance Shares which convert to Shares upon the first to occur of the acquisition of 25,000 customer accounts or achievement of \$250,000 monthly recurring revenue for 3 consecutive calendar months. The performance rights expire on 6 October 2023.
- (d) This assumes no milestones for the existing performance shares are achieved.
5. The Company has obtained Shareholder approval during its General Meeting to approve Director, Mr Andrew Taylor's participation in the Placement and to issue up to 1,562,500 Placement Shares and 1,562,500 Placement Options to Mr Andrew Taylor (or his nominee). The Company intends to issue these Placement Shares and Placement Options to Mr Taylor (or his nominee) following completion of the Offers.
6. The Company has obtained Shareholder approval during its General Meeting held on 7 March 2023, pursuant to which the Company will issue up to 3,000,000 Performance Rights to Mr Derek Hall (or his nominee) under the Company's Employee Incentive Securities Plan following the completion of the Offers.

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 \$250,000 per annum.

A Director may be paid fees or other amounts (ie 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	Proposed Remuneration for Current Financial Year (30 June 2023)	Remuneration for Previous Financial Year (30 June 2022)	Remuneration for Previous Financial Year (30 June 2021)
Bert Mondello	\$40,000	\$201,497 ¹	\$261,500 ²
Andrew Taylor	\$361,540	\$659,556 ³	\$295,921 ⁴
Derek Hall ⁵	\$40,000	Nil	Nil

Notes:

1. Comprising of salary and fees of \$40,000 and equity based payments of \$161,497.
2. Comprising of salary and fees of \$146,000 and equity based payments of \$115,500.

3. Comprising of salary and fees of \$270,933, superannuation payments of \$27,083 and equity based payments of \$361,540.
4. Comprising of salary and fees of \$229,167, non-monetary payments to the value of \$44,983 and superannuation payments of \$21,771.
5. Mr Derek Hall was appointed non-executive director of the Company on 30 November 2022.

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 Offers; or
- (f) the Offers,

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 Offers.

Canaccord has acted as the Lead Manager to the Company in relation to the Placement. Canaccord will receive the fees set out in Section 2.1 from the Company in consideration for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Canaccord has been paid fees totalling \$443,990 (excluding GST and disbursements) for services provided to the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$94,782 (excluding GST and disbursements) for legal services provided to the Company.

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; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes 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.

Canaccord has given its written consent to being named as the Lead Manager to the Placement in this Prospectus. Canaccord 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. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.8 Estimated expenses of Offers

The total expenses of the Placement and Offers are estimated to be approximately \$22,706 as follows:

Expense	(\$)
ASIC Fees	3,206
ASX Fees	1,250
Lead Manager Fees	-
Legal Fees	15,000
Miscellaneous, printing and other expenses	3,250
Total	22,706

6.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application

Form. If you have not, please phone the Company on +61 8 6380 2555 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

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

The Company will not be issuing Option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities 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 CHES and issuer sponsorship.

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.

6.11 Privacy Act

If you complete an application for Securities, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the *ASX Settlement Operating Rules*. 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.

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.



Andy Taylor
Managing Director
For and on behalf of
DOUGH LIMITED

8. DEFINITIONS

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

AGM means the annual general meeting held by the Company held on 30 November 2022.

Application Form means an application form for either the Placement Options Offer or Lead Manager Options Offer, as the context requires.

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.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

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

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Canaccord or Lead Manager means Canaccord Genuity (Australia) Limited (ACN 075 071 466) (AFSL No. 239052).

Closing Date means the date specified in the timetable in Section 1.1 of this Prospectus (unless extended or brought forward).

Company means Dough Limited (ACN 108 042 593).

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.

Employee Incentive Securities Plan means the employee incentive plan as adopted by the Company during the AGM.

General Meeting means the general meeting of Shareholders of the Company to be held on 7 March 2023.

Lead Manager Options means the Options to be offered to the Lead Manager in part consideration for services provided to the Company, with an exercise price of \$0.024 each, expiring on the date that is three years from the date of issue of the Options.

Lead Manager Options Offer means the offer described in Section 2.5 of this Prospectus.

Offers means the Placement Options Offer and the Lead Manager Options Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offers as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Performance Right and **Performance Share** means a right to acquire a Share, subject to satisfaction of the vesting conditions outlined in Section 6.5.

Placement means the placement undertaken by the Company, details of which are set out in the Company's announcement dated 19 December 2022.

Placement Options means the Options to be offered to participants under the Placement, with an exercise price of \$0.04 each, expiring on 31 August 2024.

Placement Options Offer means the offer described in Section 2.4 of this Prospectus.

Placement Participants means the sophisticated and professional investors who participated in the Placement.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

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

Shareholder means a shareholder of the Company.