

HERBERT
SMITH
FREEHILLS

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

1 November 2021
Matter 82725878
By fax: 1300 135 638

Dear Sir / Madam

Confidential

**Takeover bid by 1835i Ventures Trusco III Pty Ltd ACN 651 614 372
in its capacity as trustee of the 1835i Ventures Trust III for
Cashrewards Limited ABN 95 615 084 654**

We act for 1835i Ventures Trusco III Pty Ltd ACN 651 614 372 in its capacity as trustee of the 1835i Ventures Trust III (1835i) in relation to its off-market takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) (the **Corporations Act**) for all the ordinary shares in Cashrewards Limited ABN 95 615 084 654 (**Cashrewards**).

We attach, for the purposes of item 5 of subsection 633(1) of the Corporations Act, a copy of 1835i's bidder's statement in relation to 1835i's off-market takeover bid to acquire all of the ordinary shares in Cashrewards. The total number of pages in this transmission, including this cover letter, is 59 pages.

Yours sincerely

Rodd Levy
Partner
Herbert Smith Freehills

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Doc 96668635



This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

ACCEPT the Recommended Cash Offer

by

1835i Ventures Trusco III Pty Ltd

in its capacity as trustee of the 1835i Ventures Trust III

to purchase all of your shares in

Cashrewards Limited

ABN 95 615 084 654

for \$1.135 per Cashrewards Share

ACCEPT NOW

Key dates

Date of this Bidder's Statement	1 November 2021
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Date of Offer	[•] 2021
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Offer closes (unless extended or withdrawn)	[•]pm (Sydney time) on [•] 2021
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Key Contacts

Share registrar for the Offer	Bidder Offer Information Line*
Computershare Investor Services Pty Limited	1300 397 916 (if calling from within Australia)
GPO Box 52	+61 3 9415 4155 (if calling from outside Australia)
Melbourne VIC 3001	

*Calls to these numbers may be recorded.

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Important notices

Nature of this document

This Bidder's Statement is issued by 1835i Ventures Trusco III Pty Ltd (ACN 651 614 372) in its capacity as trustee of the 1835i Ventures Trust III (**the Bidder**) under Part 6.5 of the *Corporations Act 2001* (Cth).

A copy of this Bidder's Statement was lodged with ASIC on 1 November 2021. Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement.

Investment advice

In preparing this Bidder's Statement, the Bidder has not taken into account the individual objectives, financial situation, taxation implications or needs of individual Cashrewards Shareholders. Accordingly, before making a decision whether or not to accept the Offer, you may wish to consult with your financial or other professional adviser.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Cashrewards operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of the Bidder, its officers or employees, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

Disclaimer as to Cashrewards information

The information on Cashrewards, Cashrewards' securities and Cashrewards Group contained in this Bidder's Statement has been prepared by the Bidder using publicly available information and limited information made available to the Bidder by Cashrewards.

The information in this Bidder's Statement concerning Cashrewards and the assets and liabilities, financial position and performance, profits and losses and prospects of the Cashrewards Group, has not been independently verified by the Bidder. Accordingly, the Bidder does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to Cashrewards' business may be included in Cashrewards' target's statement which Cashrewards must provide to its shareholders in response to this Bidder's Statement.

Privacy

The Bidder has collected your information from the Cashrewards register of shareholders for the purpose of making this Offer and, if accepted, administering a record of your acceptance of the Bidder's Offer for your holding of Cashrewards Shares. The

Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to the Bidder's related bodies corporate and external service providers, and may be required to be disclosed to regulators such as ASIC. The registered address of the Bidder is 242 Pitt Street, Sydney NSW 2000.

Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in section 11 of this Bidder's Statement, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

1835i

Managing Director's letter

1 November 2021

Dear Cashrewards Shareholders

Recommended takeover bid for Cashrewards

On behalf of the Bidder, I am pleased to present you with this compelling Offer to acquire all of your Cashrewards Shares for \$1.135 cash for each share.

The Offer values Cashrewards at approximately \$89.5 million.¹ This represents a very attractive price for your Cashrewards Shares:

- a 19.5% premium to the closing price of \$0.95 per share on 21 October 2021 (being the day before Cashrewards announced the Bid Implementation Deed with the Bidder);
- a 30.2% premium to Cashrewards' 30-day VWAP of \$0.87 per share up to and including 21 October 2021;
- a 24.7% premium to Cashrewards' 90-day VWAP of \$0.91 per share up to and including 21 October 2021; AND
- a 62.1% premium to Cashrewards' share price of \$0.70 per share on 16 June 2021, the lowest price of Cashrewards shares during 2021.

The Offer is subject to a 90% minimum acceptance condition and is also conditional on: there being no adverse regulatory action; no prescribed occurrences in Cashrewards; no material adverse changes in Cashrewards; Cashrewards' compliance with certain conduct of business restrictions; the maintenance of an average minimum net cash position; and the Bidder not being entitled to terminate the Bid Implementation Deed or the Facility Agreement. A full list of the conditions of the Offer is contained in section 10 of this Bidder's Statement.

Support from the Cashrewards IBC and Substantial Shareholders

The Cashrewards Independent Board Committee (IBC) has **unanimously recommended** that Cashrewards Shareholders accept the Offer and intend to so do for all shares that they control, in both cases in the absence of a superior proposal.

These directors and the number of shares they control are as follows:

- Brett Johnson (Chairman) – 28,902 shares
- Bernard Wilson (Chief Executive Officer) – no shares
- Rajeev Gupta – 349,954 shares
- Joshua Lowcock – 34,995 shares

In addition, the three major shareholders in Cashrewards² have also stated their intention to accept the Offer for all of their shares, in the absence of superior proposal. These are:

- Andrew Clarke, the founder of the Company and a director, and who controls 18,166,983 shares, representing 23.0% of Cashrewards Shares;

¹ Based on 78,817,288 Cashrewards Shares as at the date of this Bidder's Statement.

² Being the three largest shareholders in addition to the Bidder.

- Allium Capital Management Pty Ltd and its associated entities, which has a combined holding of 6,747,442 shares, representing 8.6% of Cashrewards Shares; and
- M & S Skyleisure Pty Ltd, the holder of 5,102,703 shares, representing 6.5% of Cashrewards Shares.

Note: In accordance with ASIC policy, the statements made by Andrew Clarke, Allium Capital Management Pty Ltd and M & S Skyleisure Pty Ltd in respect of their shareholdings are purely statements of intention and are not intended to be binding.

Further to this, as at the date of this Bidder's Statement, the Bidder has a relevant interest in 14,975,285 Cashrewards Shares representing 19% of all Cashrewards Shares.

In aggregate, the shares described above equate to 57.6% of issued shares.

Compelling Offer for Cashrewards Shareholders

The Bidder considers that its Offer is very attractive, as demonstrated by the support from Cashrewards directors and major shareholders.

Since its IPO in December 2020, Cashrewards' share price has declined by 37% to the date immediately prior to the announcement of the Offer. Whilst revenue grew from \$17.1m in FY20 to \$22.1m in FY21, over the same period EBITDA has declined from -\$3.9m to -\$25m.

Cashrewards has communicated to the market it will require continued capital investment to deliver against its stated objectives. Cashrewards recognised in its Annual Report released on 29 October 2021 that it will need to raise capital in the short term:

The directors have prepared a cashflow [sic] forecast for the period of 12 months from the date of this report and based upon this cashflow forecast the Group will be required to raise further funds during FY 2022.

As at 30 September 2021, Cashrewards had net cash of \$12.6m, approximately equivalent to the cash flows from operating and investing activities for the quarter to 30 September 2021, excluding utilisation of any loan from the Bidder under the Facility Agreement.

It is likely that, if Cashrewards did undertake any near-term capital raising, the pricing of such capital raising in the public markets would likely be at a significant discount to the Offer Price and dilutive to existing shareholders who do not participate.

The Bidder also notes that Cashrewards' auditor said on 31 August 2021:

We draw attention to Note 2 of the financial statements which indicates that the Group incurred losses of \$29.8m and operating cash outflows of \$15.2m for the year ended 30 June 2021. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The choice facing Cashrewards shareholders is:

- Shareholders may accept the Offer and crystallise a significant premium to the market price of Cashrewards shares if the bid becomes unconditional. Shareholders will then have the certainty of a cash payment for their shares and will no longer be exposed to the uncertainties of the Cashrewards business; or
- Shareholders may reject the Offer and remain shareholders in the Company. In this scenario, shareholders would be exposed to the risk of a capital raising by the Company and the uncertainties regarding the company's long-term prospects for success.

Moreover, if the Offer is unsuccessful and there is no successful superior proposal, it is likely that Cashrewards shares will trade below the Offer Price and closer to the trading levels prior to the announcement of the Offer.

I urge you to **ACCEPT** the Offer as soon as possible.

To accept the Offer, please follow the instructions on the accompanying Acceptance Form. If you require additional assistance, please call the Bidder Offer Information Line on 1300 397 916 (for callers within Australia) or +61 3 9415 4155 (for callers outside Australia).

Yours sincerely

Ron Spector
Managing Director

1835i Ventures Trusco III Pty Ltd in its capacity as trustee of the 1835i Ventures Trust III

1 Why you should accept the Offer

This section sets out some of the reasons why the Bidder believes that Cashrewards Shareholders should accept the Offer.

