

Beonic Limited
ACN 009 264 699

Prospectus

The Company conducted a two-tranche placement to raise up to approximately A\$5 million and is conducting a Share Purchase Plan (**SPP**) that is seeking to raise up to a further A\$500,000. Under the SPP, eligible shareholders will have the opportunity to subscribe for up to A\$30,000 worth of new Shares. Eligible shareholders who participate in the SPP will be issued 1 Option for every 2 new Shares issued to them under the SPP.

Alpine Capital Pty Ltd and Canaccord Genuity (Australia) Limited are the joint lead managers to the Placement.

This Prospectus is being issued for the Placement Options Offer, SPP and the JLM Options Offer.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. Accordingly, this Prospectus does not provide the same level of disclosure that would be included for an initial public offering of securities.

This Prospectus and the accompanying Application Form contain important information and should be read in their entirety. If you have any questions about the Offers or this Prospectus, please consult your broker, accountant or other professional adviser.

An investment in the New Securities offered by this Prospectus should be considered highly speculative in nature. Refer to Section 5 of this Prospectus for a summary of the key risks associated with an investment in the Company.

This Prospectus is not for release to US wire services nor distribution in the United States except by the Company to Approved US Institutional Shareholders. No other person may distribute this Prospectus in the United States.

Important Notices

General

This Prospectus is issued by Beonic Limited (ACN 009 264 699) (**Beonic** or the **Company**). This Prospectus contains the following Offers:

- an offer of approximately 22.7 million new Shares and 11.3 million SPP Options to eligible shareholders, as described in Section 2.3 (**SPP**).
- an offer of approximately 105.11 million New Options to Placement Participants as described in Section 2.2 (**Placement Options Offer**); and
- an offer of 8.1 million New Options to the Joint Lead Managers as described in Section 2.3 (**JLM Options Offer**),

(together, the **Offers**).

In addition to the SPP, the Company has issued or will issue approximately 210.22 million new Shares at the offer price of A\$0.022 per share to sophisticated and professional investors under a two-tranche placement and 17.04 million shares at the offer price of A\$0.022 per share to the directors under the Director Placement to raise up to approximately A\$5 million before costs (**Placement**). See the Company's ASX announcements platform (www.asx.com.au) ASX:BEO) or via <https://www.investorserve.com.au/Error!> **Reference source not found.** for further information on the Placement.

See Section 2 for further information on the Offers.

Lodgement

This Prospectus is dated 28 August 2024 (**Prospectus Date**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Company will apply for quotation of the Shares to be issued under the SPP on the Australian Securities Exchange (**ASX**). The Company does not intend to apply for quotation on the ASX of the New Options.

None of ASIC, ASX or any of their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Company, the Share Registry and the JLM Parties (as defined below) disclaim all liability, whether in negligence or otherwise, to persons who trade the New Securities before receiving their holding statements.

Expiry Date

This Prospectus expires on the date that is 13 months after the Prospectus Date (**Expiry Date**).

No Shares or Options will be issued on the basis of this Prospectus after the Expiry Date.

Transaction specific prospectus

This Prospectus is a 'transaction specific' prospectus to which the special content rules under section 713 of the Corporations Act apply. This allows the issue of a concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

This Prospectus does not include all of the information that would be included for an initial public offering of securities.

ASX maintains a database of publicly available information issued by the Company as a disclosing entity, which is available at www.asx.com.au.

Notes to Applicants

The Offers contained in this Prospectus do not consider the investment objectives, financial position and particular needs of individual investors.

It is important that you read this Prospectus carefully and in full before deciding to apply for New Securities. In particular, you should consider the risk factors that could affect the financial performance of the Company in light of your personal circumstances and seek professional advice from your broker, accountant, tax adviser, legal adviser or other professional adviser before deciding to invest in New Securities.

No person (whether named in this Prospectus or otherwise) warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in the New Securities issued under this Prospectus.

No person is authorised to provide any information or to make any representation or warranty (express or implied) in connection with the Offers that is not contained in this Prospectus. Any information or representation or warranty (express or implied) not so contained may not be relied on as having been authorised by the Company or any other person in connection with the Offers.

Risk factors

Potential investors should be aware that subscribing for New Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5. These risks together with other general

risks applicable to all investments in listed securities not specifically referred to, may affect the value of New Securities in the future.

Exposure period

No exposure period applies to this Prospectus by operation of *ASIC Corporations (Exposure Period) Instrument 2016/74*.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Statements of past performance

This Prospectus may include information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Forward-looking statements

This Prospectus may contain forward-looking statements which may be identified by words such as “may”, “could”, “believes”, “estimates”, “aims”, “expects”, “intends” and other similar words that involve risks and uncertainties. These forward-looking statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the Prospectus Date, are expected to take place. The Company and the JLM Parties do not undertake to, and do not intend to, update or revise any forward-looking statements or publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by applicable law.

Any forward-looking statements are subject to various risks that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward-looking statements should be read in conjunction with, and are qualified by reference to, the risk factors set out in Section 5 and other information in this Prospectus. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. The Company and the JLM Parties cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

No offering where it would be illegal

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Securities or the

Offers, or to otherwise permit a public offering of New Securities, in any jurisdiction outside Australia.

No action has been taken to permit the offer of New Securities in any jurisdiction other than Australia, New Zealand and the United States (to the extent such Shareholder is an Approved US Institutional Shareholder). The distribution of this Prospectus in jurisdictions outside such jurisdictions (including electronically) may be restricted by law and persons in possession of this Prospectus should observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

See Section 2.7 for further details on the selling restrictions that apply to the Offers in jurisdictions outside Australia.

Target market determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the New Options under this Prospectus. The Company will only make the Offers available to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.beonic.com).

By making an Application under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Obtaining a copy of this Prospectus and Application Form

This Prospectus is available electronically on the Company's website at beonic.com/investor-relations. The Application Form accompanying the electronic version of this Prospectus must only be used in Australia and New Zealand or by Approved US Institutional Shareholders. This Prospectus is not available to persons in jurisdictions outside Australia in which it may not be lawful to make such an invitation or offer. An Application Form cannot be downloaded without also downloading an electronic version of this Prospectus. An electronic version of this Prospectus should be downloaded and read in its entirety.

Eligible securityholders can log on to the Registry's Investorserve website through www.investorserve.com.au and view and/or download the Prospectus and their personalised SPP Form. Specifically:

Registered users: go to www.investorserve.com.au, then enter your username and password using the “Registered User Login”. Select “My Portfolio” and then from the left-hand side of the page select “Company Announcements” for the Prospectus. Once you have reviewed the Prospectus, select “Statements/Advices” for your personalised Application Form.

Unregistered users: go to www.investorserve.com.au, then select “Individual Investment Access”. You will need to enter details regarding your Beonic

securityholding in order to proceed. Once you have been validated, select from the left-hand side of the page "Company Announcements" for the Prospectus. Once you have reviewed the Prospectus, select "Statements/Advices" for your personalised Application Form.

Securityholders can then log on to their banking portal and pay by BPAY® using the Biller Code and their unique Customer Reference Number (CRN) shown on their personalised Application Form. This is the fastest and easiest way to apply.

Paper copies of this Prospectus can be obtained free of charge by calling the Company during the Offer Period on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia), or by email at corporateactions@boardroomlimited.com.au.

Applications for New Securities offered under this Prospectus can only be submitted on the applicable Application Form attached to or accompanying this Prospectus.

Applications for the SPP can only be submitted by eligible shareholders.

Applications for the Placement Options Offer can only be submitted by Placement Participants.

Applications for the JLM Options Offer can only be submitted by the Joint Lead Managers (or their nominees).

The Corporations Act prohibits any person from passing an Application Form on to another person unless it is attached to a paper copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Refer to Section 2 For further information.

Defined terms and time

Defined terms and abbreviations used in this Prospectus have the meanings given to them in the Glossary in Section 7 or as provided in the context in which they appear.

Unless otherwise stated or implied, references to times in this Prospectus are to Australian Eastern Standard Time (**AEST**).

Currency

References to "\$", "A\$" or "AUD" in this Prospectus are to the lawful currency of Australia, unless otherwise stated.

Company website

Any references to documents included on the Company's website at <https://www.beonic.com/> are for convenience only, and none of the documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Disclaimer

Except as required by law, and only to the extent so required, none of the Company, the Directors, the Company's management, the Joint Lead Managers and their respective affiliates and related bodies corporate (as defined in the

Corporations Act) and each of their respective directors, employees, officers, partners, advisors, agents or representatives (together, the **JLM Parties**) or any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Canaccord Genuity (Australia) Limited and Alpine Capital Pty Ltd are acting as joint lead managers to the Placement in accordance with the terms of the JLM Engagement Letter. The JLM Parties have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by the JLM Parties. To the maximum extent permitted by law, the JLM Parties expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to the names of the Joint Lead Managers and make no representation or warranty (express or implied) as to the currency, accuracy, reliability or completeness of this Prospectus.

Determination and eligibility of investors for the purposes of the SPP is determined by reference to a number of matters, including legal and regulatory requirements and the discretion of the Company. To the maximum extent permitted by law, and only to that extent, you acknowledge and agree that the JLM Parties expressly disclaim any duty or liability (including for negligence) in respect of the exercise of that discretion.

The JLM Parties may have interests in the securities of the Company. Further, the JLM Parties may act as market maker or buy or sell those securities or associated derivatives as principal or agent. In accordance with the terms of the JLM Engagement Letter, the Joint Lead Managers may receive fees for acting as lead managers and bookrunners of the Placement. Refer to Section 6.4 for further details of the JLM Engagement Letter.

You expressly disclaim that you are in a fiduciary relation with any of the JLM Parties.

Enquiries

If you have any questions, please contact the Company at Pia.Rasal@automicgroup.com.au. Alternatively, please contact your broker, accountant or other professional adviser.

This document is important and should be read in its entirety.

Contents

Table of contents

| | |
|---|-----------|
| Important Notices | 2 |
| Timetable | 3 |
| Chair's Letter | 4 |
| 1 Details of the Offers | 5 |
| 1.1 Overview of the Offers | 5 |
| 1.2 Key risks | 8 |
| 2 Details of the Offers | 11 |
| 2.1 Background | 12 |
| 2.2 Placement Options Offer | 12 |
| 2.3 SPP | 13 |
| 2.4 JLM Options Offer | 15 |
| 2.5 ASX quotation | 15 |
| 2.6 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship | 16 |
| 2.7 International Offer restrictions | 16 |
| 2.8 Rights attaching to Shares | 16 |
| 2.9 Rights attaching to New Options | 16 |
| 2.10 Acknowledgements | 17 |
| 2.11 Withdrawal and discretion | 18 |
| 3 Purpose of the SPP and effect of the Offers | 19 |
| 3.1 Purpose of the SPP | 19 |
| 3.2 Effect of the Offers | 19 |
| 3.3 Financial Information | 19 |
| 3.4 Effect on capital structure | 22 |
| 4 Rights and liabilities attaching to New Securities | 23 |
| 4.1 Rights and liabilities attaching to Shares | 23 |
| 4.2 Rights and liabilities attaching to New Options | 25 |
| 5 Risk factors | 29 |
| 5.1 Introduction | 29 |
| 5.2 Company risk factors | 29 |
| 5.3 Investment risk factors | 32 |
| 5.4 Investment highly speculative | 34 |
| 6 Additional information | 35 |
| 6.1 Legal proceedings | 35 |
| 6.2 Continuous disclosure obligations | 35 |
| 6.3 Market price of Shares | 39 |
| 6.4 JLM Engagement Letter | 40 |
| 6.5 Interests of Directors | 40 |
| 6.6 Interests of advisers | 41 |
| 6.7 Consents | 42 |

Contents

| | | |
|---|----------------------------------|-----------|
| | 6.8 ASX waivers..... | 42 |
| | 6.9 Taxation considerations..... | 42 |
| | 6.10 Director consent..... | 43 |
| | 6.11 Governing law..... | 43 |
| 7 | Glossary | 44 |
| 8 | Corporate directory | 48 |

Timetable

| Event | Date |
|---|-------------------------------------|
| Record Date for the SPP | 18 June 2024 |
| Lodgement of Prospectus with ASIC and ASX Placement Options Offer and JLM Options Offer opens | 28 August 2024 |
| SPP opens | 28 August 2024 |
| Placement Options Offer and JLM Options Offer closes | 7.00pm AEST on 12 September 2024 |
| SPP closes | 7.00pm AEST on 12 September 2024 |
| Allotment and issue of: <ul style="list-style-type: none">• new Shares and SPP Options under the SPP;• applicable New Options under the Placement Options Offer; and• New Options under the JLM Options Offer | 18 September 2024 |
| Expected despatch of holding statements for: <ul style="list-style-type: none">• new Shares and SPP Options under the SPP;• New Options issued under the Placement Options Offer; and• New Options issued under the JLM Options Offer | 20 September 2024 |

Notes:

1. This Timetable is indicative only.
2. The Company, in consultation with the Joint Lead Managers, reserves the right, subject to the Corporations Act and the ASX Listing Rules, to vary these dates without prior notice, including to extend the Closing Date, or to accept late Applications, or to delay or withdraw the Offers (or any part of the Offers). If withdrawn, all Application Monies for new Shares which have not been issued will be refunded (without interest) within the time prescribed under the Corporations Act.

