

Booktopia Group Limited
ACN 612 421 388
ASX: BKG

Pre-quotation disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission to the official list and official quotation of the fully paid ordinary shares in Booktopia Group Limited ACN 612 421 388 (the **Company**).

Unless otherwise defined, capitalised terms used in this notice have the meaning given to them in the Company's prospectus dated 2 November 2020 (**Prospectus**).

1 Escrow arrangements

As described in Section 9.8 of the Prospectus, certain Shareholders have entered into voluntary escrow arrangements with the Company in relation to Shares they will hold on Completion of the Offer.

The total number of Shares subject to voluntary escrow is 109,535,020. The voluntary escrow restrictions will apply to:

Number of Shares	Escrow period
5,837,854	until two weeks after the release of the Company's half year FY21 results to ASX
68,670,056	until two weeks after the release of the Company's full year FY21 results to ASX
17,513,555	until two weeks after the release of the Company's half year FY22 results to ASX
17,513,555	until two weeks after the release of the Company's full year FY22 results to ASX

2 Capital structure

The capital structure of the Company on Completion of the Offer comprises of 137,359,299 Shares.

3 Terms of the waivers and confirmations granted to the Company

ASX has granted the Company a waiver from Listing Rule 10.14 to the extent necessary to permit the Company to issue \$148,000 worth of performance rights to Tony Nash, \$75,000 worth of performance rights to Steven Taurig, \$148,500 worth of performance rights to Wayne Baskin and \$87,500 worth of performance rights Geoff Stalley, pursuant to the LTIP, without Shareholder approval, on the following conditions:

- (a) the Prospectus contains the information required by Listing Rule 10.15;
- (b) details of any performance rights issued under the LTIP will be published in any annual report of the Company relating to a period in which the options were issued;
- (c) the date by which the Company will issue the performance rights must not be later than 3 years from the date of its admission to the official list.

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ASX has also confirmed that the terms of the \$459,500 worth of performance rights (**Performance Securities**) to be issued by the Company under the LTIP, are appropriate and equitable pursuant to Listing Rule 6.1 on the condition that the Company discloses in its Prospectus the following in relation to the Performance Securities to be issued to a director and employees as remuneration:

- (a) the party or parties to whom the Performance Securities are to be issued and the number of Performance Securities to be issued to them or each of them;
- (b) any relationship the recipient of the Performance Securities or an associate of the recipient has with the entity;
- (c) a statement to that effect that the Performance Securities are being issued in connection with a new listing to remunerate or incentivise a director or employee and are not ordinary course of business remuneration securities;
- (d) details of the role (if any) the director or employee will play in meeting the performance milestone;
- (e) details of the existing total remuneration package of the director or employee;
- (f) if the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
- (g) in light of the above, an explanation why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone;
- (h) details of how the entity determined the number of Performance Securities to be issued to the director or employee and why it considers that number to be appropriate and equitable;
- (i) the number of Shares that the Performance Securities will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure;
- (j) the full terms of the Performance Securities, including:
 - (1) the Performance Securities are not quoted;
 - (2) the Performance Securities are not transferrable;
 - (3) the Performance Securities do not confer any right to vote, except as otherwise required by law;
 - (4) the Performance Securities do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
 - (5) the Performance Securities do not carry an entitlement to a dividend;
 - (6) the Performance Securities do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

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- (7) the Performance Securities do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company;
- (8) each Performance Security is converted into one Share on achievement of the relevant milestone;
- (9) if the relevant class of Performance Security is not converted into a share by the relevant expiry date then all the Performance Securities must lapse;
- (k) the Company makes an announcement immediately upon the satisfaction of any milestones, the conversion of any of the Performance Securities and the expiry of any of the Performance Securities;
- (l) the terms and conditions of the Performance Securities, including without limitation the relevant milestones that have to be satisfied before each Performance Security is converted into a Share, are not to be changed without the prior approval of ASX and the Company's Shareholders;
- (m) upon conversion of the Performance Securities into Shares, the Company will apply to ASX for quotation of the shares within the requisite time period;
- (n) the Company discloses the above information in each annual report, annual audited financial accounts, half-yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Securities remain on issue or were converted or cancelled.