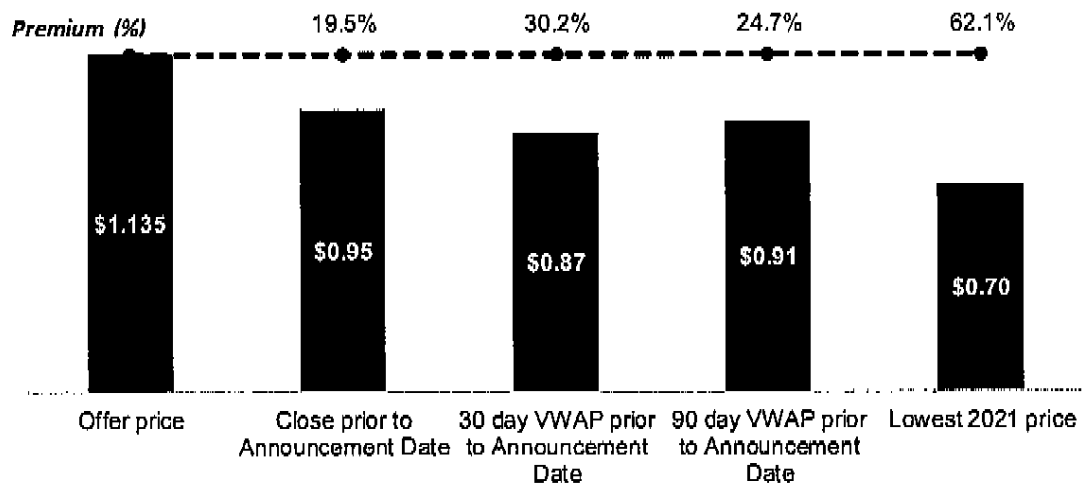
- 1 **The Offer represents a significant premium to recent trading prices of Cashrewards Shares**
- 2 **If the Offer does not proceed, Cashrewards will need to raise additional capital to address its cash requirements as announced in its most recent quarterly results. The Bidder believes this will likely be at a discount to the Offer Price**
- 3 **The Cashrewards Independent Board Committee recommends you accept the Offer and those directors of Cashrewards have stated that they intend to accept the Offer in respect of all Cashrewards Shares they control, in each case in the absence of a superior proposal**
- 4 **Cashrewards' largest shareholders, Andrew Clarke, Alium Capital, M&S Sky leisure, who together control 38.1% of the Cashrewards Shares, intend to accept the Offer, in the absence of a superior proposal**
- 5 **The Offer is ALL CASH, providing Cashrewards Shareholders with certain value**
- 6 **The Offer reduces the risks associated with being a Cashrewards Shareholder if Cashrewards were to remain a standalone entity, including exposure to market volatility**
- 7 **You will not incur any brokerage charges by accepting the Offer, unless your Cashrewards Shares are registered in the name of a bank, custodian or other nominee**

1.1 The Offer represents a significant premium to recent trading prices of Cashrewards Shares

Under the Offer, you will receive \$1.135 cash for each of your Cashrewards Shares.

As shown in the chart below, the Offer represents a substantial premium to the trading price of Cashrewards Shares over a range of time periods prior to the Announcement Date.

- 19.5% to the last closing price of \$0.95 per share, being the price of Cashrewards Shares on the ASX at the close of trading prior to the Announcement Date;
- 30.2% to Cashrewards' 30-day VWAP of \$0.87 per share up to and including the trading day prior to the Announcement Date;
- 24.7% to Cashrewards' 90-day VWAP of \$0.91 per share up to and including the trading day prior to the Announcement Date; and
- 62.1% premium to Cashrewards' share price of \$0.70 per share on 16 June 2021, the lowest price of Cashrewards shares during 2021.

Figure 1: Premia analysis of 1835i Ventures' Offer

1.2 If the Offer does not proceed, Cashrewards will need to raise additional capital to address its cash requirements as announced in its most recent quarterly results. The Bidder believes this will likely be at a discount to the Offer

In order to fund on-going capital investment, Cashrewards would be required to access equity or debt capital markets, which are subject to considerable volatility, and this will result in dilution to your shareholding if you are unable to participate.

As such, this Offer (if it becomes or is declared unconditional) provides shareholders the ability to derive certain value, without the risk of dilution or needing to contribute further funds to avoid dilution.

Cashrewards' share price has declined by 37% since its IPO in December 2020 to the day immediately prior to the announcement of the Offer. Whilst revenue grew from \$17.1m in FY20 to \$22.1m in FY21, over the same period EBITDA declined from -\$3.9m to -\$25m. As at 30 September 2021, Cashrewards had net cash of \$12.6m, approximately equivalent to the cash flows from operating and investing activities for the quarter to 30 September 2021.

We encourage shareholders to read the auditor's note of 31 August 2021 in detail. An extract of this note states:

We draw attention to Note 2 of the financial statements which indicates that the Group incurred losses of \$29.8m and operating cash outflows of \$15.2m for the year ended 30 June 2021. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Cashrewards has communicated to the market it will require continued capital investment to deliver against its stated objectives.

The need for Cashrewards to raise further capital was recognised in the annual report released on 29 October 2021:

The directors have prepared a cashflow [sic] forecast for the period of 12 months from the date of this report and based upon this cashflow forecast the Group will be required to raise further funds during FY 2022.

Cashrewards noted in its quarterly update of 29 October 2021:

Prior to entering into the Bid Implementation Deed and loan facility, the Board had also considered a number of alternative options to raise capital to meet these funding requirements and considered that those were less optimal.

It is likely that if Cashrewards did undertake any near-term capital raising, the pricing of such capital raising in the public markets, would likely be undertaken at a significant discount to the Offer Price and dilutive to existing shareholders who do not participate.

1.3 The Cashrewards Independent Board Committee recommends you accept the Offer and the members of the IBC have stated that they intend to accept the Offer in respect of all Cashrewards Shares they control, in each case in the absence of a superior proposal

The Cashrewards Independent Board Committee (IBC) recommends Cashrewards Shareholders accept the Offer, in the absence of a superior proposal.

The IBC is comprised of the following:

- Brett Johnson (Chairman) – 28,902 shares
- Bernard Wilson (Managing Director) – no shares
- Rajeev Gupta – 349,954 shares
- Joshua Lowcock – 34,995 shares

1.4 Cashrewards' largest shareholders, Andrew Clarke, Alium Capital, M&S Sky leisure, who together own 38.1% of the Cashrewards Shares, intend to accept the Offer, in the absence of a superior proposal

Each of the major shareholders intend to accept the Offer for all shares they control, in the absence of a superior proposal, as follows

- Andrew Clarke – 18,166,983 shares (23.0%)
- Alium Capital – 6,747,442 shares (8.6%)
- M & S Sky leisure Pty Ltd – 5,102,703 (6.5%)

Together, these shareholders control 30,017,128 shares, representing 38.1% of issued shares.

Note: In accordance with ASIC policy, each statement that they intend to accept the Offer is purely a statement of intention and is not intended to be binding.

Further to this, as at the date of this Bidder's Statement, the Bidder has a relevant interest in 14,975,285 Cashrewards Shares representing 19% of all Cashrewards Shares.

In aggregate, the shares described above equate to 57.6% of issued shares.

1.5 The Offer is ALL CASH, providing Cashrewards Shareholders with certain value

The Offer provides Cashrewards Shareholders an opportunity to realise full and certain value for their entire Cashrewards holding.

Generally, the Bidder will provide your Offer consideration:

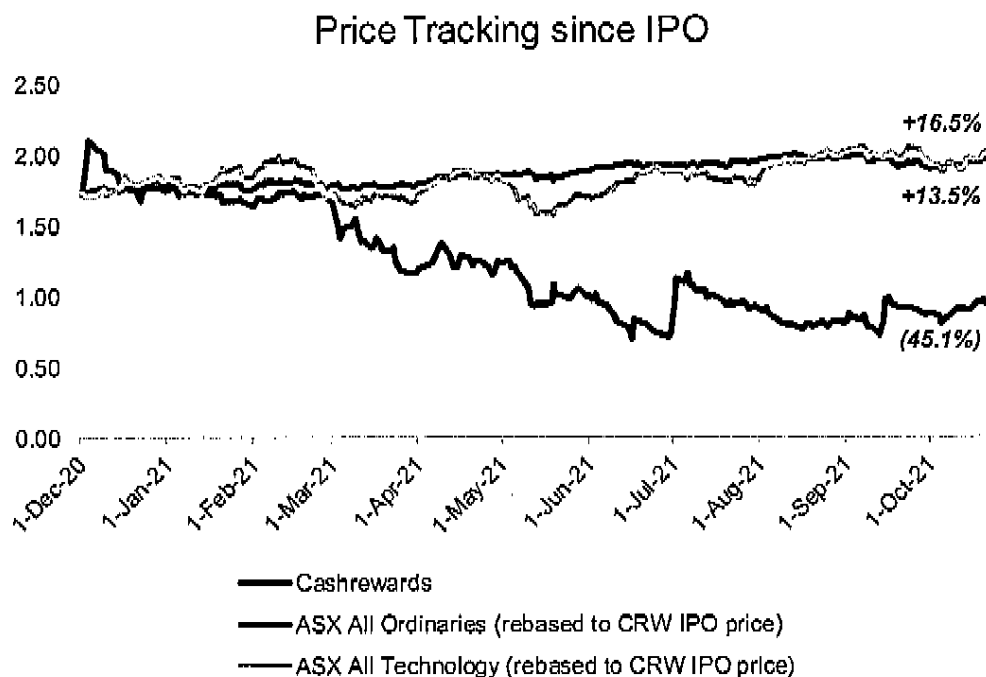
- if you accept the Offer and the Offer is unconditional, within 7 days after your acceptance; or
- if you accept the Offer before the Offer is unconditional, within 7 days of the Offer becoming unconditional.

Full details of when Offer consideration will be provided are set out in section 10.6 of this Bidder's Statement.

1.6 The Offer reduces the risks associated with being a Cashrewards Shareholder if Cashrewards were to remain a standalone entity, including exposure to market volatility

If the Offer is unsuccessful and there are no competing proposals for Cashrewards Shares, it is likely that the trading price of Cashrewards Shares will fall.

Since its Initial Public Offering (IPO) in December 2020, Cashrewards' share price has fallen 45.1% from the IPO price of \$1.73 to \$0.95, the closing price on 21 October 2021, being the last Trading Day prior to the announcement of the Offer. Conversely, over the same period, the ASX All Ordinaries Index has gained 13.5%, while the ASX All Technology Index has gained 16.5%.



The all-cash Offer can be contrasted with the risks associated with remaining a Cashrewards shareholder, which is subject to these market movements.

Australian and International equities markets may continue to have an impact on:

- Movements in the demand of Shares and the price at which Shares are traded including Cashrewards Share price;
- Cashrewards ability to access the equity capital markets; and
- General economic conditions including inflation and interest rate movements that may in turn impact Cashrewards business operations.