Chair's Letter

Dear Shareholders

On 19 June 2024, Beonic announced it raised up to approximately \$5 million before costs via a two-tranche placement of approximately 210.22 million Shares to sophisticated and professional investors at an issue price of \$0.022 per New Share and 17.04 million shares at the offer price of A\$0.022 per share to the directors under the Director Placement, with Placement Participants entitled to receive 1 New Option for every 2 Shares subscribed for. Beonic also announced it is seeking to raise up to \$500,000 before costs via a SPP, with participants can subscribe up to \$30,000 and be entitled to receive 1 New Option for every 2 Shares subscribed for, exercisable at \$0.044.

The issue of Shares and New Options under the Placement, the Placement Options Offer, the JLM Options Offer and SPP has been approved by Shareholders at the Extraordinary General Meeting held on Friday, 23 August 2024.


The purpose of the SPP is to provide funding to:

- meet corporate costs and provide general working capital; and
- cover the costs of the Offers.

You should read the entirety of this Prospectus and the Company's past ASX announcements carefully before deciding whether to participate in the Offers. An investment in the Company is speculative in nature and subject to a range of risks, including those detailed in Section 5 of this Prospectus. You should satisfy yourself that you understand the risks involved before applying for New Securities pursuant to the Offers.

On behalf of the Board, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely



Bob Alexander

Non-Executive Chairman

1 Details of the Offers

1.1 Overview of the Offers

| Question | Response | Where to find more information |
|---|--|--------------------------------|
| What are the Offers? | <p>The Offers comprise:</p> <ul style="list-style-type: none">• SPP;• the Placement Options Offer; and• the JLM Options Offer. | Section 2 |
| What is the SPP? | <p>The Company is proposing to undertake a SPP under which eligible shareholders will have the opportunity to subscribe for up to A\$30,000 worth of new Shares, exercisable at the price of A\$0.022 per Share.</p> <p>The amount to be raised under the SPP is capped at A\$500,000 and applications under the SPP will be scaled back to the extent that the aggregate applications receive under the SPP exceed A\$500,000.</p> <p>Eligible shareholders who participate in the SPP are entitled to receive 1 New Option for every 2 Shares subscribed for and issued under the SPP (SPP Options).</p> <p>The SPP is an offer to the eligible shareholders only and only eligible shareholders may accept the SPP. A personalised SPP Application Form will be issued to all eligible shareholders, together with a copy of the Prospectus.</p> | Section 2.3 |
| What is the purpose of SPP? | <p>The funds raised from the SPP are planned to be used for:</p> <ul style="list-style-type: none">• corporate and general working capital; and• costs of the Offers. | Section 3.1. |
| Is the SPP underwritten? | No. The SPP is not underwritten. | Section 6.4 |
| Am I eligible to participate in the SPP? | The SPP is made to eligible shareholders only. Eligible shareholders are those Shareholders who: | Section 2.3.1 |

| Question | Response | Where to find more information |
|---|---|--------------------------------|
| | <ul style="list-style-type: none"> are entered on the Company's share register at 7.00pm (AEST) on the Record Date; have a registered address in Australia or New Zealand or are an Approved US Institutional Shareholder; and are eligible under all applicable securities laws to receive an offer under the SPP. <p>The Company reserves the right to determine whether a Shareholder is eligible to participate in the SPP.</p> | |
| How do eligible shareholders apply for New Securities under the SPP? | <p>Applications for the SPP may only be made by an eligible shareholder during the Offer Period by following the payment instructions on an Application Form attached to or accompanying this Prospectus.</p> <p>Eligible securityholders can log on to the Registry's Investorserv website through www.investorserv.com.au and view and/or download the Prospectus and their personalised SPP Form. Specifically:</p> <p>Registered users: go to www.investorserv.com.au, then enter your username and password using the "Registered User Login". Select "My Portfolio" and then from the left-hand side of the page select "Company Announcements" for the Prospectus. Once you have reviewed the Prospectus, select "Statements/Advices" for your personalised Application Form.</p> <p>Unregistered users: go to www.investorserv.com.au, then select "Individual Investment Access". You will need to enter details regarding your Beonic securityholding in order to proceed. Once you have been validated, select from the left-hand side of the page "Company Announcements" for the Prospectus. Once you have reviewed the Prospectus, select "Statements/Advices" for your personalised Application Form.</p> <p>Securityholders can then log on to their banking portal and pay by BPAY® using the Biller Code and their unique Customer Reference Number (CRN) shown on their personalised Application Form. This is the fastest and easiest way to apply.</p> <p>Eligible shareholders can download a copy of this Prospectus and view their personalised Application Form during the Offer Period</p> | Section 2.3.3 |

| Question | Response | Where to find more information |
|--|--|--------------------------------|
| | <p>through the Offer Website https://www.investorserve.com.au/ .</p> <p>Eligible shareholders may apply for a parcel of Shares with a dollar value of A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500, A\$15,000, A\$17,500, A\$20,000 A\$22,500, A\$25,000, A\$27,500 or A\$30,000.</p> <p>If you wish to participate in the SPP, you must pay the full Application Monies via BPAY® so that they are received by no later than 5.00pm (AEST) on the Closing Date for the SPP.</p> <p>By applying for new Shares under the SPP, eligible shareholders will also be taken to have applied for the relevant number of SPP Options. Accordingly, eligible shareholders do not need to complete a separate Application Form to subscribe for the SPP Options.</p> | |
| Will New Securities be quoted? | Application for quotation of all Shares to be issued under the SPP will be made to ASX in accordance with the Timetable. The Company does not intend to apply for quotation on the ASX of the New Options. | Section 2.5. |
| How can I obtain information about the Company? | The Company's ASX announcements are available through the Company's website https://www.beonic.com/investor-relations | |
| What is the Placement Options Offer? | <p>Participants under the Placement (Placement Participants) are entitled to receive 1 New Option for every 2 Shares subscribed for and issued under the Placement (Placement Options Offer).</p> <p>The Placement Options Offer is an offer to the Placement Participants only and only the Placement Participants may accept the Placement Options Offer. A personalised Placement Options Offer Application Form will be issued to Placement Participants, together with a copy of the Prospectus.</p> | Section 2.2. |
| What is the JLM Options Offer? | The Company is offering the Joint Lead Managers a total of up to 8.1 million New Options under the JLM Options Offer as | Section 2.4. |

| Question | Response | Where to find more information |
|--|---|--------------------------------|
| | <p>partial consideration for acting as lead managers to the Placement.</p> <p>The JLM Options Offer is an offer to the Joint Lead Managers only and only the Joint Lead Managers may accept the JLM Options Offer. A personalised JLM Options Offer Application Form will be issued to the Joint Lead Managers, together with a copy of the Prospectus.</p> | |
| How can I obtain further information? | For further information about the Offers, please contact the Company at Pia.Rasal@automicgroup.com.au | |

1.2 Key risks

Investors should be aware that subscribing for New Securities in the Company involves a number of risks. The risk factors of which investors should be aware are set out in Section 5. These risks may affect the value of the New Securities in the future, and investing in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Securities under this Prospectus.

A summary of the key risk factors is set out below.

| Risk | Summary |
|----------------------------|--|
| Reputational risks | There is a risk that Beonic may face negative customer sentiment in the future. Customer complaints or negative publicity about any of the products provided by Beonic (either directly or via partners), customer data handling and security practices or customer support, whether or not they are justified or the fault of Beonic, could rapidly and severely diminish customer use of our products and services. As a company, Beonic prides itself on very high and distinguished customer service. |
| Service level risks | <p>Beonic products have internal service level expectations which include uptime availability (often subject to Amazon Web Services availability).</p> <p>Beonic's software and services are used 365 days of the year, and outside of planned maintenance, Beonic places very high standards on itself to deliver a product that is always available. A failure to persistently meet these expectations could result in client attrition due to unreliability of information.</p> <p>Beonic seeks to mitigate the potential loss of clients by implementing robust technology solutions to assist in uptime availability in conjunction with backup and recovery processes.</p> <p>Further, an increase in quality assurance resources supports reliable software release cycles.</p> |

| | |
|--|---|
| Software, technology and system related risks | <p>Beonic's software solutions, which incorporate its website, databases and systems are critically important to Beonic's ability to attract and retain customers.</p> <p>The database of its customers, programs and processes, software repositories, data analytics are a valuable asset for the continued success of Beonic, and any irrecoverable loss would incur a financial cost to Beonic as well as damage the reputation of the business.</p> <p>Further, Beonic is reliant on Amazon Web Services and other cloud hosting providers to host the platform. If there is a disruption in these hosting services, the platform may not be accessible to users. Any significant or prolonged disruption of the hosting services may cause irreparable harm to Beonic's reputation and relationships with Partners and Customers and may have a material adverse effect on Beonic's business and financial performance.</p> |
| Internet and Data Security Breaches | <p>There is a risk that, despite Beonic's extensive efforts to combat cyber risks (including firewalls, a privacy policy and policies to restrict unauthorised access to data), a cyber-attack or a data breach may occur, or a third party may otherwise gain access to the confidential information of Beonic's customers or its internal systems. This could result in a breach of law by Beonic, or a breach of client agreements, and may significantly damage the Company's reputation and brand name. Any breach of this nature may have a material adverse effect on Beonic.</p> |
| Talent risks | <p>Beonic is reliant on its ability to attract and retain appropriately skilled and qualified employees. If the labour market becomes more competitive then it may become more difficult to retain appropriately skilled employees at existing salary levels. That could in turn increase costs and have adverse implications on Beonic's pricing and profitability. Beonic attempts to mitigate this risk where possible through ongoing recruitment, salary benchmarking, and employee retention programs; yet, in a competitive talent market regretful employee churn is often a consequence.</p> |
| Reputational risk | <p>Beonic relies heavily on its reputation and the functionality of its platforms to grow and retain its clients. Any adverse customer experience, inappropriate behaviours of employees, management, Board members, or a number of other people matters, could negatively affect Beonic's reputation and therefore a client's preparedness to use its services.</p> |
| Insurance risk | <p>The Company may, where economically practicable and available, endeavour to mitigate some business risks by procuring relevant insurance cover. While the Company will undertake reasonable due diligence in assessing its insurance requirements there remains the risk that the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover, leading to unforeseen costs. The Company seeks to contract with reputable insurers but does not independently verify their creditworthiness. Accordingly, the risk of default on a claim remains if an insurer fails.</p> |
| Share price value | <p>The market value of Shares quoted on ASX may increase or decrease for a variety of reasons that are beyond the Company's control. These reasons may</p> |

