



Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the official quotation of the fully paid ordinary shares (**Shares**) in ELMO Software Limited ACN 102 455 087 (**ELMO** or **Company**).

Capitalised terms not defined in this document have the meanings given to them in the prospectus lodged by the Company with the Australian Securities and Investments Commission (**ASIC**) on 6 June 2017 (**Prospectus**).

1 Basis of allocation and procedures for determining allocations

The initial public offering of Shares in the Company (**Offer**) closed on 20 June 2017.

The allocation for each component of the Offer was as follows:

- (1) **Priority Offer:** Open to selected investors who received an invitation from the Company.
- (2) **Institutional Offer:** The Company invited certain Institutional Investors in Australia and a number of other eligible jurisdictions to apply for Shares.
- (3) **Broker Firm Offer:** Open to Australian resident retail clients who received a firm allocation from their Broker.
- (4) **Employee Gift Offer:** Open to Eligible Gift Employees of ELMO. Eligible Gift Employees were offered the opportunity to acquire \$500 worth of Shares at no cost to the Eligible Gift Employee.

The Company's share registry, Link Market Services Pty Limited ABN 54 083 214 537, despatched notices and holding statements to successful Applicants on 23 June 2017. To the extent Applicants have not been advised of their allocations of Shares yet, they can confirm their allocation, or make general enquiries regarding the Offer, by contacting the ELMO Offer Information Line on 1800 812 642 (toll free within Australia) or +61 1800 812 642 (outside Australia) from 8:30am to 5:30pm (Sydney time) Monday to Friday. Applicants under the Broker Firm Offer may confirm their allocations by phoning their respective Broker.

2 Bookbuild

2.1 The following information is provided in respect of the process undertaken by the Company prior to the date of the Prospectus to determine institutional investor demand for securities (**Bookbuild**):

- (1) 7,325,000 Shares were issued under the Bookbuild at an issue price of \$2.00 per Share;
- (2) no Shares were taken up by persons considered to be promoters or related parties of the Company;
- (3) no concessionary fee or other arrangements have been entered into which have made the effective issue price paid by some allottees materially different from the price paid under the Bookbuild;



- (4) no arrangements have been entered into under which some allottees receive a material benefit for agreeing to participate in the Bookbuild at the price paid under the Bookbuild and which is not received by other allottees; and
- (5) no arrangements were entered into with associates of the Company or the Lead Manager to avoid a shortfall, or the appearance of a shortfall, in the Bookbuild.

3 Number of Shares issued

The number of Shares issued under each component of the Offer is as follows:

Offer component	Number of Shares
Institutional Offer	7,325,000
Broker Firm Offer	4,300,000
Priority Offer	875,000
Employee Gift Offer	22,750
Shares on issue pre-completion of the Offer	41,648,834
Total Shares on issue on listing	54,171,584

** Note – the Shares issued under the Employee Offer were issued for nil consideration as per the terms of the Employee Gift Offer set out in the Prospectus.*

4 Despatch

The Company confirms that the despatch of:

- (1) in relation to all holdings on the CHESS sub-register, a notice from the Company under ASX Settlement Operating Rule 8.9.1;
- (2) in relation to all other holdings, issuer sponsored holding statements; and
- (3) any refund money,

occurred on 23 June 2017.

5 Restricted securities and voluntary escrow

The total number of Shares subject to escrow restrictions for varying periods is 41,648,834.

The following Shares are subject to the restrictions imposed by ASX in the Restriction Agreement contained in Annexure 9A of the ASX Listing Rules for varying periods as set out below:

Restricted securities	Period of restriction
812,088 Shares	12 months from the date of issue of the relevant securities (being until 18 November 2017)



Restricted securities	Period of restriction
40,061,751 Shares	24 months from the date of quotation of ELMO securities on ASX

The following Shares are subject to voluntary escrow arrangements for the period as set out below:

Voluntary escrowed securities	Period of restriction
774,995 Shares	24 months from the date of quotation of ELMO securities on ASX
812,088 Shares (being the same shares subject to ASX restriction noted above)	18 November 2017 until the date that is 24 months from the date of quotation of ELMO securities on ASX

The Shares held by a shareholder subject to voluntary escrow (**Voluntarily Escrowed Shareholders**) will be permitted an early release from the escrow obligations in certain circumstances including:

- (1) to enable the Voluntarily Escrowed Shareholder to accept an offer under a takeover bid in relation to its Shares if at least half of the holders of the Shares which are the subject of the bid that are not held by the Voluntarily Escrowed Shareholders have accepted the takeover bid and the bid becomes unconditional;
- (2) in the case of a corporate holder, to allow a corporate restructure or reorganisation to occur, or to allow a transfer to a related entity, provided the transferee of the escrowed Shares executes a voluntary escrow deed in similar form for the remainder of the escrow period; and
- (3) to allow the Voluntarily Escrowed Shareholder to deal in the Shares to the extent the dealing is required by applicable law (including an order of a court of competent jurisdiction).

6 Satisfaction of ASX Listing Rule 1.3.2(b)

In satisfaction of ASX Listing Rule 1.3.2(b), set out below is a statement of the committed use of funds raised by the Company under the Offer in the next 12-24 month period:

Use of funds	\$
Research and development	3,724,156
Sales and marketing	3,201,606
General and administration	849,250
Cost of goods sold	860,000
Additional premises costs	1,185,000
IT and other fixed asset purchases	550,000



Use of funds	\$
IPO listing costs	3,406,000

The above table is a statement of current intentions as at the date of this document. Investors should note that, as with any budget, the quantum or allocation of funds set out in the above table may change, or the application of the funds may be delayed or accelerated depending on a number of factors, including, the risk factors noted in Section 5 of the Prospectus, the outcome of operational activities, regulatory developments and market and general economic conditions. In light of this, the Company reserves the right to alter the way the funds are applied.