1.7 You will not incur any brokerage charges by accepting the Offer, unless your Cashrewards Shares are registered in the name of a bank, custodian or other nominee

If your Cashrewards Shares are held in an Issuer Sponsored Holding (Securityholder Reference Number is prefixed with 'I') or, if at the time of your acceptance, you are entitled to be (but are not yet) registered as the holder of your Cashrewards Shares and

you deliver them directly to the Bidder, you will not incur any brokerage fees in connection with your acceptance of the Offer.

If your Cashrewards Shares are in a CHESS Holding (Holder Identification Number is prefixed with 'X'), you should not incur brokerage fees if you accept the Offer. However, you should ask your Controlling Participant (usually your Broker) whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.

If you are a beneficial owner whose Cashrewards Shares are registered in the name of a bank, custodian or other nominee, you should ask your Controlling Participant (usually your Broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.

You may incur brokerage costs if you choose to sell your Cashrewards Shares on-market.

2 Summary of the Offer

What the Bidder is offering to buy	<p>The Bidder is offering to buy all of Cashrewards' Shares, including Shares that are issued during the Offer Period due to the conversion of Cashrewards Options and Performance Rights, on the terms set out in this Bidder's Statement.</p> <p>You may only accept this Offer in respect of all of the Cashrewards Shares held by you.</p>
What you will receive if you accept the Offer	<p>If you accept the Offer, subject to the satisfaction of the conditions to the Offer, for each of Your Shares you will receive \$1.135.</p>
When you will receive payment	<p>Generally, the Bidder will provide your Offer consideration:</p> <ul style="list-style-type: none"> • if you accept the Offer, and the Offer is unconditional, within 7 days after your acceptance; or • if you accept the Offer before the Offer is unconditional, within 7 days of the Offer becoming unconditional. <p>Full details of when Offer consideration will be provided are set out in section 10.6 of this Bidder's Statement.</p>
Will you need to pay brokerage or stamp duty on acceptances?	<p>Brokerage or stamp duty is not payable by you in respect of your acceptance.</p> <p>If your Cashrewards Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Cashrewards Shares are registered in the name of a broker, bank custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.</p>
Close of the Offer	<p>The Offer closes at 7pm (Sydney time) on [•] 2021, unless it is extended under the Corporations Act.</p>
There are some conditions to the Offer	<p>The Offer is subject to a number of conditions, including:</p> <ul style="list-style-type: none"> • a minimum acceptance condition of 90%; • absence of 'prescribed occurrences' in Cashrewards; • no material adverse change in Cashrewards occurs; • no adverse regulatory action; • restrictions on the conduct of the business and the maintenance of an average minimum net cash position; • the Bidder not being entitled to terminate the Bid Implementation Deed or the Facility Agreement. <p>Full terms of the conditions are set out in section 10.7 of this Bidder's Statement.</p>

What happens if the conditions of the Offer are not satisfied or waived?	If the conditions of the Offer are not satisfied or waived by the closing date, the Offer will lapse and your acceptance will be void. You will continue as a Cashrewards shareholder.
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Offer in respect of Cashrewards Options and Performance Rights	Cashrewards Option holders whose Cashrewards Options are converted into, and Cashrewards Performance Rights which are exercised for, Cashrewards Shares during the Offer Period will be able to accept the Offer in respect of the Cashrewards Shares which they are issued.
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See section 5.4 for further details.

How you may accept the Offer	<p>You may only accept the Offer for all your Cashrewards Shares.</p> <p>Issuer sponsored shareholders</p> <p>If your Cashrewards Shares are registered in an Issuer Sponsored Holding (such holdings will be evidenced by an 'I' appearing next to your holder number on the enclosed Acceptance Form), to accept this Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.</p> <p>CHESS shareholders</p> <p>If your Cashrewards Shares are registered in a CHESS Holding (such holdings will be evidenced by an 'X' appearing next to your holder number on the enclosed Acceptance Form), you may accept the Offer by either:</p> <ul style="list-style-type: none"> • completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address indicated on the form; or • instructing your Controlling Participant (normally your broker) to accept the Offer on your behalf, before the Offer closes. <p>Participants</p> <p>If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.</p> <p>Full details on how to accept the Offer are set out in section 10.3 of this Bidder's Statement.</p>
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Can you accept the Offer for part of Your Shares?	No. You cannot accept for part of Your Shares. You can only accept the Offer for ALL of Your Shares.
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What happens if you do not accept the Offer?	You will remain a Cashrewards Shareholder and will not receive the cash consideration under the Offer. If the Bidder becomes entitled to compulsorily acquire your Cashrewards Shares, it intends to proceed with compulsory acquisition. If your Cashrewards Shares are compulsorily acquired by the Bidder, it will be on the same terms as the Offer. Refer to section 7.4 for details regarding the Bidder's intentions if the Bidder does not become entitled to compulsorily acquire your Cashrewards Shares.
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Once accepted, can I withdraw my acceptance?

Once you accept the Offer (even while it remains subject to conditions), you will be unable to revoke your acceptance unless a withdrawal right exists or arises under the Corporations Act. Such a right may arise if, after you have accepted the Offer and the Offer remains conditional, the Bidder varies the offer in a way that postpones, for more than one month, the time by which the Bidder has to meet its obligations under the Offer. If this occurs, a notice will be sent to you at the relevant time that explains your rights to withdraw your acceptance of the Offer.

See section 10.5 of this Bidder's Statement for further details

Where to go for further information

For queries on how to accept the Offer, see the enclosed Acceptance Form or call Computershare Investor Services Pty Limited on:

- 1300 397 916 (if calling from within Australia); or
- +61 3 9415 4155 (if calling from outside Australia).

For queries in relation to your Cashrewards shareholding, call Computershare Investor Services Pty Limited on the telephone number(s) above.

Calls to the above numbers will be recorded. Inquiries in relation to the Offer will not be received on any other telephone numbers of 1835i or its advisers.

Important notice

The information in this section 2 is a **summary only** of the Bidder's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.

You should read the entire Bidder's Statement and the Target's Statement that Cashrewards will shortly be sending to you, before deciding whether to accept the Offer.

3 Information on the Bidder

3.1 Overview of the Bidder

The bidder is 1835i Ventures Trusco III Pty Ltd (**Bidder**), in its capacity as trustee of the 1835i Ventures Trust III (**Ventures Fund III**),

Ventures Fund III is a unit trust, established under a trust deed (**Ventures Fund III Trust Deed**). ANZ is the sole ordinary unit holder in Ventures Fund III.

Ventures Fund III is managed by 1835i Group Pty Ltd (ACN 647 702 716) (**1835i Group**), pursuant to an agreement for management services. 1835i Group is owned by various members of its senior management.

While the Bidder is the legal holder of investments made in Ventures Fund III (including Cashrewards Shares held by the Bidder as at the date of this Bidder's Statement) and, as holder, has power to exercise rights to dispose of and vote in relation to such investments, ANZ as the sole investor in the Ventures Fund III has an indirect financial exposure to, and relevant interest in, such Investments.

3.2 Principal activities of the Bidder and 1835i Group

A brief summary of principal activities of the Bidder and 1835i Group is set out below.

The Bidder is the trustee of Ventures Fund III. It has no other business.

As noted above, 1835i Group is the appointed manager of Ventures Fund III. 1835i Group is ANZ's external innovation and venture capital partner. Its activities were initially established as a business unit within ANZ in 2018 to build, invest in and collaborate with emerging growth companies.

In July 2021, ANZ announced its intention to separate that business unit into an externally managed business, by appointing 1835i as an external (non ANZ-owned) entity to manage the business and its investments. Four unit trusts were established for this purpose, of which Ventures Fund III is one. Each is managed by 1835i Group. ANZ is the sole investor in each of those trusts. ANZ and 1835i Group are currently in the process of transferring the relevant portfolio of pre-externalisation investments from ANZ to the relevant trusts. This has included the transfer of the 14,975,285 Cashrewards Shares previously held by ANZ Holdings Pty Ltd (a wholly owned subsidiary of ANZ) to the Bidder during October 2021.

As at the date of this Bidder's Statement, 1835i Group has no other business other than the management of the unit trusts described above and providing certain related services to ANZ.

4 Information on Cashrewards and Cashrewards Group

4.1 Overview of Cashrewards

Cashrewards is the holding company of the Cashrewards Group. Cashrewards is an Australian cashback rewards company listed on the ASX.

Cashrewards provides its members the opportunity to browse brands and cashback offers and receive cash back on transactions by shopping online or in-store with participating merchant partners.

4.2 Directors

As at the date of this Bidder's Statement, there are six directors of Cashrewards. The directors of Cashrewards are as follows:

- (a) Brett Johnson – Non-Executive Chairman
- (b) Bernard Wilson – Chief Executive Officer and Managing Director
- (c) Rob Goudswaard – Non-Executive Director
- (d) Andrew Clarke – Non-Executive Director
- (e) Rajeev Gupta – Non-Executive Director
- (f) Joshua Lowcock – Non-Executive Director

4.3 Principal activities of Cashrewards and Cashrewards Group

According to Cashrewards statements to ASX, Cashrewards is a technology platform which provides rewards in the form of cash to members for transacting with on-line and in-store merchant partners. Its principal activities consist of receiving commissions from merchant partners and providing cashback to members while shopping through the Cashrewards platform.

4.4 Financial information on the Cashrewards Group

As at 30 June 2021, the net total assets for the Cashrewards Group was \$40.1 million and its net revenue was \$22.1 million. For further information, please visit the website provided in section 4.5 below.

4.5 Publicly available information about Cashrewards Group

Cashrewards is a listed disclosing entity for the purpose of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Cashrewards is subject to the ASX Listing Rules which require continuous disclosure of any information Cashrewards has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

The ASX maintains files containing publicly disclosed information about all listed companies. Cashrewards' file is available for inspection at the ASX during normal business hours.

In addition, Cashrewards is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Cashrewards may be obtained from, or inspected at, an ASIC office.