| | |
|-----------------------------------|--|
| | <p>include, but are not limited to, changes in the pricing of comparable stocks, shifts in demand for listed equities, the publication of speculative press commentary or research about the Company, changes to general economic conditions, changes in interest rates, exchange rates, commodity prices, domestic or international changes to fiscal, monetary or regulatory policy, changes in legislation or regulations, shifts in industry dynamics and changes to the operating environment.</p> <p>In general, factors such as terrorism, international hostilities, natural disasters such as earthquakes, fires or floods, labour strikes, civil wars, outbreaks of pandemics or other similar issues may negatively affect investor sentiment and influence the Company specifically or the stock market generally (which may have negative implications on the pricing of Beonic).</p> <p>These reasons or factors, amongst others, may result in the Shares trading below the Offer Price and no assurance can be made that the price of Shares will increase following quotation on ASX.</p> |
| Liquidity risk | <p>Low liquidity in the listing of the Company's Shares means that there may be limited prospective buyers and sellers of the Shares on the ASX at any time. If the Shares of the Company remain illiquid, there is a risk that Shareholders will be unable to realise their investment in the Company. As a result, this may increase volatility of the market price of Shares, prevent investors from acquiring more Shares and prevent investors from selling their shareholding at a fair market value below what they had purchased them for.</p> |
| Loss Making | <p>Beonic is loss making and expects to be loss making for the foreseeable future as it continues to invest to expand its market presence and market share. Whilst the growth trajectory of the business has been positive, there is no guarantee that the Company will continue this trajectory into the future and become profitable. As a result, the Company may be required to raise additional capital, and may have an adverse impact on its reputation.</p> |
| Customer Retention | <p>Beonic's financial performance may be materially affected by its ability to retain existing customers. Retention of customers will be dependent on a number of factors including capability, pricing, customer support and value compared to competing offerings.</p> <p>In addition, following initial commitment periods under customer contracts there is no guarantee that customers will continue their engagement with Beonic.</p> <p>Beonic's performance in retaining customers may not continue into the future and this may impact the company's financial and market performance.</p> |
| Acquiring new customers | <p>Continued revenue growth for the Company will be dependent on Beonic acquiring new customers, accelerating sales, and maintaining strong marketing and distribution channels.</p> <p>There is no guarantee that Beonic will acquire new customers nor maintain the level of growth it has experienced historically and failure to do so may adversely impact the company's financial and market performance.</p> |
| Competition regulation and | <p>The segments in which Beonic operates are competitive, evolving, and global. New entrants can enter the market and existing competitors can evolve and</p> |

| | |
|-------------------------------|---|
| loss of reputation | <p>change rapidly.</p> <p>There are competitive risks as a result, including:</p> <ul style="list-style-type: none"> • Competitors may have greater financial and other resources, and established histories in market with broader experience than Beonic; • Aggressive competitor pricing, marketing, operational performance, product and services quality, and R&D strategies which impact Beonic; • Better agility and speed to adapt to changing market circumstances; and new entrants into the market. <p>The failure by Beonic to compete effectively and successfully may adversely impact the Company's financial performance and future success.</p> |
| Intellectual property | <p>The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being adequately legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, the company may not adequately identify breaches, or the Company may incur substantial costs in asserting or defending its intellectual property rights.</p> <p>Issues regarding the company's intellectual property rights may cause a material risk to Beonic's business, market growth and financial performance.</p> <p>Further, the Company has developed its own intellectual property using tools and technology owned by third parties, including open-source technology. The Company may be subject to claims that its products, or its use of third-party products, breaches another party's intellectual property or other rights. This could result in significant costs and delays and may adversely impact the company's market and financial performance.</p> |
| Jurisdictional risk | <p>Beonic operates in multiple jurisdictions. This increases the regulatory compliance burden and requires Beonic to comply with multiple regulatory regimes with respect to its offerings. Different jurisdictions may adopt stricter or different approaches to regulation which may affect financial performance in those jurisdictions.</p> <p>Further, the Company has operations in markets where there is a potential risk of exposure to modern slavery and similar legislation, or social, political or economic instability. There is no guarantee that such instabilities will not occur, and should they occur, they may adversely impact Beonic's market and financial performance.</p> |
| Currency exchange risk | <p>Beonic reports its financial performance in Australian dollars. However, Beonic has customers in multiple jurisdictions. Fluctuations in the exchange rate between the AUD and currency in those jurisdictions may affect Beonic's financial performance.</p> |

2 Details of the Offers

The Company is making separate Offers pursuant to this Prospectus. The Offers are made with disclosure under this Prospectus and are made on the terms, and are subject

to the conditions, set out in this Prospectus. The purpose of the Offers and the use of funds raised pursuant to the SPP are set out in Section 3.

2.1 Background

On 19 June 2024, the Company announced that it had agreed to issue approximately 210.22 million new Shares at the offer price of A\$0.022 per share to sophisticated and professional investors under a two-tranche placement and 17.04 million shares to the directors under the Director Placement to raise up to approximately A\$5 million before costs. Placement Participants will be entitled to apply for 1 New Option for every 2 Shares subscribed for and issued under the Placement. The Company also announced it is seeking to raise up to \$500,000 before costs via a SPP. Under the SPP, eligible shareholders will be able to subscribe for up to \$30,000 worth of new Shares and will be entitled to receive 1 New Option for every 2 Shares subscribed for.

The issue of Shares and New Options under the Placement, the Placement Options Offer, the JLM Options Offer and SPP has been approved by Shareholders at the Extraordinary General Meeting held on Friday, 23 August 2024.

The purpose of the Offers are set out in Section 3.1.

2.2 Placement Options Offer

This Prospectus includes a separate offer of 105,113,637 New Options to Placement Participants in the Placement.

The Placement was made on the basis that Placement Participants would be entitled to apply for 1 New Option for every 2 Shares subscribed for and issued under the Placement for no additional consideration.

Only Placement Participants in the Placement may accept the Placement Options Offer. No payment is required for the issue of New Options to Placement Participants under the Placement Options Offer. Accordingly, no funds will be raised from the Placement Options Offer.

The Placement Options Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any New Options issued under the Placement Options Offer.

A personalised application form will be sent to Placement Participants in relation to the Placement Options Offer by the Joint Lead Managers (**Placement Option Offer Application Form**), together with a copy of this Prospectus. The Placement Options Offer Application Form must be completed in accordance with the instructions set out on the form. Completed Placement Options Offer Application Forms must be received by the Joint Lead Managers prior to the Closing Date for the Placement Options Offer. Placement Options Offer Application Forms should be delivered in accordance with the instructions contained in the Placement Options Offer Application Form. If the Placement Options Offer Application Form is not returned to the Joint Lead Managers by the Closing Date for the Placement Options Offer or the Closing Date, then the Placement Options Offer, with respect to that applicant, will lapse.

An Application for New Options under the Placement Options Offer must be for the full amount of New Options to which a Placement Participant is entitled to subscribe under the Placement Options Offer. The Company will not accept a Placement Options Offer Application Form from a Placement Participant in the Placement for a lesser number of New Options.

The New Options issued under the Placement Options Offer will be in the same class and rank equally in all respects with the New Options being issued under the SPP and the

JLM Options Offer. A summary of the terms and conditions attaching to the New Options is set out in Section 4.2.

Shares issued on exercise of the New Options under the Placement Options Offer will be fully paid and will rank equally in all respects with the Company's existing Shares on issue at the Prospectus Date. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

The Company will not apply for quotation of the New Options issued under the Placement Options Offer.

2.3 SPP

The Company is proposing to undertake an SPP under which eligible shareholders will have the opportunity to subscribe for up to A\$30,000 worth of new Shares. The amount to be raised under the SPP is capped at A\$500,000 and applications under the SPP will be scaled back to the extent that the aggregate applications received under the SPP exceed A\$500,000.

Eligible shareholders are entitled to receive 1 New Option for every 2 Shares subscribed for and issued under the SPP.

The purpose of the Offers is set out in Section 3.1.

2.3.1 Eligibility to participate in the SPP

The SPP is only open to eligible shareholders.

Subject to Section 2.7, Shareholders who are entered on the Company share register at 7.00pm (AEST time) on the Record Date and who have a registered address in Australia, New Zealand or are an Approved US Institutional Shareholder, are eligible to participate in the SPP.

The Company reserves the right to reject any Application for New Securities under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. If you are in any doubt about the SPP, whether you should participate in the SPP or how such participation will affect you, you should seek independent financial and taxation advice before making a decision as to whether or not to take up any New Securities under the SPP.

2.3.2 Participation in the SPP

Participation in the SPP is entirely voluntary.

Before you decide whether to participate in the SPP, the Company recommends that you seek any independent financial, legal, tax or other advice that you may require.

If you do not wish to participate in the SPP, no further action is required on your part. Please note that in such circumstances:

- You will receive no value or other benefit in respect of any New Securities to which you may have been entitled to under the SPP; and
- your percentage shareholding in the Company may be diluted as a result.

Your right to participate lapses at 5.00pm (AEST) on the Closing Date for the SPP.

2.3.3 How to apply for SPP Shares

Eligible shareholders may apply for a parcel of Shares with a dollar value of A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500, A\$15,000, A\$17,500, A\$20,000, A\$22,500, A\$25,000, A\$27,500 or A\$30,000.

To apply for the SPP, please follow the instructions in the Application Form. Your personalised Application Form can be accessed via <https://www.investorserve.com.au/>.

In accordance with the instructions in your personalised Application Form, you must either:

- make a payment directly via BPAY® (noting that eligible shareholders in New Zealand cannot apply using BPAY unless they have an Australian bank account); or
- if you are an eligible shareholder with a registered address in New Zealand or an Approved US Institutional Shareholder and are unable to pay by BPAY, you may pay for New Securities via electronic funds transfer (EFT), in accordance with the instructions on your personalised Application Form which can be accessed via <https://www.investorserve.com.au/>.

Eligible shareholders wishing to apply for the SPP must ensure that their payment is received by no later than 5.00pm (AEST) on the Closing Date of the SPP.

2.3.4 SPP Options

Eligible shareholders will receive 1 New Option for every 2 new Shares subscribed for and issued under the SPP. No additional payment is required for the issue of the SPP Options to eligible shareholders.

By applying for new Shares under the SPP, eligible shareholders will also be taken to have applied for the relevant number of SPP Options. Accordingly, eligible shareholders do not need to complete a separate Application Form to subscribe for the SPP Options.

The SPP Options issued under the SPP will be in the same class and rank equally in all respects with the New Options being issued under the Placement Options Offer and the JLM Options Offer. A summary of the terms and conditions attaching to the New Options is set out in Section 4.2.

Shares issued on exercise of the New Options will be fully paid and will rank equally in all respects with the Company's existing Shares on issue at the Prospectus Date. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

2.3.5 Notice to nominees and custodians

Nominees and custodians participating in the SPP may not distribute this Prospectus (including any Application Form) to and may not permit any person to participate in the SPP, except any beneficial Shareholder with an address in Australia or New Zealand or a beneficial shareholder who is. resident in another country where the Company may determine it is lawful and practical to make the SPP offer (**Beneficiary**). In particular, a nominee or custodian holding existing Shares on behalf of a person in the United States may not distribute this Prospectus or participate in the SPP on behalf of such person except with the consent of the Company.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for Beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Where a Custodian holds Shares jointly on behalf of two or more participating Beneficiaries, the Custodian:

- may participate jointly in respect of those participating Beneficiaries up to the Maximum as if the Custodian held Shares on behalf of a single participating beneficiary; and
- is taken to have been instructed to apply for Shares under the SPP on behalf of those participating Beneficiaries if the Custodian has received such an instruction in accordance with the terms on which the Shares are held or where the terms on which the Shares are held do not cover the giving of such

instructions, the Custodian has received such instructions from any of those participating Beneficiaries.

Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.4 JLM Options Offer

This Prospectus includes a separate offer of 8,182,575 New Options to the Joint Lead Managers (or their nominees). The New Options are to be issued to the Joint Lead Managers (or their nominees) as partial consideration for acting as joint lead managers to the Placement and SPP. Only the Joint Lead Managers (or their nominees) may accept the JLM Options Offer. Refer to Section 6.4 for a summary of the JLM Engagement Letter.

No payment is required for the issue of the New Options to the Joint Lead Managers (or their nominees) under the JLM Options Offer. Accordingly, no funds will be raised from the JLM Options Offer.

The JLM Options Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any New Options issued under the JLM Options Offer.