A substantial amount of information about Cashrewards is available in electronic form from Cashrewards' website: www.cashrewards.com.au.

5 Information on Cashrewards' securities

5.1 Cashrewards' issued securities

According to documents provided by Cashrewards to the ASX, as at the date of this Bidder's Statement, Cashrewards' issued securities consisted of:

- 78,817,288 Cashrewards Shares; and
- 9,997,362 Cashrewards Options and 47,963 Cashrewards Performance Rights.

5.2 Cashrewards Share and Option Plans

According to documents provided by Cashrewards to the Bidder, as at the date of this Bidder's Statement, Cashrewards currently has the following share and option plans in place:

- an employee share option plan (ESOP);
- a start-up option plan; and
- a long-term incentive plan (LTIP).

The Cashrewards Options that may be issued convert to ordinary shares on a 1:1 basis. They do not carry any dividend rights and can be exercised once the vesting conditions have been met until their expiry date.

On resignation of a participant, any unvested Cashrewards Options may be forfeited at the Board's discretion.

5.3 Impact of the Offer

The Bidder and Cashrewards have agreed how the Options and Performance Rights on issue will be dealt with in connection with the Offer. In summary:

(a) In the money vested options and performance rights

Once the Bidder achieves a relevant interest in at least 90% of Shares on issue at the time and has declared the Offer free from conditions, the Bidder has undertaken to offer to pay the exercise price (if any) of any remaining vested Options and Performance Rights (that is, those which are not subject to outstanding exercise conditions) that have an exercise price equal to or lower than the consideration under the Offer per security, provided that the holder remains an employee of Cashrewards and has agreed to accept into the Offer. The money paid by the Bidder will represent a loan to be repaid out of the consideration under the Offer.

(b) In the money unvested options and performance rights

No unvested Options and Performance Rights may be accelerated without the prior written consent of the Bidder, other than as follows:

- Unvested Options and Performance Rights that have an exercise price equal to or lower than the consideration under the Offer per security may vest under the current respective Cashrewards equity incentive plans once the Bidder achieves a relevant interest in at least 90% of shares on issue at the time and has declared the Offer free from conditions; and
- Unvested Options and Performance Rights that have an exercise price equal to or lower than the consideration under the Offer per security may vest under the current respective Cashrewards equity incentive plans if the holder has agreed to accept the Offer for shares issued on exercise of his or her Options and Performance Rights and

the Bidder has provided Cashrewards with a notice, which will occur if (1) the aggregate of Shares accepted under the Offer together with Shares which would be accepted on being issued on exercise of Options and Performance Rights reaches 90% of Shares on issue at the time, after allowing for dilution caused by the Option or Performance Rights exercise and (2) the Offer is declared free from conditions. To facilitate such an exercise for holders who are Cashrewards employees, the Bidder has undertaken to offer to pay the exercise price (if any) of that security by way of a loan, to be repaid out of the consideration under the Offer.

(c) Out of the money Options and Performance Rights

All vested or unvested Options and Performance Rights that have an exercise price greater than the Offer price per security will be lapsed by the Cashrewards Board (for nil consideration) by the end of the Offer period, provided that the Bidder has achieved a relevant interest in at least 90% of shares on issue at the time and has declared the Offer free of conditions.

(d) New Incentive Plan

The Bidder has agreed to work with Cashrewards to develop a new Cashrewards equity incentive plan for executives and employees tailored for a proprietary limited company. New incentives will be issued to employees as determined by the Bidder and Cashrewards.

5.4 Interests in Cashrewards securities

As at the date of this Bidder's Statement and the date of the Offer:

- the Bidder's voting power in Cashrewards was 19%; and
- the Bidder had a relevant interest in 14,975,285 Cashrewards Shares.

5.5 Dealings in Shares

(a) Previous four months

Neither the Bidder nor any associate of the Bidder has provided, or agreed to provide, consideration for Cashrewards Shares under any purchase or agreement during the four months before the date of this Bidder's Statement, other than the acquisition on 14 October 2021 by the Bidder from ANZ Holdings Pty Ltd of 14,975,285 Cashrewards Shares for \$0.93 per share as part of ANZ's externalisation of the management of its investment portfolio to the 1835i Group.

(b) Period before Offer

Neither the Bidder nor any associate of the Bidder has provided, or agreed to provide, consideration for Cashrewards Shares under any purchase or agreement during the period starting on the date of this Bidder's Statement and ending on the date immediately before the date of the Offer.

6 Sources of consideration

6.1 Total consideration

The consideration for the acquisition of the Cashrewards Shares to which the Offer relates will be satisfied by the payment of cash.

If acceptances are received for all Cashrewards Shares on issue as at the date of this Bidder's Statement that are the subject of the Offer, the amount of cash that the Bidder would be required to pay under the Offer would be approximately \$72.5 million.

In addition, if holders of all Cashrewards Options and Cashrewards Performance Rights on issue as at the date of this Bidder's Statement exercise their Cashrewards Options and/or Cashrewards Performance Rights, as applicable, and accept the Offer in respect of the Cashrewards Shares issued to them during the Offer Period, an additional amount will be payable by the Bidder under the Offer. However, as certain Cashrewards Options and Cashrewards Performance Rights are unable to be exercised (for example, where they are unvested or subject to disposal restrictions or where the vesting period or restriction period endures beyond the anticipated end of the Offer), it is unlikely that all Cashrewards Options and Cashrewards Performance Rights will be exercised and the Offer accepted in relation to them.

In this regard, as disclosed in section 5.4, the Bidder has agreed with Cashrewards that some of the Options and Performance Rights may be exercised and the resulting Shares accepted into the Offer. If all those Shares were accepted into the Offer, the net amount of cash the Bidder would be required to pay in relation to those acceptances would be approximately \$4.9 million.

Accordingly, the maximum amount of cash that Bidder could be required to pay under the Offer and the separate offers is approximately \$77.4 million, excluding transaction costs.

6.2 Source of consideration

The Bidder has entered into a binding capital commitment agreement with ANZ under which ANZ has agreed:

- that the Offer is an approved investment for the purposes of the Ventures Fund III Trust Deed; and
- to make a capital contribution to Ventures Fund III of up to \$92.4 million for the purpose of the Bidder funding the consideration payable under the Offer and funding the Facility Agreement described in section 9.2.

The capital commitment is unconditional, and the Bidder is entitled to draw upon it as and when applicable amounts are required to be paid by it under the Offer and the Facility Agreement.

7 The Bidder's intentions in relation to Cashrewards

7.1 Introduction

The Bidder has been established for the purpose of making investments across all stages in leading emerging growth companies.

The intentions of the Bidder are set out in this section 7 of the Bidder's Statement. Those intentions have been formed on the basis of facts and information concerning Cashrewards, and the general business environment, which are known at the time of preparing this Bidder's Statement. Final decisions will only be reached by the Bidder in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section are statements of current intention only and may vary as new information becomes available or circumstances change.

7.2 Overview and rationale for the Offer

In November 2020, ANZ Holdings Pty Ltd acquired a 19% stake in Cashrewards (now held by the Bidder) in recognition of the potential value a cashback rewards program could have for ANZ customers. In July 2021, ANZ and Cashrewards announced their commercial partnership, resulting in the Cashrewards Max™ rewards program. The Bidder considers that, in view of Cashrewards' cash position, further capital is needed to advance the business. The Bidder considers that, if the Offer is successful, it can bring this capital to the business and, with its unique skills, assist Cashrewards to develop its business.

7.3 Intentions for Cashrewards as a wholly owned controlled entity

This section 7.3 describes the Bidder's intentions if the Bidder and its associates acquire a relevant interest in 90% or more of Cashrewards Shares, and so becomes entitled to proceed to compulsory acquisition of outstanding Cashrewards Shares in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, the Bidder's current intentions are as follows.

(a) Corporate matters

The Bidder intends to:

- proceed with compulsory acquisition of the outstanding Cashrewards Shares in accordance with the provisions of Part 6A.1 of the Corporations Act;
- apply for Cashrewards to be removed from the official list of the ASX;
- replace Cashrewards non-executive directors with the nominees of the Bidder. Replacement Cashrewards non-executive directors have not yet been identified by the Bidder and their identity will depend on the circumstances at the relevant time. However, it is expected that the replacement Cashrewards non-executive directors will be members of the Bidder's management team; and
- retain the existing Managing Director of Cashrewards.

(b) General execution review

After the end of the Offer Period, the Bidder intends to conduct an immediate, broad based execution review of Cashrewards' operations on both a strategic and financial level to:

- evaluate Cashrewards financial and operational performance and prospects; and

- seek to optimise Cashrewards' ability to enhance merchant and member experience and accelerate business growth.

(c) Specific intentions

Whilst ANZ is the ultimate beneficial owner of the Bidder's interests in Cashrewards, the Bidder and other 1835i Group entities are independently managed. Upon completion of the Offer, Cashrewards would become an 1835i Group portfolio company. Cashrewards will continue to offer its leading cashback service to Australian shoppers and merchants while building on its strong commercial partnership with ANZ, including the recently launched Cashrewards Max™, an exclusive Cashrewards offering to ANZ's 4.7 million credit and debit cardholders.

(d) Impact on Employees

The successful implementation of the Offer is expected to deliver benefits to Cashrewards employees through the Bidder's ability to continue to invest and grow the Cashrewards business. The Bidder has no present intention to terminate existing employees if the Offer is successful.

The Bidder also intends to work with Cashrewards to develop a new Cashrewards equity incentive plan for executives and employees tailored for a proprietary limited company. New incentives will be issued to employees as determined by the Bidder and Cashrewards.

7.4 Intentions for Cashrewards as a part owned controlled entity

This section 7.4 describes the Bidder's intentions if Cashrewards becomes a controlled entity of the Bidder, but the Bidder is not entitled to proceed to compulsory acquisition of Cashrewards in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, the Bidder's current intentions are as follows:

(a) Implement the Bidder's strategic objectives

Unless specifically set out below, to implement the intentions set out in section 7.3 to the extent possible.

(b) Replace Cashrewards Directors and/or appointment of new Cashrewards Directors

To seek to replace some or all non-executive Cashrewards Directors with nominees of the Bidder (subject to any requirement to have independent directors applicable from time to time).