A personalised Application Form in relation to the JLM Options Offer will be issued to each of the Joint Lead Managers (or their nominees) (**JLM Options Offer Application Form**), together with a copy of this Prospectus. The Company will only provide the JLM Options Offer Application Form to the Joint Lead Managers. The number of New Options to be offered to each of the Joint Lead Managers is outlined in the JLM Engagement Letter.

The JLM Options Offer Application Form must be completed in accordance with the instructions set out on the form and received by the Company prior to the Closing Date for the JLM Options Offer. JLM Options Offer Application Forms should be delivered in accordance with the instructions contained in the JLM Options Offer Application Form. If the JLM Options Offer Application Form is not returned to the Company by the Closing Date for the JLM Options Offer, then the JLM Options Offer, with respect to that applicant, will lapse.

The New Options issued under the JLM Options Offer will be in the same class and will rank equally in all respects with the New Options being issued under the SPP and Placement Options Offer. A summary of the terms and conditions attaching to the New Options is set out in Section 4.2.

Shares issued on exercise of the New Options will be fully paid and will rank equally in all respects with the Company's existing Shares on issue at the Prospectus Date. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

2.5 ASX quotation

The Company will apply to the ASX for quotation of the Shares to be issued under the SPP on the ASX market platform in accordance with the ASX Listing Rules and the Timetable.

If the ASX does not grant official quotation of the new Shares offered under the Offers before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by ASIC), the Company will not issue any New Securities under the SPP, and will repay all Application Monies for the new Shares under the SPP (without interest) within the time prescribed under the Corporations Act.

The Company does not intend to apply for quotation of the New Options.

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

The Company will not be issuing share or option certificates with respect to the New Securities. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Since the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation. All New Options will be issuer sponsored.

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

Investors in New Options will receive an issuer sponsored holding statement from the Share Registry setting out the number of New Options issued to them under this Prospectus.

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.

2.7 International Offer restrictions

This Prospectus does not constitute an offer of New Securities of the Company in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the New Securities may not be offered or sold, in any country outside Australia or New Zealand, except in the United States to the extent permitted below.

The SPP offer is being made in the United States only to shareholders of the Company who are institutional accredited investors within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act. In order to participate in the Offer, a US shareholder must sign and return a US investor certificate, together with an application form, that is available from the Company.

The Shares, the Options and the ordinary shares underlying the Options have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, such securities may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

2.8 Rights attaching to Shares

All of the new Shares offered under this Prospectus will rank equally with the Shares on issue at the Prospectus Date and the new Shares issued under the Offers. Refer to Section 4.1 for a summary of the rights and liabilities attaching to Shares.

2.9 Rights attaching to New Options

Shares issued on the conversion of the New Options will be fully paid and will rank equally with the Shares on issue at the Prospectus Date and the new Shares issued

under the Offers. Refer to Section 4.2 for a summary of the rights and liabilities attaching to New Options.

2.10 Acknowledgements

Each Applicant under the Offers will be deemed to have:

- represented to the Company that they are an eligible shareholder, Placement Participant or Joint Lead Manager;
- agreed to be bound by the terms and conditions of the relevant Offer, and the terms of the Constitution;
- acknowledged having personally received a printed or electronic copy of this Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company receives an Application Form, it may not be withdrawn;
- if participating in the SPP, applied for the number of New Securities at the Australian dollar amount shown on the front of the Application Form;
- if participating in the SPP, agreed to being allocated and issued the number of New Securities applied for (or a lower number allocated in a way described in this Prospectus), or no New Securities at all;
- authorised the Company and its respective officers or agents, to do anything on behalf of the Applicant(s) necessary for New Securities to be allocated to the Applicant(s);
- acknowledged that the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that New Securities are suitable for the Applicant(s), given the investment objectives, financial situation and particular needs (including financial and taxation issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Offers); and
- acknowledged and agreed that the Offers (or part of the Offers) may be withdrawn by the Company or may otherwise not proceed in the circumstances described in this Prospectus.

Each Applicant under the Offers will be taken to have represented, warranted and agreed as follows:

- it understands that the New Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state of the United States;

- it is not in the United States, and is not acting for the account or benefit of a person in the United States unless it is an Approved US Institutional Shareholder;
- if it is an Approved US Institutional Shareholder, it has signed and returned a US investor certificate in a form that is available from the Company;
- if in the future it decides to sell or otherwise transfer the ordinary shares underlying the New Securities acquired, it will only do so in “regular way” transactions on ASX where neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States; and
- if acting as a nominee or custodian in the SPP:
 - each beneficial Shareholder on whose behalf an Application is submitted is permitted to participate in the SPP as provided in Section 2.3.5; and
 - it has only sent this Prospectus and the Application to such beneficial Shareholders and not to any person in the United States who is not an Approved US Institutional Shareholder.

2.11 Withdrawal and discretion

The Company may withdraw the Offers (or any part of the Offers) at any time before completion of the Offers (or of the relevant part of the Offers). If the Offers (or any part of the Offers) is withdrawn, all relevant Application Monies for New Securities which have not been issued will be refunded (without interest) within the time prescribed under the Corporations Act.

Subject to the Corporations Act, the ASX Listing Rules and any other relevant law, the Joint Lead Managers and the Company also reserve the right to close the Offers or any part of the Offers early, extend the Offers or any part of the Offers, accept late Applications either generally or in particular cases, reject any Application, waive or correct any errors made by any Applicant in completing an Application Form, or allocate to any Applicant fewer securities than those applied for. Applications received under the Offers are irrevocable and may not be varied or withdrawn except as required by law.

3 Purpose of the SPP and effect of the Offers

3.1 Purpose of the SPP

The purpose of the SPP is to:

- (a) offer all existing Shareholders an opportunity to subscribe for New Securities at the same price and on the same terms as the securities offered to investors under the Placement; and
- (b) to raise funds to be used by the Company to meet corporate costs, provide general working capital, and to cover the costs of the Offers.

Use of funds

The funds raised from the SPP are planned to be used by the Company for general working capital purposes.

The above is a statement of the Company's current intentions as at the Prospectus Date and the Board reserves the right to alter the way funds are applied on this basis.]

3.2 Effect of the Offers

The principal effect of the Offers will depend on:

- (a) the take up under the SPP; and
- (b) the extent to which New Options are exercised.

Assuming full take up under the SPP and the completion of the Offers:

- cash reserves of the Company will increase by approximately \$500,000 (after deducting the estimated costs of the SPP and the Offers) immediately after completion SPP;
- increase the number of Shares on issue from 488,222,754 as at the Prospectus Date to up to 674,548,513 Shares following completion of the SPP; and
- increase the number of Options on issue from 43,639,028 as at the Prospectus Date to up to 176,821,604 Options following completion of the SPP.

3.3 Financial Information

3.3.1 Introduction

This Section 3.3 sets out the Company's pro forma statement of financial position. The Directors are responsible for the inclusion of financial information in this Prospectus, the purpose of which is to illustrate the effect of the Offers.

3.3.2 Basis and method of preparation

The pro forma statement of financial position in Section 3.3.3 has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and the accounting standards adopted by Beonic as disclosed in the Company's last annual financial statements for the year ended 30 June 2024. The pro forma historical financial information has been derived from historical financial information and assumes the completion of the pro forma adjustments set out in Note 2 of Section 3.3.4, as if those adjustments had occurred as at 30 June 2024 .

The financial information contained in this Section of the Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial

report prepared in accordance with the Corporations Act and Australian Accounting Standards and Australian Accounting Interpretations.

The financial information contained in this Prospectus is presented in A\$ which is Beonic's functional and presentation currency.

The pro forma historical financial information comprises the following:

- the pro forma statement of financial position of the Company as at 30 June 2024, prepared on the basis that the pro forma adjustments and subsequent events detailed in Note 2 of Section 3.3.4 had occurred as at 30 June 2024; and
 - the notes to the pro forma financial information in Section 3.3.4,
- (together, the **Financial Information**).

3.3.3 Pro forma statement of financial position

| | 31 December 2023 (Audited) | 30 June 2024 (Audited) | Pro forma adjustments | Pro forma balance |
|----------------------------------|-------------------------------|------------------------------|--------------------------|----------------------|
| Notes | A\$000 | A\$000 | A\$000 | A\$000 |
| Assets | | | | |
| Current | | | | |
| Cash and cash equivalents | 1,589 | 2,730 | 4,368 | 7,098 |
| Trade and other receivables | 4,501 | 3,801 | | 3,801 |
| Inventory | 162 | 435 | | 435 |
| Prepayments | 1,558 | 1,843 | | 1,843 |
| Total current assets | 7,810 | 8,809 | 4,368 | 13,177 |
| Non-current | | | | |
| Property, plant and equipment | 840 | 637 | | 637 |
| Intangible assets | 11,468 | 10,463 | | 10,463 |
| Right of use assets | 743 | 665 | | 665 |
| Total non-current assets | 13,050 | 11,765 | | 11,765 |
| Total assets | 20,860 | 20,574 | 4,368 | 24,942 |
| Liabilities | | | | |
| Current | | | | |
| Trade and other payables | 5,081 | 4,326 | | 4,326 |
| Loan payable | 2,046 | 527 | | 527 |
| Provisions | 1,459 | 1,563 | | 1,563 |
| Lease liabilities | 118 | 116 | | 116 |
| Current tax liabilities | 88 | 64 | | 64 |
| Contract liabilities | 6,590 | 6,647 | | 6,647 |
| Total current liabilities | 15,382 | 13,243 | | 13,243 |

| Notes | 31 December 2023 (Audited) A\$000 | 30 June 2024 (Audited) A\$000 | Pro forma adjustments A\$000 | Pro forma balance A\$000 |
|--------------------------------------|---|--|------------------------------------|--------------------------------|
| Non-current Liabilities | | | | |
| Borrowings | 0 | 4,741 | | 4,741 |
| Provisions | 554 | 265 | | 265 |
| Lease liabilities | 637 | 583 | | 583 |
| Contract liabilities | 1,248 | 1,040 | | 1,040 |
| Total non-current liabilities | 2,440 | 6,629 | | 6,629 |
| Total liabilities | 17,822 | 19,872 | | 19,872 |
| Net assets | 3,039 | 702 | 4,368 | 5,070 |
| Equity | | | | |
| Share capital | 50,342 | 52,616 | 5,367 | 57,983 |
| Reserves | 10,754 | 9,703 | | 9,703 |
| Accumulated losses | (58,057) | (61,617) | (999) | (62,616) |
| Total Equity | 3,039 | 702 | 4,368 | 5,070 |

3.3.4 Notes to the pro forma statement of financial position

The pro forma historical statement of financial position and notes have been prepared in accordance with the measurement and recognition (but not the disclosure) requirements of the Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act.

The pro forma historical statement of financial position has been prepared on a historical cost basis and, except where stated, does not consider changing money values or current valuations of selected non-current assets, financial assets and liabilities. Cost is based on the fair values of the consideration given in exchange for assets. The preparation of the pro forma historical statement of financial position requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas where assumptions and estimates are significant in the historical statement of financial position of the Company as at 30 June 2024 were the same as those disclosed in the Company's annual financial statements for the year ended 30 June 2024.

The historical statement of financial position should be read in conjunction with the notes set out in the annual financial statements of the Company for the year ended 30 June 2024.

The annual financial statements of the Company for the year ended 30 June 2024 are contained in the annual report released to the ASX on 28 August 2024.

3.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company is set out below. The below capital structure is illustrative only and assumes that:

- (a) the Offers complete; and
- (b) no Options are exercised prior to completion of the Offer.

Shares

| Shares | Number |
|--|--------------------|
| Shares on issue as at the Prospectus Date | 488,222,754 |
| Shares to be issued under Tranche 2 Placement | 146,553,031 |
| Shares to be issued to the Directors | 17,045,456 |
| Shares to be issued pursuant to the SPP | 22,727,272 |
| Total Shares on issue after completion of the Offer | 674,548,513 |

Options

| Options | Number |
|---|--------------------|
| Options on issue as at the Prospectus Date | 43,639,028 |
| New Options to be issued pursuant to the Placement Options Offer | 105,113,637 |
| New Options to be issued pursuant to the SPP | 11,363,636 |
| New Options to be issued pursuant to the Directors participation in the Placement | 8,522,728 |
| New Options to be issued pursuant to the JLM Options Offer | 8,182,575 |
| Total Options on issue after completion of the Offers | 176,821,604 |

No Shares, Performance Rights or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

4 Rights and liabilities attaching to New Securities

4.1 Rights and liabilities attaching to Shares

4.1.1 Introduction

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law. A summary of the significant rights, liabilities and obligations attaching to Shares (including to Shares issued under the Placement and to the Shares issued upon the exercise of the New Options) and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders.