(c) Steps may be taken to delist Cashrewards from the ASX

To cause Cashrewards to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting the ASX's requirements.

(d) Exercise rights of compulsory acquisition if and when available

To consider whether to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act if the Bidder becomes entitled to do so, for example, as a result of acquisitions of Cashrewards Shares in reliance on the '3% creep' exception in item 9 of section 611 of the Corporations Act.

(e) Facility Agreement & Funding

New external capital may be required to fund Cashrewards' operations and development projects in the future. The Bidder will review how best to fund Cashrewards' activities (including, as applicable, to fund repayment of any amounts drawn under the Facility) which, depending on the circumstances at the time, may include raising new equity.

The ability of the Bidder to implement the intentions set out in this section 7.4 will be subject to the legal obligations of Cashrewards Directors to have regard to the interests of Cashrewards and all Cashrewards Shareholders, and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties. The Bidder will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

7.5 Other intentions

Subject to the matters described above in this section 7 and elsewhere in this Bidder's Statement and, in particular, the completion of the execution review of Cashrewards operations, it is the intention of the Bidder, on the basis of the facts and information concerning Cashrewards that are known to it and the existing circumstances affecting the assets and operations of Cashrewards at the date of this Bidder's Statement, that:

- the business of Cashrewards will be conducted in the same manner as at the date of this Bidder's Statement;
- there will be no redeployment of the fixed assets of Cashrewards; and
- the present employees of Cashrewards will, for the most part, continue to be employed by Cashrewards or its Subsidiaries.

8 Tax considerations

8.1 Introduction

The following is a general description of the Australian tax consequences for Cashrewards Shareholders who accept the Offer. The comments set out below are relevant only to those Cashrewards Shareholders who hold their Cashrewards Shares on capital account.

Cashrewards Shareholders who:

- hold their Cashrewards Shares for the purpose of speculation or a business of dealing in securities (e.g. as trading stock);
- acquired their Cashrewards Shares pursuant to an employee share, option or rights plan;
- are financial institutions, insurance companies, partnerships, tax exempt organisations, trusts, superannuation funds or temporary residents;
- are subject to the taxation of financial arrangement rules in Division 230 of the *Income Tax Assessment Act 1997* in relation to gains and losses on their Cashrewards Shares;
- are non-residents of Australia who hold their Cashrewards Shares in carrying on a business through a permanent establishment in Australia; or
- have changed their tax residence while holding Cashrewards Shares,

should seek their own advice.

Cashrewards Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

The following description is based upon the Australian law and administrative practice in effect at the date of this Bidder's Statement, but it is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of every Cashrewards Shareholder. Cashrewards Shareholders should seek independent professional advice in relation to their own particular circumstances.

8.2 Australian resident shareholders

(a) Shareholders who accept the Offer

If the Offer becomes unconditional, acceptance of the Offer will involve the disposal by Cashrewards Shareholders of their Cashrewards Shares by way of transfer to the Bidder. This will constitute a capital gains tax (CGT) event for Australian tax purposes.

The date of disposal for CGT purposes will be the date the contract to dispose of the Cashrewards Shares is formed. The date of disposal will be the date that the Offer is accepted.

(b) Compulsory acquisition

If a Cashrewards Shareholder does not dispose of their Cashrewards Shares under the Offer and their Cashrewards Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those Cashrewards Shareholders will also be treated as having disposed of their Cashrewards Shares for CGT purposes.

In that case, the date of disposal for CGT purposes will be the date when the Bidder becomes the owner of the Cashrewards Shares.

(c) **CGT – Calculation of capital gain or capital loss**

Cashrewards Shareholders who are Australian residents may make a capital gain or capital loss on the disposal of Cashrewards Shares. Cashrewards Shareholders will make a capital gain to the extent that their capital proceeds from the disposal of the Cashrewards Shares are more than their cost base. Conversely, Cashrewards Shareholders will make a capital loss to the extent that the capital proceeds are less than their reduced cost base of those Cashrewards Shares.

The cost base of the Cashrewards Shares generally includes the cost of acquisition and any incidental costs of acquisition and disposal that are not deductible to the shareholder.

The capital proceeds will be the total of the cash consideration per Cashrewards Share (**Cash Consideration**).

Individuals, complying superannuation entities or trustees that have held Cashrewards Shares for at least 12 months should be entitled to discount the amount of the capital gain (after application of capital losses) from the disposal of Cashrewards Shares. The discount is 50% in the case of individuals and trusts or 33% for complying superannuation entities. For trusts, the ultimate access to the discount may depend on a beneficiary's entitlement to the discount. Shareholders should seek specific advice on the availability of the CGT discount in their own circumstances.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain (after discount) is included in assessable income and is subject to income tax at the taxpayer's marginal tax rate. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains.

8.3 Former Australian resident shareholders

A non-resident Cashrewards Shareholder who has previously been a resident of Australia and chose to disregard a capital gain or loss on ceasing to be a resident will be subject to Australian CGT consequences on disposal of the shares as set out in section 8.2.

8.4 Non-Australian resident shareholders

This section applies to Cashrewards Shareholders who are not Australian residents for tax purposes and hold their Cashrewards Shares on capital account. It does not apply to Cashrewards Shareholders who have held their Cashrewards Shares at any time in carrying on a business at or through a permanent establishment in Australia.

If you are not a resident of Australia for Australian income tax purposes, you will generally not be subject to CGT on the disposal of Your Cashrewards Shares, unless your Cashrewards Shares are an "indirect Australian real property interest" at the time you dispose of your Cashrewards Shares for CGT purposes.

Broadly, your Cashrewards Shares should not be an indirect Australian real property interest as at that time unless the following conditions are satisfied:

- (a) you and your associates (as defined for tax purposes) together have held at least 10% or more (by value) of the issued shares in Cashrewards at the time that you dispose of your Cashrewards Shares for CGT purposes or for at least 12 months during the 24 months before you disposed of Your Cashrewards Shares for CGT purposes; and
- (b) the aggregate market value of Cashrewards' assets which are taxable Australian property (being direct and indirect interests in real property, including leases of land, situated in Australia and mining, quarrying or prospecting rights

in respect of materials situated in Australia) exceeds the aggregate market value of Cashrewards' assets which are not taxable Australian property.

If you are a non-resident of Australia for tax purposes and hold, or have held, (either alone or together with associates) 10% or more of the total number of Cashrewards Shares on issue, you should seek professional advice with respect to the CGT consequences of disposing of Your Cashrewards Shares.

8.5 CGT Non-resident withholding tax

The CGT non-resident withholding tax regime (CGT NRWT) applies to off-market transactions entered into on or after 1 July 2016. Under this regime buyers of securities in certain companies and trusts from foreign residents who are subject to Australian capital gains tax are generally required to pay 12.5% of the purchase price to the Australian Taxation Office (ATO) as a pre-payment of the Seller's tax liability.

Where the provisions are enlivened a selling shareholder can apply to the ATO in advance to have the rate of withholding varied down (including down to zero).

The amount of CGT NRWT is required to be paid by the buyer to the ATO on or before completion of the transaction. The seller gets a credit against its Australian tax for the amount paid by the buyer to the ATO.

If the Bidder considers that the provisions may be enlivened in respect of a particular Cashrewards Shareholder, it will use reasonable endeavours to contact that Shareholder so that it has the opportunity to provide a notice to the Bidder that:

- (a) The seller is a resident of Australia; or
- (b) The Cashrewards Shares are not Taxable Australian Property.

If the Cashrewards Shareholder does not provide such declaration or the Bidder knows it to be false, the Bidder will withhold 12.5% of the consideration offered by the Bidder and remit that to the ATO.

The Bidder is also entitled to withhold an amount of the Cash Consideration if it is otherwise required to by law.

8.6 Goods and services tax

Holders of Cashrewards Shares should not be liable to pay any GST in respect of a disposal of those Cashrewards Shares.

The disposal and acquisition of shares are 'financial supplies' for GST purposes. If Cashrewards Shareholders incur any costs which include GST (such as advisor fees) relating to their participation in the Offer, they may only be entitled to input tax credits for such costs in certain circumstances and should seek specific advice.

8.7 Stamp duty

The transfer of shares in Cashrewards is not expected to give rise to any stamp duty liabilities for existing Cashrewards Shareholders.

9 Additional information

9.1 Bid Implementation Deed

On 22 October 2021, Cashrewards and the Bidder entered into a Bid Implementation Deed which sets out the rights and obligations of Cashrewards and the Bidder in connection with the Implementation of the Takeover Bid. A copy of the Bid Implementation Deed was provided to the ASX on 22 October 2021 and is publicly available on the ASX company announcements platform.

A summary of the Bid Implementation Deed follows:

(a) **Conditions**

The Offer is subject to a number of conditions which must be satisfied or waived before an unconditional contract can arise from acceptance of the Offer. These conditions are set out in Schedule 1 of the Bid Implementation Deed and in section 10.7.

Each of Cashrewards and the Bidder:

- (1) must use its reasonable endeavours to satisfy the conditions as soon as practicable after the date of the Bid Implementation Deed; and
- (2) agrees not to do, or omit to do, anything which will, or is likely to, result in any of the bid conditions being breached.

This requirement is subject to a "fiduciary out", so that Cashrewards and the Cashrewards Board are not prevented from taking, or failing to take action where to do otherwise would, in the opinion of the Cashrewards Board (determined in good faith and acting reasonably after receiving written legal advice from external lawyers), constitute a breach of the Cashrewards Directors' fiduciary or statutory duties.

As at the date of this Bidder's Statement, the Bidder is not aware of any circumstances which would cause outstanding conditions not to be satisfied or (where applicable) waived.