4.1.2 General meetings

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and the ASX Listing Rules.

Shareholders are entitled to be present personally, 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.

The Directors may determine to hold a general meeting of members at two or more locations or using one or more technologies or electronic participation facilities that give all persons entitled to attend a reasonable opportunity to participate without being physically present in the same place (including without members being able to attend a physical venue such that meetings may be held wholly virtually).

4.1.3 Voting rights

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held (with adjusted voting rights for partly paid shares). If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to any deliberative vote.

4.1.4 Dividends

The Board may from time to time resolve to pay dividends to Shareholders and fix the amount of the dividend, the time for determining entitlements to the dividend and the timing and method of payment.

4.1.5 Winding up

If the Company is wound up, then subject to the Constitution, the Corporations Act and any rights or restrictions attached to any Shares or classes of Shares, any surplus property of the Company must be divided amongst the Company's members in proportion to the number of Shares held by them. If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or part of the Company's property and decide how the division is to be carried out as between Shareholders or different classes of shares.

4.1.6 Transfer of Shares

Subject to the Constitution and to any restrictions attached to any Shares, Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, the Corporations Act (and Corporations Regulations) and the ASX Listing Rules or by a written transfer in any usual form or in any other form approved by the Board and permitted by the relevant laws and ASX requirements. The Board may decline to register a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Constitution, the Corporations Act or the ASX Listing Rules.

4.1.7 Issue of further Shares

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 determine in their absolute discretion.

4.1.8 Variation of class rights

The procedure set out in the Constitution must be followed for any variation of rights attached to shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:

- with the consent in writing of the holders of 75% of the issued shares included in that class; or
- by a special resolution passed at a separate meeting of the holders of those shares.

In either case, the holders of not less than 10% of the votes in the class of shares, the rights of which have been varied or cancelled, may apply to a court of competent jurisdiction to exercise its discretion to set aside such a variation or cancellation.

4.1.9 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least 75% 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.

4.1.10 Non-marketable parcels

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution.

4.1.11 Directors – appointment and removal

Under the Constitution, the Board is comprised of a minimum of three Directors and a maximum of ten Directors, unless the Shareholders pass a resolution varying that number at a general meeting. Directors are elected or re-elected at annual general meetings of the Company.

No Director (excluding a managing director) may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Board may also appoint any eligible person to be a Director either to fill a casual vacancy on the Board or as an addition to the existing Directors, who (if they are not a managing director) will then hold office until the conclusion of the next annual general meeting of the Company following their appointment.

A person is eligible for election to the office of a Director at a general meeting if they are nominated or recommended by the Board or if not less than the number of Shareholders required to give notice of a resolution under the Corporations Act (subject to timing requirements) nominate a person in accordance with the Constitution.

4.1.12 Directors – voting

Questions arising at a meeting of the Board must be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote in addition to their deliberative vote, unless there are only two Directors present or entitled to vote in which case the chairperson of the meeting does not have a second or casting vote and the proposed resolution is taken as lost.

A written resolution of the Board may be passed without holding a meeting of the Board, if 75% of the Directors who are entitled to vote on the resolution and would have constituted a quorum at a physical meeting of Directors sign or consent to the resolution.

4.1.13 Directors – remuneration

Under the Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for their services as a Director. However, the total aggregate amount provided to all non-executive Directors for their services as Directors must not exceed in any financial year the amount fixed by the Company in general meeting.

The remuneration of a Director (who is not a managing director or an executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Directors may be paid for all travelling and other expenses the Directors incur in attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or of committees of the Board. Any Director who performs extra services or makes any special exertions for the benefit of the Company, which, in the opinion of the Board, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of the funds of the Company.

4.1.14 Powers and duties of Directors

The business and affairs of the Company are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within the Company's power and the powers that are not required by law or by the Constitution to be exercised by the Company in general meeting.

4.1.15 Preference shares

The Company may issue preference shares including preference shares which are, or at the option of the Company or holder are, liable to be redeemed or convertible to ordinary Shares. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company.

4.1.16 Indemnities

The Company, to the extent permitted by law, indemnifies each Director and executive officer of the Company on a full indemnity basis against all losses, liability, costs, charges and expenses incurred by that person as an officer of the Company or of a related body corporate.

4.2 Rights and liabilities attaching to New Options

4.2.1 Introduction

The rights and liabilities attaching to ownership of New Options arise from a combination of the Constitution, statute, the ASX Listing Rules and general law. A summary of the terms of the New Options and the significant rights, liabilities and obligations attaching to the New Options being offered pursuant to this Prospectus is set out below. This

summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Option holders.

4.2.2 Consideration for grant

No further consideration other than the payment of the amount for the Shares to be issued under the SPP will be payable by Applicants for the New Options.

4.2.3 Exercise Price

The exercise price of each New Option is \$0.044.

4.2.4 Vesting period and Expiry Date

The New Options will be exercisable in the **Exercise Period**, being the period between:

- (a) 9.00am (AEST) on 18 September 2027 (being three years after the anticipated Allotment Date); and
- (b) 5.00pm (AEST) on 18 September 2027

Any unexercised New Options will expire and automatically lapse after that time.

4.2.5 Entitlement

Each New Option entitles the holder to subscribe for one fully paid Share upon exercise of the New Option and payment of the exercise price during the Exercise Period.

4.2.6 Terms of Exercise

New Options may be exercised only once by:

- delivering to the Company during the Exercise Period the application for Shares on exercise of New Options duly executed by the Option holder specifying the number of Options being exercised (**Relevant Number**) (**Notice of Exercise**); and
- payment to the Company by bank cheque or other immediately available funds of an amount equal to the exercise price multiplied by the number of New Options being exercised (**Settlement Price**).

A Notice of Exercise is irrevocable once given.

4.2.7 Issue of Shares

The Company must within 5 business days after the receipt by it of the last of the documents referred to in Section 4.2.6 and subject to the receipt by the Company of the Settlement Price:

- issue to the Option holder the Relevant Number of Shares; and
- issue, or cause to be issued, to the Option holder a holding statement for the Relevant Number of Shares.

4.2.8 Ranking of Shares upon exercise of New Options

The Shares issued pursuant to the exercise of the New Options will be issued as fully paid.

Any Shares issued to the Option holder as a result of the exercise of a New Option will rank *pari passu* in all respects with all other Shares then on issue. Shares issued upon the exercise of New Options will only carry an entitlement to receive a dividend if they were issued before the record date for that dividend.

4.2.9 Rights to participate

There are no participation rights or entitlements inherent in the New Options and an Option holder will not be entitled to participate in new issues of capital offered to holders

of Shares without exercising the Options before the record date for determining entitlements to the new issue of capital.

4.2.10 Quotation

The New Options will not be quoted.

At the time any Shares are issued upon the exercise of a New Option, the Company will apply to ASX for official quotation of the Shares as soon as practicable, and in any event within 2 business days after the date that the Shares are issued.

4.2.11 Capital reorganisation

If, before exercise or expiry of the New Options, the Company implements a reorganisation of its capital:

- (1) all rights of the Option holder are to be changed in a manner consistent with the ASX Listing Rules at the time of the reconstruction;
- (1) the Company must notify the Option holder of any proposed variation to the terms of Options no less than 5 “business days” (as defined in the ASX Listing Rules) prior to the date of variation; and
- (2) the Company must provide confirmation to the Option holder immediately after the date of variation that the terms of the Options have been varied as proposed.

4.2.12 Bonus issues

A holder of New Options does not have the right to participate in “bonus issues” (as defined in the ASX Listing Rules) or new issues of securities offered to Shareholders until Shares are allotted to the holder of the New Options pursuant to the exercise of the New Options.

If there is a bonus issue to holders of Shares, the number of Shares over which an Option is exercisable is increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

4.2.13 Pro rata issues

There will be no change to the exercise price of a New Option or the number of Shares over which a New Option is exercisable if the Company makes a pro rata issue of Shares or other securities to the holders of Shares (other than for a bonus issue).

4.2.14 Voting

Holders of New Options will have no voting rights until the New Options are exercised and Shares issued upon exercise of those New Options in accordance with the ASX Listing Rules.

4.2.15 Dividends

Holders of New Options will have no rights to dividends until the New Options are exercised and Shares issued upon exercise of those New Options in accordance with the ASX Listing Rules.

4.2.16 Transferability

While the New Options will not be quoted on ASX, the New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2.17 Variation

Subject to the ASX Listing Rules, the New Option terms may be varied at any time by written agreement between the Company and the Option holder.

4.2.18 Registered holders

The Company is entitled to treat the holder of a New Option as the absolute holder of that New Option and is not bound to recognise any equitable or other claim to, or interest in, that New Option on the part of any person other than the holder, except as ordered by a court of competent jurisdiction or as required by statute.

5 Risk factors

5.1 Introduction

This Section 5 describes some of the potential risks associated with an investment in the Company.

An investment in the Company is subject to risk factors specific to the Company and its business activities and those of a more general nature including general risks associated with investing in shares. Any, or a combination, of these risk factors may have a material adverse effect on the Company's business, financial condition, operating and financial performance, growth, and/or the value of its Shares. Many of the circumstances giving rise to these risks and the occurrence of consequences associated with each risk are partially or completely outside the control of the Company, its Directors and management.

Section 5 does not purport to list every risk that may be associated with an investment in New Options now or in the future. Additional risks that the Company is unaware of, or that the Company currently considers to be immaterial may also have the potential to have a material adverse effect on the Company's business, financial condition, operating and financial performance, growth, and/or the value of its Shares.

The selection of risks in this Section 5 is based on the knowledge of the Directors as at the Prospectus Date. However, there is no guarantee or assurance that the importance of risks will not change or that other risks will not emerge.

Before deciding whether to invest in the Company by applying for New Options, you should read the entire Prospectus and satisfy yourself that you have a sufficient understanding of these matters and should consider whether New Options are a suitable investment for you having regard to your own investment objectives, financial circumstances and particular needs (including financial and taxation issues). If you do not understand any part of this Prospectus or are in any doubt as to whether to invest in the Company, you should seek professional advice from your stockbroker, accountant, lawyer, financial adviser or other independent professional adviser before deciding whether to invest.

5.2 Company risk factors

5.2.1 Reputational risks

There is a risk that Beonic may face negative customer sentiment in the future. Customer complaints or negative publicity about any of the products provided by Beonic (either directly or via partners), customer data handling and security practices or customer support, whether or not they are justified or the fault of Beonic, could rapidly and severely diminish customer use of our products and services. As a company, Beonic prides itself on very high and distinguished customer service.

5.2.2 Service level risks

Beonic products have internal service level expectations which include uptime availability (often subject to Amazon Web Services availability).

Beonic's software and services are used 365 days of the year, and outside of planned maintenance, Beonic places very high standards on itself to deliver a product that is always available. A failure to persistently meet these expectations could result in client attrition due to unreliability of information.

Beonic seeks to mitigate the potential loss of clients by implementing robust technology solutions to assist in uptime availability in conjunction with backup and recovery processes.

Further, an increase in quality assurance resources supports reliable software release cycles.

5.2.3 Software, technology and system related risks

Beonic's software solutions, which incorporates its website, databases and systems are critically important to Beonic's ability to attract and retain customers.

The database of its customers, programs and processes, software repositories, data analytics are a valuable asset for the continued success of Beonic, and any irrecoverable loss would incur a financial cost to Beonic as well as damage the reputation of the business.

Further, Beonic is reliant on Amazon Web Services and other cloud hosting providers to host the platform. If there is a disruption in these hosting services, the platform may not be accessible to users. Any significant or prolonged disruption of the hosting services may cause irreparable harm to Beonic's reputation and relationships with Partners and Customers and may have a material adverse effect on Beonic's business and financial performance.

5.2.4 Internet and Data Security Breaches

There is a risk that, despite Beonic's extensive efforts to combat cyber risks (including firewalls, a privacy policy and policies to restrict unauthorised access to data), a cyber-attack or a data breach may occur, or a third party may otherwise gain access to the confidential information of Beonic's customers or its internal systems. This could result in a breach of law by Beonic, or a breach of client agreements, and may significantly damage the Company's reputation and brand name. Any breach of this nature may have a material adverse effect on Beonic.

5.2.5 Talent risks

Beonic is reliant on its ability to attract and retain appropriately skilled and qualified employees. If the labour market becomes more competitive then it may become more difficult to retain appropriately skilled employees at existing salary levels. That could in turn increase costs and have adverse implications on Beonic's pricing and profitability. Beonic attempts to mitigate this risk where possible through ongoing recruitment, salary benchmarking, and employee retention programs; yet, in a competitive talent market regretful employee churn is often a consequence.

5.2.6 Reputational risk

Beonic relies heavily on its reputation and the functionality of its platforms to grow and retain its clients. Any adverse customer experience, inappropriate behaviours of employees, management, Board members, or a number of other people matters, could negatively affect Beonic's reputation and therefore a client's preparedness to use its services.

5.2.7 Insurance risk

The Company may, where economically practicable and available, endeavour to mitigate some business risks by procuring relevant insurance cover. While the Company will undertake reasonable due diligence in assessing its insurance requirements there remains the risk that the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover, leading to unforeseen costs. The Company seeks to contract with reputable insurers but does not independently verify their creditworthiness. Accordingly, the risk of default on a claim remains if an insurer fails.

5.2.8 Share price value

The market value of Shares quoted on ASX may increase or decrease for a variety of reasons that are beyond the Company's control. These reasons may include, but are not

limited to, changes in the pricing of comparable stocks, shifts in demand for listed equities, the publication of speculative press commentary or research about the Company, changes to general economic conditions, changes in interest rates, exchange rates, commodity prices, domestic or international changes to fiscal, monetary or regulatory policy, changes in legislation or regulations, shifts in industry dynamics and changes to the operating environment.

In general, factors such as terrorism, international hostilities, natural disasters such as earthquakes, fires or floods, labour strikes, civil wars, outbreaks of pandemics or other similar issues may negatively affect investor sentiment and influence the Company specifically or the stock market generally (which may have negative implications on the pricing of Beonic).

These reasons or factors, amongst others, may result in the Shares trading below the Offer Price and no assurance can be made that the price of Shares will increase following quotation on ASX.

5.2.9 Loss Making

Beonic is loss making and expects to be loss making for the foreseeable future as it continues to invest to expand its market presence and market share. Whilst the growth trajectory of the business has been positive, there is no guarantee that the Company will continue this trajectory into the future and become profitable. As a result, the Company may be required to raise additional capital, and may have an adverse impact on its reputation.

5.2.10 Customer Retention

Beonic's financial performance may be materially affected by its ability to retain existing customers. Retention of customers will be dependent on a number of factors including capability, pricing, customer support and value compared to competing offerings.

In addition, following initial commitment periods under customer contracts there is no guarantee that customers will continue their engagement with Beonic.

Beonic's performance in retaining customers may not continue into the future and this may impact the company's financial and market performance.

5.2.11 Acquiring new customers

Continued revenue growth for the Company will be dependent on Beonic acquiring new customers, accelerating sales, and maintaining strong marketing and distribution channels.

There is no guarantee that Beonic will acquire new customers nor maintain the level of growth it has experienced historically and failure to do so may adversely impact the company's financial and market performance.

5.2.12 Competition regulation and loss of reputation

The segments in which Beonic operates are competitive, evolving, and global. New entrants can enter the market and existing competitors can evolve and change rapidly.

There are competitive risks as a result, including:

- competitors may have greater financial and other resources, and established histories in market with broader experience than Beonic;
- aggressive competitor pricing, marketing, operational performance, product and services quality, and R&D strategies which impact Beonic;
- better agility and speed to adapt to changing market circumstances; and new entrants into the market.

The failure by Beonic to compete effectively and successfully may adversely impact the Company's financial performance and future success.

5.2.13 Intellectual property

The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being adequately legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, the company may not adequately identify breaches, or the Company may incur substantial costs in asserting or defending its intellectual property rights.

Issues regarding the company's intellectual property rights may cause a material risk to Beonic's business, market growth and financial performance.

Further, the Company has developed its own intellectual property using tools and technology owned by third parties, including open-source technology. The Company may be subject to claims that its products, or its use of third-party products, breaches another party's intellectual property or other rights. This could result in significant costs and delays and may adversely impact the company's market and financial performance.

5.2.14 Jurisdictional risk

Beonic operates in multiple jurisdictions. This increases the regulatory compliance burden and requires Beonic to comply with multiple regulatory regimes with respect to its offerings. Different jurisdictions may adopt stricter or different approaches to regulation which may affect financial performance in those jurisdictions.

Further, the Company has operations in markets where there is a potential risk of exposure to modern slavery and similar legislation, or social, political or economic instability. There is no guarantee that such instabilities will not occur, and should they occur, they may adversely impact Beonic's market and financial performance.

5.2.15 Currency exchange risk

Beonic reports its financial performance in Australian dollars. However, Beonic has customers in multiple jurisdictions. Fluctuations in the exchange rate between the AUD and currency in those jurisdictions may affect Beonic's financial performance.

5.3 Investment risk factors

5.3.1 Economic factors

The Company is subject to general market risk that is inherent for all entities whose securities are listed on a securities exchange. This may result in fluctuations in the Share price that are not explained by the fundamental operations and activities of the Company.

The price of Shares quoted on the ASX following reinstatement may rise or fall and the Shares may trade below or above the offer price of A\$0.022 per share due to a number of factors. These include, but are not limited to, the following:

- the number of potential buyers or sellers of Shares on the ASX at any given time;
- fluctuations in the domestic and international market for listed stocks;
- general economic conditions including the unemployment rate, interest rates, inflation rates, exchange rates, commodity and oil prices, and changes to government fiscal, monetary or regulatory policies, legislation or regulation;
- recommendations by brokers or analysts;
- inclusion in, or removal from, market indices;

- global hostilities, tensions, and acts of terrorism;
- the nature of the markets in which the Company operates; and
- general operational and business risks.

5.3.2 Liquidity

There may be relatively few or many potential buyers or sellers of the Shares on the ASX at any time, which may increase the volatility of the market price of the Shares, prevent investors from acquiring more Shares or disposing of Shares they acquire under the Offers, or result in Shareholders receiving a market price for their Shares that is less than the price that Shareholders paid.

The Company does not intend to seek listing of the New Options. This will impact on the liquidity of the New Options.

5.3.3 Shareholder dilution

In the future, the Company may elect to issue Shares to fund or raise proceeds for working capital, growth, acquisitions, to repay debt, or for any other reason.

While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Shareholder interests may be diluted and Shareholders may experience a loss in value of their equity as a result of such issues of Shares and fundraisings.

5.3.4 Dividend risk

The Company currently does not pay dividends. Payment of dividends on Shares is within the discretion of the Board and will depend upon the Company's future earnings, its capital requirements, financial performance, and other relevant factors.

5.3.5 Taxation changes

Tax laws in Australia are complex and are subject to change periodically as is their interpretation by the relevant courts and the tax revenue authorities. Changes in tax law (including transfer pricing, GST, stamp duties and employment taxes), or changes in the way tax laws are interpreted may impact the tax liabilities of the Company, Shareholder returns, the level of dividend imputation or franking, or the tax treatment of a Shareholder's investment.

In particular, both the level and basis of taxation may change. The tax information provided in this Prospectus is based on current taxation law in Australia as at the Prospectus Date. Tax law is frequently being changed, both prospectively and retrospectively.

In addition, tax authorities may review the tax treatment of transactions entered into by the Company. Any actual or alleged failure to comply with, or any change in the application or interpretation of, tax rules applied in respect of such transactions, may increase the Company's tax liabilities or expose it to legal, regulatory, or other actions.

An interpretation of the taxation laws by the Company that is contrary to that of a revenue authority in Australia may give rise to additional tax payable. In order to minimise this risk, the Company obtains external expert advice on the application of the tax laws to its operations (as applicable).

5.3.6 Australian Accounting Standards

Changes to the AAS are determined by the AASB. The AASB may, from time to time, introduce new or refined AAS, which may affect the future measurement and recognition of key income statement and balance sheet items, including revenue and receivables.

There is also a risk that interpretations of existing AAS, including those relating to the measurement and recognition of key statements of profit or loss and balance sheet items, including revenue and receivables, may differ. Changes to AAS issued by the AASB or changes to the commonly held views on the application of those standards could materially and adversely affect the financial performance and position reported in the Company's financial statements.

5.3.7 Force majeure events

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of the Company, or the price of the Shares. These events include, but are not limited to, terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease such as COVID-19 or other man-made or natural events or occurrences that can have an adverse effect on the Company's activities.

5.4 Investment highly speculative

The above list of risks should not be taken as exhaustive of the risks faced by the Company or by prospective investors in the Company. The above risk 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 New Options. The Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Prospective investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

Prospective investors should carefully consider these risks in light of their investment objectives, financial situation and particular needs (including financial and taxation issues). There may be risk factors in addition to these that should be considered in light of personal circumstances.

6 Additional information

6.1 Legal proceedings

As at the Prospectus Date, no member of the Group is a party to any investigation, prosecution, litigation, legal proceedings, arbitration, mediation or any other form of dispute resolution process of a material nature (**Material Proceedings**).

So far as the Directors are aware, no Material Proceedings against a member of the Group are pending or threatened as at the Prospectus Date.

6.2 Continuous disclosure obligations

As the Company is listed on the ASX, it is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities, subject to certain exceptions.

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 a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the 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 the ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the 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.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with 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 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:
 - (1) the annual financial report most recently lodged by the Company with ASIC;

- (2) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (1) above and before the lodgement of this Prospectus with ASIC; and
- (3) 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 (1) above and before the lodgement of this Prospectus with ASIC.

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

The following announcements have been lodged by the Company with the ASX following lodgement of the annual financial report for the year ended 30 June 2023 with ASX on 25 August 2023 and prior to the Prospectus Date:

| Date | Description of announcement |
|------------|---|
| 28/08/2024 | Appendix 4G |
| 28/08/2024 | Annual Report to Shareholders |
| 28/08/2024 | Business Review & Appendix 4E |
| 23/08/2024 | Results of Extraordinary General Meeting |
| 08/08/2024 | Q4 FY24 Business Review Webinar Recording |
| 06/08/2024 | Q4 FY24 Results Presentation |
| 02/08/2024 | Beonic's June Quarter (Q4 FY24) Business Review Webinar |
| 31/07/2024 | Beonic Business Quarterly Review and Appendix 4C |
| 24/07/2024 | Update - Proposed issue of securities - BEO |
| 24/07/2024 | Notice of Extraordinary General Meeting/Proxy Form |
| 04/07/2024 | Application for quotation of securities - BEO |
| 03/07/2024 | Initial Director's Interest Notice - Michael McConnell |

| Date | Description of announcement |
|------------|--|
| 01/07/2024 | Appointment of Independent Non-Executive Director |
| 27/06/2024 | Change in substantial holding from TEK |
| 27/06/2024 | Change in substantial holding from Tiga Trading Pty Ltd |
| 26/06/2024 | Cleansing Notice |
| 26/06/2024 | Application for quotation of securities - BEO |
| 24/06/2024 | Update - Proposed issue of securities - BEO |
| 24/06/2024 | Update - Proposed issue of securities - BEO |
| 24/06/2024 | Update - Proposed issue of securities - BEO |
| 19/06/2024 | Proposed issue of securities - BEO |
| 19/06/2024 | Proposed issue of securities - BEO |
| 19/06/2024 | Proposed issue of securities - BEO |
| 19/06/2024 | Proposed issue of securities - BEO |
| 19/06/2024 | Investor Presentation |
| 19/06/2024 | Two-tranche placement to raise \$5.0m to accelerate growth |
| 17/06/2024 | Trading Halt |
| 15/05/2024 | Chief Financial Officer Announcement |
| 07/05/2024 | Notification of cessation of securities - BEO |