(b) **Conduct of business and access to information**

Clauses 4.1 and 5.1 of the Bid Implementation Deed set out the obligations of Cashrewards applying from the date of the Bid Implementation Deed up to and including the end of the Offer Period with respect to conduct of its business and the Bidder's access to information. Without limiting any other obligations of Cashrewards under the Bid Implementation Deed, Cashrewards must:

- (1) conduct its businesses and operations, and must cause each Cashrewards Group Member to conduct its respective business and operations, in the ordinary and usual course generally consistent with the manner in which each such business and operations have been conducted in the 12 month period prior to the date of the Bid Implementation Deed;
- (2) keep the Bidder informed of any material developments concerning the conduct of business;
- (3) not enter into any line of business or other activities in which the Cashrewards Group is not engaged as of the date of the Bid Implementation Deed;
- (4) provide regular reports on the financial affairs of the Cashrewards Group, including the provision of the Cashrewards Group's monthly management accounts at the same time they are provided to Cashrewards directors, in a timely manner to the Bidder;

- (5) comply in all respects with the Facility Agreement (described in section 9.2);
- (6) ensure that:
 - (A) there is no breach of the no prescribed occurrences bid condition; and
 - (B) there is no occurrence within its control or the control of any other member of the Cashrewards Group that would constitute or would be likely to constitute a breach of the no material adverse change bid condition;
- (7) make all reasonable efforts, and procure that each other Cashrewards Group Member makes all reasonable efforts, to:
 - (A) preserve and maintain the value of the businesses and assets of the Cashrewards Group;
 - (B) keep available the services of the directors, officers and employees of each member of the Cashrewards Group;
 - (C) maintain and preserve each member of the Cashrewards Group's relationships with Government Agencies, customers, suppliers, joint venturers, licensors, licensees and others having business dealings with any member of the Cashrewards Group;
- (8) until the end of the Offer Period, promptly notify the Bidder orally and in writing of anything of which it becomes aware that:
 - (A) would constitute a breach of Bid Condition 3.3 (No material adverse change), a breach of Bid Condition 3.5 (No prescribed occurrences) or breach the obligations described in 9.1(b)(1) to 9.1(b)(7) above;
 - (B) makes any of the Cashrewards representations and warranties given in the Bid Implementation Deed false, inaccurate, misleading or deceptive in any material respect; and
- (9) until the end of the Offer Period, make available to the Bidder and its Related Persons:
 - (A) all information as reasonably requested by the Bidder; and
 - (B) such senior executives of Cashrewards as reasonably requested by 1835I at mutually convenient times,
 for the sole purpose of:
 - (C) the Bidder understanding the operations of the Cashrewards Group's business, financial position, prospects and affairs; or
 - (D) keeping the Bidder informed of material developments relating to the Cashrewards Group; or
 - (E) any other purpose agreed between Cashrewards and the Bidder.

(c) **Exclusivity**

Clause 11 of the Bid Implementation Deed sets out the exclusivity obligations of Cashrewards in connection with the implementation of the Takeover Bid. A summary of the key exclusivity obligations of Cashrewards during the Exclusivity Period is set out below:

- (1) **(no talk and no shop):** Cashrewards must not, and must ensure that each of its Related Persons does not, directly or indirectly:
- (A) **(no shop):** solicit, invite, encourage or initiate (including by the provision of any non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or communicate to any person an intention to do any of the above; or
- (B) **(no talk and no due diligence):**
- participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal;
 - negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
 - disclose or otherwise provide any non-public information about the business or affairs of the Cashrewards Group to a Third Party (other than a Government Agency) with a view to obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal; or
 - communicate to any person an intention to do anything referred to above.
- The no talk and no due diligence obligation is subject to a "fiduciary out" where the Cashrewards IBC acting in good faith determines, having regard to written advice from its external legal and Financial Advisers, an actual, proposed or potential Competing Proposal is a Superior Proposal (or which may reasonably be expected to result in the Competing Proposal becoming a Superior Proposal) and the failure to take or not take such action would constitute, or would be likely to constitute, a breach of the fiduciary or statutory duties of the Cashrewards IBC, provided that the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of the no shop obligations.
- (2) **(Notification of approaches)** Cashrewards must as soon as possible notify (and in any event within 24 hours) the Bidder in writing if it, or any of its Related Persons, becomes aware of any:
- (A) negotiations or discussions, approach or attempt to initiate any negotiations or discussions or intention to make such an approach or initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;
- (B) proposal made to Cashrewards or any of its Related Persons, in connection with, or in respect of any exploration

or completion of, an actual, proposed or potential Competing Proposal; or

- (C) provision by Cashrewards or any of its Related Persons of any non-public information concerning the business or operations of Cashrewards or a member of the Cashrewards Group to any Third Party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal.

A notification must include the identity of the relevant person making or proposing the relevant, actual, proposed or potential Competing Proposal unless the Cashrewards Board has first determined, in good faith, and in what the Cashrewards Board considers to be in the interests of Cashrewards and its shareholders, and after receiving written advice from its external lawyers, that providing such identity would, or would be reasonably likely to, constitute a breach of any of the Cashrewards Board's fiduciary or statutory duties, together with all material terms and conditions of the actual, proposed or potential Competing Proposal.

Commencing upon the provision of any notice referred to above, Cashrewards must as soon as possible advise 1835i of any material developments in relation to an actual, proposed or potential Competing Proposal, including material amendments or proposed amendments to the terms of such actual, proposed or potential Competing Proposal, and advise 1835i of the timing of any meeting of the Cashrewards Board to consider that proposal.

- (3) **(Matching right)** Cashrewards must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a Third Party, Cashrewards or both proposes or propose to undertake or give effect to an actual, proposed or potential Competing Proposal and must use reasonable endeavours to procure that none of the Cashrewards Directors change their recommendation of the Takeover Bid or publicly recommend an actual, proposed or potential Competing Proposal or recommend against the Takeover Bid unless:
 - (A) the Cashrewards IBC determines that the Competing Proposal constitutes a Superior Proposal;
 - (B) Cashrewards has complied with its obligation to notify the Bidder of the approach as summarised above;
 - (C) Cashrewards has given the Bidder at least five Business Days after the notification of the approach to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal (**Bidder Counterproposal**); and
 - (D) either, (i) the Bidder has not announced or otherwise formally proposed to Cashrewards a Bidder Counterproposal by the expiry terms of the five Business Day period, or ii) the Bidder has announced or provided Cashrewards a Bidder Counterproposal by the expiry of the five Business Day period, that the Cashrewards Board acting reasonably and in good faith, determines would not provide a matching or superior outcome for Cashrewards Shareholders as a whole compared with the Competing Proposal, taking into account all of the terms and conditions of the Bidder Counterproposal.

If the Bidder proposes to Cashrewards, or announces Bidder Counterproposal by the expiry of the five Business Day period, Cashrewards must procure that the Cashrewards IBC considers the Bidder Counterproposal and if the Cashrewards IBC, acting reasonably and in good faith, determines that the Bidder Counterproposal (as completed) would provide an equivalent or superior outcome for Cashrewards Shareholders as a whole compared with the Competing Proposal, then Cashrewards and the Bidder must use their best endeavours to agree the amendments to this deed that are reasonably necessary to reflect the Bidder Counterproposal and to implement the Bidder Counterproposal, in each case as soon as reasonably practicable, and Cashrewards must procure that each of the members of the Cashrewards IBC continues to recommend the Takeover Bid (as modified by the Bidder Counterproposal) to Cashrewards Shareholders.

(d) **Reimbursement fee arrangements**

Clause 12 of the Bid Implementation Deed sets out the circumstances in which Cashrewards has agreed to pay a reimbursement fee of \$895,000 to the Bidder. The reimbursement fee will be payable if any one of the following events occurs:

- (2) during the Exclusivity Period:
 - (A) one or more members of the Cashrewards IBC withdraws, adversely revises or adversely qualifies his or her support of the Takeover Bid or his or her recommendation that Cashrewards Shareholders accept the Offer or fails to recommend that Cashrewards Shareholders accept the Takeover Bid or, having made such a recommendation, withdraws, adversely revises or adversely qualifies that recommendation for any reason; or
 - (B) one or more members of the Cashrewards IBC recommends that Cashrewards Shareholders accept or vote in favour of, or otherwise supports or endorses (including support by way of accepting or voting, or by way of stating an intention to accept or vote, in respect of any Cashrewards Shares held or controlled by them or held on their behalf), a Competing Proposal of any kind that is announced (whether or not such proposal is stated to be subject to any pre-conditions) during the Exclusivity Period,

in each case, unless Cashrewards is entitled to terminate the Bid Implementation Deed for material breach by the Bidder or for a material breach of a Bidder representation and warranty in the Bid Implementation Deed;

- (3) a Competing Proposal of any kind is announced during the Exclusivity Period (whether or not such proposal is stated to be subject to any pre-conditions) and, within 9 months of the date of such announcement, the Third Party completes a Competing Proposal in any of the paragraphs 2, 3 or 4 of the definition of Competing Proposal; or
- (4) the Bidder terminates the Bid Implementation Deed for material breach by Cashrewards or for a material breach of a Cashrewards representation and warranty in the Bid Implementation Deed.

Except in relation to a wilful or intentional breach of the Bid Implementation Deed by Cashrewards, Cashrewards' total liability under the Bid Implementation Deed is capped at the amount of the reimbursement fee.

Despite anything to the contrary in the Bid Implementation Deed, the Reimbursement Fee will not be payable (and must be repaid to Cashrewards within 10 Business Days if already paid) if (1) the Takeover Bid is declared unconditional and the Bidder holds a Relevant Interest in at least 50.1% of the Cashrewards Shares as a result of the Takeover Bid, or (2) Cashrewards has terminated the Bid Implementation Deed for material breach by the Bidder or for a material breach of a Bidder representation and warranty in the Bid Implementation Deed.

(e) **Representations and warranties**

The Bidder, in Schedule 2 to the Bid Implementation Deed, and Cashrewards, in Schedule 3 to the Bid Implementation Deed, have each given representations and warranties to the other, customary for a transaction of this nature.

(f) **Termination rights**

Clause 13 of the Bid Implementation Deed sets out the termination rights of each party. These are summarised below.