| Date | Description of announcement |
|------------|---|
| 01/05/2024 | Q3 FY24 Performance and Strategy update Recording |
| 30/04/2024 | Q3 FY24 Performance and Strategy update |
| 29/04/2024 | Beonic Investor Webinar |
| 29/04/2024 | Beonic Business Quarterly Review and Appendix 4C |
| 29/02/2024 | Beonic 1H FY24 Business Review |
| 29/02/2024 | Beonic 1H FY24 Interim Financial Report & Appendix 4D |
| 01/02/2024 | Company Secretary Appointment/Resignation |
| 31/01/2024 | Beonic Business Quarterly Review and Appendix 4C |
| 25/01/2024 | Beonic secures new debt financing |
| 22/01/2024 | Becoming a substantial holder |
| 17/01/2024 | Application for quotation of securities - BEO |
| 10/01/2024 | Appendix 2A |
| 08/01/2024 | Application for quotation of securities - BEO |
| 29/12/2023 | Notification of cessation of securities - BEO |
| 20/11/2023 | FY23 Annual General Meeting Recording |
| 14/11/2023 | Final Director's Interest Notice |
| 14/11/2023 | Skyfii 2023 AGM Results |

| Date | Description of announcement |
|------------|--|
| 14/11/2023 | Skyfii 2023 AGM Presentation |
| 14/11/2023 | Skyfii 2023 AGM Chair's Address |
| 13/11/2023 | Initial Director's Interest Notice |
| 13/11/2023 | Skyfii secures \$5m airport contract |
| 08/11/2023 | Chief Executive Officer Appointment |
| 31/10/2023 | Skyfii Business Quarterly Review and Appendix 4C |
| 16/10/2023 | Notice of Annual General Meeting & Proxy Form |
| 16/10/2023 | Skyfii to rebrand as Beonic |

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
<https://www.beonic.com/>.

6.3 Market price of Shares

The Company is a "disclosing entity" for the purposes of the Corporations Act and its Shares are quoted enhanced disclosure securities on the 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 ASIC and the respective dates of those sales were:

| | |
|---------|--------------------------|
| Highest | \$0.033 (26 July 2024) |
| Lowest | \$0.020 (27 June 2024) |
| Last | \$0.023 (27 August 2024) |

6.4 JLM Engagement Letter

Pursuant to an engagement letter dated 2 June 2024, the Company has appointed Canaccord Genuity (Australia) Limited and Alpine Capital Pty Ltd to act as joint lead managers and bookrunners in relation to the Placement (**JLM Engagement Letter**).

Pursuant to the JLM Engagement Letter, the Company has agreed to:

- pay the Joint Lead Managers a management fee equal to 2.00% and a selling fee equal to 2.00% of the total proceeds of the Placement derived from Existing Shareholders, Directors and other specified excluded investors;
- pay the Joint Lead Managers and management fee equal to 6.00% and a selling fee equal to 6.00% of the total proceeds of the Placement derived from other Placement Participants; and
- issue the New Options (in aggregate) to the Joint Lead Managers as partial consideration for their role as joint lead managers of the Placement on the terms described in Section 4.2.

The management and selling fees will become payable by the Company on the settlement dates of each tranche of the Placement.

In addition, the Company has agreed to reimburse the Joint Lead Managers for certain other agreed costs and expenses (including legal costs) incurred in relation to the Offer.

6.5 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years preceding lodgement of this Prospectus with ASIC, an 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; or
- the Offers,

and no amount has been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- as an inducement to become, or to qualify as, a Director; or
- for services provided in connection with:
 - the formation or promotion of the Company; or
 - the Offers.

6.5.1 Directors' security holdings

The relevant interest of each of the Directors in the securities of the Company as at the Prospectus Date is set out in the table below.

| Director | Shares | Employee Shares | Options |
|-------------------|---------|-----------------|---------|
| Robert Alexander | 509,250 | Nil | Nil |
| Kirsty Rankin | 139,089 | Nil | Nil |
| Billy Tucker | Nil | Nil | Nil |
| Mark Devadason | 135,000 | Nil | Nil |
| Michael McConnell | Nil | Nil | Nil |

Kirsty Rankin, Billy Tucker and Michael McConnell each participated in the Placement, and are therefore entitled to be issued the following Shares and apply for the following Placement Options:

Kirsty Rankin – 1,704,546 Shares and 852,273 Placement Options;

Billy Tucker – 10,227,273 Shares and 5,113,637 Placement Options;

Michael McConnell – 5,113,637 Shares and 2,556,819 Placement Options;

6.6 Interests of advisers

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

- 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;
- promoter of the Company; or
- Joint Lead Managers to the Offers or financial services licensee named in this Prospectus as a financial services licensee involved in the Offers,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years preceding lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offers; or

- the Offers,

and no amount has been paid or agreed to be paid and no benefits have been given or agreed to be given to any such person for services provided in connection with:

- the formation or promotion of the Company; or
- the Offers.

Canaccord Genuity (Australia) Limited and Alpine Capital Pty Ltd have agreed to act as Joint Lead Managers to the Placement. The Company has agreed to pay the Joint Lead Managers the fees described in Section 6.4.

6.7 Consents

Each of the parties listed below in this Section 6.7 (each a **consenting party**), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the consenting parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- Canaccord Genuity (Australia) Limited has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as a Joint Lead Manager to the Placement;
- Alpine Capital Pty Ltd has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as a Joint Lead Manager to the Placement; and

No consenting party referred to in this Section 6.7 has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as stated above. Each consenting party referred to in this Section 6.7 has not authorised or caused the issue of this Prospectus, does not make any offer of Shares or Options and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus, except as stated above in this Section 6.7.

6.8 ASX waivers

The Company has not applied for any waivers from ASX of the ASX Listing Rules in relation to the Offers other than waivers necessary to enable shareholders to vote on approval of the SPP at the Extraordinary General Meeting held on 23 August 2024.

6.9 Taxation considerations

The acquisition and disposal of securities 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 securities from a taxation viewpoint 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 subscribing for New Securities under this Prospectus.

6.10 Director consent

This Prospectus is authorised by each Director and each Director consents to its lodgement with ASIC and its issue. No Director Company has withdrawn their consent.

6.11 Governing law

The information in this Prospectus, the Offers, and the contracts formed on acceptance of Applications are governed by the laws applicable in New South Wales and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of New South Wales.

7 Glossary

| Term | Meaning |
|---|--|
| AAS or Australian Accounting Standards | Australian Accounting Standards and other authoritative pronouncements issued by the AASB. |
| AASB | Australian Accounting Standards Board. |
| Allotment Date | has the meaning given to that term in the Timetable. |
| Applicant | a person who submits a valid Application Form under this Prospectus. |
| Application | the lodgement of a valid Application Form. |
| Application Form | the personalised application form for the SPP, Placement Options Offer and JLM Options Offer, which is attached to or accompanying this Prospectus. |
| Application Monies | the amount of money submitted or made available by an Applicant in connection with an Application. |
| Approved US Institutional Shareholder | any Shareholder with a registered address in the United States on the Record Date who is an institutional accredited investor within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) or (12) under the US Securities Act. |
| ASIC | the Australian Securities and Investments Commission. |
| ASX | ASX Limited or the financial market operated by it, as the context requires. |
| ASX Listing Rules | the listing rules of the ASX as amended, modified or waived from time to time. |
| ASX Settlement | ASX Settlement Pty Limited (ACN 008 504 532). |
| ASX Settlement Operating Rules | the settlement operating rules of ASX Settlement. |
| Board | the board of Directors unless the context indicates otherwise. |

| Term | Meaning |
|------------------------------|--|
| Closing Date | the closing date of the Offers as specified in the Timetable (unless extended). |
| Company or Beonic | Beonic Ltd (ACN 009 264 699). |
| CHESS | Clearing House Electronic Sub-register System operated in accordance with the Corporations Act. |
| Constitution | the constitution of the Company as at the Prospectus Date. |
| Corporations Act | <i>Corporations Act 2001</i> (Cth). |
| Custodian | Means the definition given under ASIC Instrument 2019/547. |
| Directors | the directors of the Company as at the Prospectus Date. |
| Exercise Price | \$0.044 per New Option. |
| Exercise Period | the period referred to in Section 4.2.4. |
| Expiry Date | the date this Prospectus expires, being the date that is 13 months after the Prospectus Date. |
| Group | the Company and its subsidiaries. |
| GST | goods and services tax imposed in Australia. |
| Joint Lead Managers | Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Alpine Capital Pty Ltd. |
| JLM Engagement Letter | the agreement between the Company and the Joint Lead Managers as summarised in Section 6.4 of this Prospectus. |
| JLM Options Offer | the offer of New Options to under this Prospectus, as described in Section 2.4. |
| Material Proceedings | has the meaning given in Section 6.1. |

| Term | Meaning |
|--------------------------------|---|
| New Option | a new Option offered pursuant to the Offers made under this Prospectus. |
| New Securities | A New Option and a new Share offered pursuant to the Offers made under this Prospectus. |
| Notice of Exercise | has the meaning given in Section 4.2.6. |
| Offers | each of the: <ul style="list-style-type: none"> • Placement Options Offer; • SPP; and • JLM Options Offer. |
| Offer Period | the period from the Opening Date up to and including the Closing Date. |
| Opening Date | the opening date of the Offer as specified in the Timetable (unless delayed). |
| Option | an option over Shares, on the terms set out in this Prospectus. |
| Optionholder | a holder of an Option. |
| Placement | the issue of approximately 265 million Shares at \$0.022 per Share to sophisticated and professional investors, as described in Section 2.1 of this Prospectus. |
| Placement Options Offer | the offer of New Options to Placement Participants under this Prospectus, as described in Section 2.2. |
| Placement Participants | certain eligible sophisticated and professional investors who have been invited by the Company or the Joint Lead Managers to participate in the Placement. |
| Prospectus | this prospectus (including the electronic form of this document) and any supplementary or replacement prospectus in relation to this document. |
| Prospectus Date | the date of this Prospectus, being 28 August 2024. |

| Term | Meaning |
|---------------------------------|--|
| Record Date | 7.00pm (AEST) on Tuesday, 18 June 2024. |
| Related bodies corporate | has the meaning given in the Corporations Act. |
| Regulation S | Regulation S under the US Securities Act. |
| Section | a section of this Prospectus. |
| Share | a fully paid ordinary share in the capital of the Company. |
| Shareholder | a holder of a Share. |
| SPP | the share purchase plan, as described in Section 2.3. |
| SPP Option | the New Options offered to eligible shareholders who participate in the SPP. |
| Timetable | the timetable set out at the commencement of this Prospectus. |
| United States | the United States of America. |
| US Securities Act | United States Securities Act of 1933, as amended. |

8 Corporate directory

Directors

Mr Robert Alexander, Non-Executive Chairman
Ms Kirsty Rankin, Non-Executive Director
Mr Billy Tucker, Chief Executive Officer and Executive Director
Mr Mark Devadason, Non-Executive Director
Mr Michael McConnell, Non-Executive Director

Company Secretary

Ms Priyamvada (Pia) Rasal, Company Secretary

Registered office and business address

Suite 411, 50 Holt Street
Surry Hills NSW 2010
Telephone: +61 2 8188 1188

Joint Lead Managers

Canaccord Genuity (Australia) Limited
Level 62, 25 Martin Place
Sydney NSW 2000

Alpine Capital Pty Ltd
Suite 8.03, Level 8
25 Bligh Street
Sydney NSW 2000

Share Registry

Boardroom Limited
Level 8 210 George Street
Sydney NSW 2000

Website

<https://www.beonic.com/>

Shares allotted from the Placement: (if applicable)

Quantity of Attaching Options (expiring 18 September 2027)
you are entitled to: (if applicable)

This is an important document which requires your immediate attention. It can only be used in relation to the shareholding represented by the details above. If you are in doubt as to how to deal with this document, please contact your financial or other professional adviser. Capitalised words used and not defined in this Application Form have the meaning given in the Prospectus dated Wednesday, 28 August 2024 (Prospectus) accompanying this Application Form.

Offer Details

As an Eligible Shareholder, Placement Participant or JLM, you may accept all or part of your Option entitlement.

Before applying for Options, you should read the Prospectus accompanying this Application Form carefully.

This Offer is non-renounceable meaning that you cannot transfer your right to apply for Options to another person. Applications can only be accepted in the name printed on the Application Form.

To be completed by Applicant:

Tick this box if you wish to accept your entire options entitlement

If you wish to accept **PART OF YOUR ENTITLEMENT ONLY** please complete this form showing in the box below the **NUMBER OF ATTACHING OPTIONS BEING ACCEPTED** for Nil consideration.

Insert the Number Attaching Options
accepted

D Contact Details

Please provide a telephone number and contact name in case we need to contact you regarding your application.

| Telephone No. | Email address | Contact name |
|---------------|---------------|--------------|
| | | |

By submitting this Application Form, I/We represent and warrant that I/we have read and understood the Prospectus to which this Application Form relates and declare that this Application is completed and lodged according to the Prospectus and the instructions on the Application Form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the Constitution of Beonic Limited and agree to the terms and conditions of the offer under this Prospectus.

Application Forms must be received at:

MAILING ADDRESS

Beonic Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

HAND DELIVERY ADDRESS

Beonic Limited
C/- Boardroom Pty Limited
Level 8, 210 George Street
SYDNEY NSW 2000

BY EMAIL

corporateactions@boardroomlimited.com.au

If you require information on how to complete this Application Form, please contact the Registry from 8.15am to 5.30pm (Sydney time) Monday to Friday on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia) or consult your financial or other professional adviser. For all other questions, please contact your stockbroker, accountant or other professional adviser.



28 August 2024

Dear Shareholder,

SHARE PURCHASE PLAN – LETTER TO ELIGIBLE SHAREHOLDERS

As announced on 19 June 2024, Beonic Ltd (ASX:BEO, **Beonic** or **Company**) is inviting eligible shareholders to participate in an offer of fully paid ordinary shares in the Company (**Shares**) under a Share Purchase Plan (**Offer, SPP or Plan**).

The Plan allows eligible shareholders, in accordance with the eligibility contained in the Prospectus and who held Beonic shares at 7:00pm (AEST) on 18 June 2024 (**Record Date**), (**Eligible Shareholders**), to have the opportunity to subscribe for up to A\$30,000 worth of new Shares, exercisable at the price of A\$0.022 per Share.

Eligible shareholders who participate in the SPP are entitled to receive 1 New Option for every 2 Shares subscribed for and issued under the SPP (**SPP Options**).

The amount to be raised under the SPP is capped at A\$500,000 and applications under the SPP will be scaled back to the extent that the aggregate applications received under the SPP exceed A\$500,000.

SHARE PURCHASE PLAN BOOKLET (SPP BOOKLET)

Full details, terms and conditions of the Plan, including the Company's use of funds raised under the Plan, are set out in the Prospectus, which is accessible on the Company's ASX announcements platform (www.asx.com.au) ASX:BEO) or via <https://www.investorserve.com.au/>.

Hard copies of the Prospectus are also available free of charge upon request to the Company's share register on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia), or by email at corporateactions@boardroomlimited.com.au.

Eligible Shareholders are encouraged to read the Prospectus carefully, and if in any doubt about whether or not to accept the Offer, to consult with a stockbroker, accountant or other professional adviser.

ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

Eligible securityholders can log on to the Registry's Investorserve website through www.investorserve.com.au and view and/or download the Prospectus and their personalised SPP Form. Specifically:

- **Registered users:** go to www.investorserve.com.au, then enter your username and password using the "Registered User Login". Select "My Portfolio" and then from the left-hand side of the

page select “Company Announcements” for the Prospectus. Once you have reviewed the Prospectus, select “Statements/Advices” for your personalised Application Form.

- **Unregistered users:** go to www.investorserve.com.au, then select “Individual Investment Access”. You will need to enter details regarding your Beonic securityholding in order to proceed. Once you have been validated, select from the left-hand side of the page “Company Announcements” for the Prospectus. Once you have reviewed the Prospectus, select “Statements/Advices” for your personalised Application Form.

Securityholders can then log on to their banking portal and pay by BPAY® using the Biller Code and their unique Customer Reference Number (CRN) shown on their personalised Application Form. This is the fastest and easiest way to apply.

Instructions on how to apply for Shares under the Offer are set out on the application form as well as in the Prospectus.

As noted above, you may request a hard copy of your application form and Prospectus, however shareholders are strongly encouraged to access the Prospectus and application form online.

The Offer is planned to close at 5:00pm (AEST) on 12 September 2024 (although the Company reserves the right to vary the closing date without further notice). All application forms and application money must be received before the closing time.

Participation under the Plan is optional. If you choose not to participate in the Offer you will continue to hold the same number of shares, however your interest in the Company will be diluted. Your entitlement is not transferable, and you will therefore receive no value for your entitlement.

If you require any information in relation to the Offer, please contact the Registry on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia) or consult your financial or other professional adviser.

KEY DATES FOR THE OFFER

| | |
|---|------------------------------------|
| Record Date | 7:00pm (AEST) on 18 June 2024 |
| Opening Date | 28 August 2024 |
| Closing Date | 5:00pm (AEST) on 12 September 2024 |
| Issue Date - of SPP Shares | 18 September 2024 |
| SPP Shares commence trading on ASX | 19 September 2024 |

*Please note, the dates set out above are indicative only and are subject to change without notice to you. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the Offer.

Yours sincerely

Bob Alexander
Non-Executive Chairman

28 August 2024

To: Eligible Shareholders resident in New Zealand

Dear Eligible Shareholder,

Share Purchase Plan (SPP) – Additional Payment Option for New Zealand resident Eligible Shareholders

We refer to the enclosed Prospectus dated 28 August 2024 (**Prospectus**) by Beonic Ltd (**Beonic**).

Unless otherwise defined, capitalised terms in this letter have the meaning given to them in the Prospectus.

The SPP is offered to Eligible Shareholders the option to purchase additional Shares at a price of \$0.022 up to a maximum of \$30,000 Australian dollars' worth of Shares, subject to the terms and conditions set out in the accompanying Prospectus and SPP Application Form.

To facilitate payment of Application money from Eligible Shareholders shown on the register to have an address in New Zealand ("**New Zealand Eligible Securityholders**"), in addition to the option of applying for Shares via BPAY®, Beonic is pleased to offer New Zealand Eligible Shareholders the opportunity to remit Application money for the SPP Offer by international electronic funds transfer (EFT) in Australian dollars to the following Australian bank account:

Bank: St George Bank

Address: IBN 82, 1 King Street, Concord West NSW 2138

BSB:

Account Number:

Account Name: Boardroom Pty Limited ITF Beonic Ltd

Swift Code:

Please note that the Application money remitted by you will be subject to international transfer and currency conversion fees levied by your financial institution such that the amount received by the Responsible Entity in Australian dollars will be less than the amount remitted by you in New Zealand dollars. If you wish to apply for SPP Shares, you will need to ensure that the amount paid by you takes into account any international transfer and currency conversion fees levied by your financial institution. In this case, you will need to confirm this amount with your financial institution prior to submitting your application money for one of the Parcel amounts of SPP Shares specified on your Application Form that you wish to apply for and pay an additional amount to cover these charges. Otherwise, the value of the SPP Shares applied for by you will be determined by the amount of the Application monies actually received (having taken into account the international transfer and currency conversion fees levied by your financial institution).

For processing and reconciliation, when making your Application payment under this payment option **you must add to the remittance advice your unique Customer Reference Number (CRN) which appears under the Biller Code on the front of your Application Form and forward a copy of the remittance advice to the Responsible Entity's registry, Boardroom Pty Limited, by e-mail at corporateactions@boardroomlimited.com.au** as soon as the remittance is done. Failure to do so may result in funds not being matched to your application and the Responsible Entity being unable to issue you the SPP Shares under the SPP Offer. By making payment, you are deemed to have given an Application Form for the value of the SPP Shares the subject of your payment and are taken to have made the certifications and representations described in the Application Form and Prospectus.

If you are interested in the SPP Offer, please arrange for payment of application monies as early as possible and to allow sufficient time for the application monies to be transferred and received by the registry, Boardroom, by the Closing Date (expected to occur on 5pm (AEST) on 12 September 2024).

Eligible Shareholders are reminded that the SPP Offer will close on the Closing Date (expected to occur at 5pm (AEST) on 12 September 2024) and any payment received after the Closing Date may be rejected.

If you have any additional questions regarding the SPP Offer, please contact the share registry on +61 2 9290 9600 or by e-mail to corporateactions@boardroomlimited.com.au

Yours sincerely

Bob Alexander

Non-Executive Chairman

28 August 2024

To: Eligible Shareholders resident in United States

Dear Eligible Shareholder,

Share Purchase Plan (SPP) – Additional Payment Option for the United States resident Eligible Shareholders

We refer to the enclosed Prospectus dated 28 August 2024 (**Prospectus**) by Beonic Ltd (**Beonic**).

Unless otherwise defined, capitalised terms in this letter have the meaning given to them in the Prospectus.

The SPP is offered to Eligible Shareholders the option to purchase additional Shares at a price of \$0.022 up to a maximum of \$30,000 Australian dollars' worth of Shares, subject to the terms and conditions set out in the accompanying Prospectus and SPP Application Form.

Please note that a shareholder shown on the register to have an address in the United States is only an Eligible Shareholder if it is an institutional accredited investors within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act ("United States Eligible Securityholder").

In order to participate in the Offer, a United States Eligible Securityholder must sign and return a US investor certificate, together with an application form, that is available from the Company.

To facilitate payment of Application money from United States Eligible Securityholders, in addition to the option of applying for Shares via BPAY®, Beonic is pleased to offer United States Eligible Shareholders the opportunity to remit Application money for the SPP Offer by international electronic funds transfer (EFT) in Australian dollars to the following Australian bank account:

Bank: St George Bank

Address: IBN 82, 1 King Street, Concord West NSW 2138

BSB:

Account Number:

Account Name: Boardroom Pty Limited ITF Beonic Ltd

Swift Code:

Please note that the Application money remitted by you will be subject to international transfer and currency conversion fees levied by your financial institution such that the amount received by the Responsible Entity in Australian dollars will be less than the amount remitted by you in the United States dollars. If you wish to apply for SPP Shares, you will need to ensure that the amount paid by you takes into account any international transfer and currency conversion fees levied by your financial institution. In this case, you will need to confirm this amount with your financial institution prior to submitting your application money for one of the Parcel amounts of SPP Shares specified on your Application Form that you wish to apply for and pay an additional amount to cover these charges. Otherwise, the value of the SPP Shares applied for by you will be determined by the amount of the Application monies actually received (having taken into account the international transfer and currency conversion fees levied by your financial institution).

For processing and reconciliation, when making your Application payment under this payment option **you must add to the remittance advice your unique Customer Reference Number (CRN) which appears under the Biller Code on the front of your Application Form and forward a copy of the remittance advice to the Responsible Entity's registry, Boardroom Pty Limited, by e-mail at corporateactions@boardroomlimited.com.au** as soon as the remittance is done. Failure to do so may result in funds not being matched to your application and the Responsible Entity being unable to issue you the SPP Shares under the SPP Offer. By making payment, you are deemed to have given an Application Form for the value of the SPP Shares the subject of your payment and are taken to have made the certifications and representations described in the Application Form and Prospectus.

If you are interested in the SPP Offer, please arrange for payment of application monies as early as possible and to allow sufficient time for the application monies to be transferred and received by the registry, Boardroom, by the Closing Date (expected to occur on 5pm (AEST) on 12 September 2024).

Eligible Shareholders are reminded that the SPP Offer will close on the Closing Date (expected to occur at 5pm (AEST) on 12 September 2024) and any payment received after the Closing Date may be rejected.

If you have any additional questions regarding the SPP Offer, please contact the share registry on +61 2 9290 9600 or by e-mail to corporateactions@boardroomlimited.com.au

Yours sincerely

Bob Alexander

Non-Executive Chairman