(1) **Termination by either party**

Either party may terminate the Bid Implementation Deed if at any time after the Announcement Date and before the end of the Offer Period:

- (A) the other party has materially breached the Bid Implementation Deed and failed to remedy the breach within 10 Business Days after the date on which the party entitled to terminate gave written notice of the breach to the party in breach, other than in respect of a breach of a representation and warranty of either party;
- (B) a court or Government Agency has issued an order, decree or ruling, or taken any other action, permanently restraining or prohibiting the Takeover Bid, and the action is final and cannot be appealed or reviewed; or
- (C) the other party is in breach of a representation and warranty and the relevant breach that is material in the context of the takeover bid taken as a whole and continues to exist five Business Days (or any shorter period ending at the end of the Offer Period) after the date on which written notice is given of the breach.

(2) **Termination by the Bidder**

The Bidder may terminate the Bid Implementation Deed at any time before the end of the Offer Period if any member of the Cashrewards Independent Board Committee:

- (A) withdraws, adversely revises or adversely modifies his or her recommendation that Cashrewards Shareholders accept the Takeover Bid; or
- (B) makes a public statement indicating that he or she no longer recommends the Takeover Bid or recommends, supports or endorses another transaction (including any Competing Proposal but excluding a statement that no action should be taken by Cashrewards Shareholders pending the assessment of a Competing Proposal by the Cashrewards IBC).

(3) **Termination by Cashrewards**

Cashrewards may terminate the Bid Implementation Deed at any time before the end of the Offer Period if:

- (A) the Cashrewards IBC or a majority of the Cashrewards IBC has changed, withdrawn or modified its recommendation as permitted under clause 2.2 of the Bid Implementation Deed; or
- (B) the Bidder withdraws the Takeover Bid or applies to ASIC for consent to withdraw unaccepted Offers under the Corporations Act.

9.2 Loan Facility Agreement

On 22 October 2021, Cashrewards and the Bidder entered into a Facility Agreement (based on the APLMA standard form bilateral facility agreement), which sets out the terms on which the Bidder provides a \$15 million loan to Cashrewards (**Facility Agreement**).

A summary of the Facility Agreement is as follows:

- (a) **Purpose**
Cashrewards must use all amounts borrowed under the Facility Agreement to fund its cashback payment obligations to its members.
- (b) **Drawdowns**
The loan is limited to 3 drawdowns of \$5,000,000 each over the course of the term of the loan.
- (c) **Repayment**
Each loan under the Facility Agreement must be repaid in full by 22 April 2022.
- (d) **Interest**
The Interest rate for each loan is 8% per annum (**Interest Rate**).
Interest in respect of each loan will be calculated using the Interest Rate on the basis of a 365-day year and for the actual number of days from and including the date on which a loan is drawn to (but excluding) the date of repayment of that loan.
Interest in respect of loan shall capitalise during the term of the Facility Agreement and must be paid on the date of repayment of that loan.
Interest will also be charged on any amounts overdue at the Interest Rate plus 2% per annum.
- (e) **Fees**
In accordance with the terms of the Facility Agreement, Cashrewards must pay an establishment fee in the amount of 0.2% of the total commitment, being \$30,000.
In addition, a line fee equal to 3.2% per annum on the undrawn commitments must be paid by Cashrewards in arrears on the repayment date.
- (f) **Costs**
Cashrewards must pay the Bidder all costs and expenses (including legal fees) reasonably incurred by the Bidder in connection with the preparation, negotiation, execution and registration of the finance documents and all enforcement costs must be paid by Cashrewards promptly on demand.
- (g) **Representations and warranties**
Cashrewards makes several representations and warranties under the Facility Agreement, customary for a transaction of this nature. The representations and

warranties will be repeated on the date of a utilisation request and the date of each drawdown.

(h) Cashrewards undertakings

Under the Facility Agreement, Cashrewards makes several customary undertakings for a Facility Agreement of this type, including:

- (1) Cashrewards will obtain, comply with and do all that is necessary to maintain in full force and effect, and supply certified copies to the Bidder, all require authorisations (subject to a material adverse effect qualifier);
- (2) Cashrewards shall ensure that Cashrewards Group Members will not create or permit to subsist any security over any of its assets (subject to customary carve-outs);
- (3) Cashrewards may not take on any additional financial indebtedness (subject to customary carve-outs); and
- (4) Cashrewards shall notify the Bidder of any event of default (described in section 9.2(i) below) promptly upon becoming aware of its occurrence.

In addition, while there is any money owing under the Facility Agreement, Cashrewards may not raise capital, except:

- (5) under an employee share plan in the ordinary course of business; or
- (6) by way of an issue which satisfies item 10 item 10A (as notionally included by ASIC Corporations (Takeovers-Accelerated Rights Issues) Instrument 2015/1069) of s611 of the Corporations Act together with any offer of shortfall securities under the issue that is permitted by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (rights issues).

(i) Events of default

The Facility Agreement includes customary events of default for this type of transaction including:

- (1) Cashrewards' failure to pay, within 3 business days of the due date, with a 2 business days' cure right in the event failure to pay is due to administrative or technical error or a material disruption to payment or communications systems or to financial markets required to operate in order for payments to be made;
- (2) a breach by Cashrewards of an undertaking described in section (h) above;
- (3) any representation or statement made or deemed to be made by Cashrewards in the Facility Agreement or any other document delivered by or on behalf of Cashrewards under or in connection with the Facility Agreement is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;
- (4) an insolvency event occurs in respect of a Cashrewards Group Member;
- (5) an event which results in a person not in control of Cashrewards subsequently acquiring control of Cashrewards, or a person in control of Cashrewards subsequently losing control of Cashrewards. For the purposes of this definition, 'control' has the meaning given to it in section 50AA of the Corporations Act; or

- (6) a material adverse effect occurs on the ability of Cashrewards to perform its obligations under the Facility Agreement, on the remedies or rights of the Bidder or on the financial condition or business of Cashrewards.

In addition, the parties have agreed an Event of Default will occur if:

- (7) Cashrewards' shares are delisted or suspended from trading on the ASX for 5 consecutive business days;
- (8) Cashrewards' board recommends another takeover bid or withdraws or qualifies its recommendation for the Offer (except where due to breach by the Bidder);
- (9) Cashrewards breaches the exclusivity provisions in the Bid Implementation Deed, described in section 9.1 above; or
- (10) the Bidder terminates the Bid Implementation Deed under clause 13 for material breach by Cashrewards (see section 9.1 above).

While any event of default is continuing, the Bidder may declare that all or any part of its commitment is cancelled and that all or part of the outstanding moneys are immediately due and payable or are payable on demand provided that any event of default referred to under clause (8) above will be repayable within 30 days.

(j) Assignment and transfer

Cashrewards may not assign or otherwise transfer any of its rights and obligations under the Facility Agreement without the prior written consent of the Bidder.

The Bidder may assign and otherwise transfer its rights and obligations under the Facility Agreement at any time subject to certain conditions on transfers to offshore lenders.

9.3 Status of defeating conditions

The Offer is subject to a number of conditions set out in section 10.7. The Bidder will provide updates on any material developments relating to the status of these conditions through announcements to the ASX.

The Bidder is not aware of any events or circumstances which would result in the non-fulfilment of any of the defeating conditions.

9.4 Date for determining holders of Cashrewards Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

9.5 Consents

Herbert Smith Freehills has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as the Bidder's Australian legal adviser (other than in relation to taxation) in the form and context in which it is so named. Herbert Smith Freehills has not caused or authorised the issue of this Bidder's Statement, does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

Computershare Investor Services Pty Limited has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as the Bidder's security registrar in the form and context in which it is so named. Computershare Investor Services Pty Limited has not caused or authorised the issue of this Bidder's Statement, does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, (free of charge), during the bid period, please contact Computershare Investor Services Pty Limited on 1300 397 916 (if calling from within Australia) or +61 3 9415 4155 (if calling from outside Australia). For legal reasons, calls to this number will be recorded.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72 (Corporations Instrument 2016/72), this Bidder's Statement may include or be accompanied by certain statements:

- which fairly represent what purports to be a statement by an official person; or
- which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by Corporations Instrument 2016/72, this Bidder's Statement contains trading data sourced from Bloomberg and IRESS provided without their consent.

9.6 Social security and superannuation implications of Offer

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

10 The terms and conditions of the Offer

10.1 Offer

- (a) The Bidder offers to acquire all of Your Shares on and subject to the terms and conditions set out in this section 10 of this Bidder's Statement.
- (b) The consideration under the Offer is \$1.135 for each of Your Shares. If this calculation results in an entitlement to a fraction of a cent, that fraction will be rounded down to the next whole number of cents.
- (c) By accepting this Offer, you undertake to transfer to the Bidder not only the Cashrewards Shares to which the Offer relates, but also all Rights attached to those Cashrewards Shares (see section 10.5(c)(6) and section 10.6(c)).
- (d) This Offer is being made to each person registered as the holder of Cashrewards Shares in the register of Cashrewards Shareholders at open of business (Sydney time) on the Register Date. It also extends to:
 - (1) holders of securities that come to be holders of Cashrewards Shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, Cashrewards Options and Cashrewards Performance Rights which are on issue as at the Register Date; and
 - (2) any person who becomes registered, or entitled to be registered, as the holder of Your Shares during the Offer Period.
- (e) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Shares, then:
 - (1) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Cashrewards Shares; and
 - (2) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Cashrewards Shares you hold to which the Offer relates; and
 - (3) this Offer will be deemed to have been withdrawn immediately at that time.
- (f) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Cashrewards Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call Computershare Investor Services Pty Limited on 1300 397 916 (if calling from within Australia) +61 3 9415 4155 (if calling from outside Australia) to request those additional copies.
- (g) If Your Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- (h) The Offer is dated [] 2021.

10.2 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00pm (Sydney time) on the later of:
 - (1) [] 2021; or
 - (2) any date to which the Offer Period is extended.
- (b) The Bidder reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last seven days of the Offer Period, either of the following events occurs:
 - (1) the Offer is varied to improve the consideration offered; or
 - (2) the Bidder's voting power in Cashrewards increases to more than 50%,
 then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

10.3 How to accept this Offer

- (a) **General**
 - (1) Subject to section 10.1(e) and section 10.1(f), you may accept this Offer only for all of Your Shares.
 - (2) You may accept this Offer at any time during the Offer Period.
- (b) **Cashrewards Shares held in your name on Cashrewards' issuer sponsored subregister**

To accept this Offer for Cashrewards Shares held in your name on Cashrewards' issuer sponsored sub-register (in which case your Securityholder Reference Number will commence with 'I'), you must:

 - (1) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
 - (2) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is sent and postmarked before the end of the Offer Period, to one of the addresses shown on the Acceptance Form.
- (c) **Cashrewards Shares held in your name in a CHESS Holding**
 - (1) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your Controlling Participant (for Cashrewards Shareholders who are not institutions this is normally the stockbroker either through whom you bought your Cashrewards Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
 - (2) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

- (3) Alternatively, to accept this Offer for Cashrewards Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is sent and postmarked before the end of the Offer Period, to one of the addresses shown on the Acceptance Form.
 - (4) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.
- (d) **Cashrewards Shares of which you are entitled to be registered as holder**
- To accept this Offer for Cashrewards Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:
- (1) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
 - (2) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is sent and postmarked before the end of the Offer Period, to one of the addresses shown on the Acceptance Form.
- (e) **Acceptance Form and other documents**
- (1) The Acceptance Form forms part of the Offer.
 - (2) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, it will be deemed to be received in time if the envelope in which it is sent is post-marked before the end of the Offer Period, even if it is received after that date.
 - (3) When using the Acceptance Form to accept this Offer in respect of Cashrewards Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) are received by the Bidder in time for the Bidder to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
 - (4) The postage and transmission of the Acceptance Form and other documents is at your own risk.

10.4 Validity of acceptances

- (a) Subject to this section 10.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 10.3.
- (b) The Bidder will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. The Bidder is not required to communicate with you prior to or after making this determination. The determination of the Bidder will be final and binding on all parties.
- (c) Notwithstanding sections 10.3(b), 10.3(c), 10.3(d) and 10.3(e), the Bidder may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Shares, even if a requirement for acceptance has not been complied with

but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by the Bidder.

- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Shares, the Bidder may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Shares but not the remainder.
- (e) The Bidder will provide the consideration to you in accordance with section 10.6, in respect of any part of an acceptance determined by the Bidder to be valid.

10.5 The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Securities from the Offer or otherwise dispose of Your Securities, except as follows:
 - (1) if, by the relevant times specified in section 10.5(b), the conditions in section 10.7 have not all been fulfilled or freed, the Offer will automatically terminate and Your Securities will be returned to you; or
 - (2) if the Offer Period is extended for more than one month and the obligations of 1835I to deliver the consideration are postponed for more than 1 month and, at the time, the Offer is subject to one or more of the conditions in section 10.7, you may be able to withdraw your acceptance and Your Securities in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) The relevant times for the purposes of section 10.5(a)(1) are:
 - (1) in relation to the condition in section 10.7(e) (prescribed occurrences), the end of the third Business Day after the end of the Offer Period; and
 - (2) in relation to all other conditions in section 10.7, the end of the Offer Period.
- (c) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 10.3, you will be deemed to have:
 - (1) accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in section 10.7 being fulfilled or freed, agreed to transfer to the Bidder, Your Shares (even if the number of Cashrewards Shares specified on the Acceptance Form differs from the number of Your Shares), subject to section 10.1(e) and section 10.1(f);
 - (2) represented and warranted to the Bidder, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Shares (including any Rights) to the Bidder is registered, that all Your Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Shares (including any Rights) to the Bidder, and that you have paid to Cashrewards all amounts which at the time of acceptance have fallen due for payment to Cashrewards in respect of Your Shares;

- (3) irrevocably authorised the Bidder (and any director, secretary, nominee or agent of the Bidder) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by the Bidder to make it an effective acceptance of this Offer or to enable registration of Your Shares in the name of the Bidder;
- (4) if you signed the Acceptance Form in respect of Cashrewards Shares which are held in a CHESS Holding, irrevocably authorised the Bidder (or any director, secretary, nominee or agent of the Bidder) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
- (5) if you signed the Acceptance Form in respect of Cashrewards Shares which are held in a CHESS Holding, irrevocably authorised the Bidder (or any director, secretary, nominee or agent of the Bidder) to give any other instructions in relation to Your Shares to your Controlling Participant, as determined by the Bidder acting in its own interests as a beneficial owner and intended registered holder of those Cashrewards Shares;
- (6) irrevocably authorised and directed Cashrewards to pay to the Bidder, or to account to the Bidder for, all Rights in respect of Your Shares, subject, if this Offer is withdrawn, to the Bidder accounting to you for any such Rights received by the Bidder;
- (7) irrevocably authorised the Bidder to notify Cashrewards on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Shares is the address specified by the Bidder in the notification;
- (8) with effect from the time and date on which all the conditions to this Offer in section 10.7 have been fulfilled or freed, to have irrevocably appointed the Bidder (and any director, secretary or nominee of the Bidder) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings and all court-convened meetings of Cashrewards and to request Cashrewards to register, in the name of the Bidder or its nominee, Your Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable);
- (9) with effect from the date on which all the conditions to this Offer in section 10.7 have been fulfilled or freed, to have agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Cashrewards or to exercise or purport to exercise any of the powers and rights conferred on the Bidder (and its directors, secretaries and nominees) in section 10.5(c)(8);
- (10) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 10.5(c)(8), the attorney will be entitled to act in the interests of the Bidder as the beneficial owner and intended registered holder of Your Shares;
- (11) agreed to do all such acts, matters and things that the Bidder may require to give effect to the matters the subject of this section 10.5(a) (including the execution of a written form of proxy to the same effect as this section 10.5(a) which complies in all respects with the

requirements of the constitution of Cashrewards) if requested by the Bidder;

- (12) agreed to indemnify the Bidder in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of Your Shares to the Bidder being registered by Cashrewards without production of your Holder Identification Number or your Securityholder Reference Number for Your Shares;
 - (13) represented and warranted to the Bidder that, unless you have notified it in accordance with section 10.1(f), Your Shares do not consist of separate parcels of Cashrewards Shares;
 - (14) irrevocably authorised the Bidder (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Shares to the Bidder's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer; and
 - (15) agreed, subject to the conditions of this Offer in section 10.7 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that the Bidder may consider necessary or desirable to convey Your Shares registered in your name and Rights to the Bidder.
- (d) The undertakings and authorities referred to in section 10.5(a) will remain in force after you receive the consideration for Your Shares and after the Bidder becomes registered as the holder of Your Shares.

10.6 Payment of consideration

- (a) Subject to sections 10.4(b) and 10.6 and the Corporations Act, the Bidder will provide the consideration due to you for Your Shares:
 - (1) if you accept the Offer, and the Offer is free from defeating conditions, 7 days after the date of your acceptance; or
 - (2) if this Offer is subject to a defeating condition when you accept this Offer, within 7 days after this Offer becomes unconditional.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
 - (1) if that document is given with your Acceptance Form, the Bidder will provide the consideration in accordance with section 10.6(a);
 - (2) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, the Bidder will provide the consideration due to you on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
 - (3) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, the Bidder will provide the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of the Offer Period;
 - (4) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, the Bidder will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a

defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, the Bidder will provide the consideration due to you within 21 days after the Offer becomes unconditional.

- (c) If you accept this Offer, the Bidder is entitled to all Rights in respect of Your Shares. the Bidder may require you to provide all documents necessary to vest title to those Rights in the Bidder, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to the Bidder, or if you have (or any previous owner of Your Shares has) received the benefit of those Rights:

- (1) the Bidder will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by the Bidder) of those Rights; and
- (2) if it is able reasonably to assess the value to it of the franking credits, if any, attached to the Rights, the Bidder will be entitled to also deduct an amount equal to that value from the consideration otherwise due to you.

Any such deduction will be made from any cash consideration otherwise due to you.

- (d) Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) to the address as shown either, at the discretion of the Bidder, on your Acceptance Form, or on the register copy supplied by Cashrewards from time to time.
- (e) If at the time you accept the Offer, any authority, clearance or approval is required for you to receive any consideration for Your Shares, including (but not limited to) any authority, clearance or approval of:
- (1) the Reserve Bank of Australia (whether under the *Banking (Foreign) Exchange Regulations 1959* (Cth) or otherwise);
 - (2) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth) or any other regulations made thereunder), or otherwise;
 - (3) the ATO; or
 - (4) any other person as required by any other law of Australia that would make it unlawful for the Bidder to provide any consideration for Your Shares,

then you will not be entitled to receive any consideration for Your Shares until all requisite authorities, clearances or approvals have been received by the Bidder.

- (f) The Bidder will make all payments that become due under the Offer free and clear and without deduction of all present and future withholdings unless the Bidder determines (acting reasonably) that it is required to by law, or it is required to pay an amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act 1953 (in this clause, a **Withholding Amount**).
- (g) If the Bidder determines (acting reasonably) that it is required to pay a Withholding Amount with respect to the acquisition of the Cashrewards Shares from a Cashrewards Shareholder, the Bidder will:
- (1) determine the amount of the Withholding Amount;

- (2) remit the Withholding Amount to the Commissioner within the time required under Subdivision 14-D of Schedule 1 to the Taxation Administration Act 1953 or as otherwise required by law; and
- (3) be deemed to have satisfied its obligations to pay the Withholding Amount to the Cashrewards Shareholder for the purposes of the Offer.

10.7 Conditions of this Offer

Subject to section 10.8, the completion of this Offer and any contract that results from an acceptance of this Offer are subject to the fulfilment of the conditions set out below:

(a) No restraints

Between the Announcement Date and the end of the Offer Period there is not in effect any law, rule, regulation or preliminary or final decision, order or decree issued by any court of competent jurisdiction or Government Agency in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibits or impedes, or otherwise materially adversely impacts upon, the making of the Offers and the completion of the Takeover Bid or which requires the divestiture by 1835i of any Cashrewards Shares or any material assets of Cashrewards or any subsidiary of Cashrewards.

(b) Minimum acceptance

At the end of the Offer Period, the Bidder has a Relevant Interest in at least 90% of Cashrewards Shares (on a fully diluted basis).

(c) No material adverse change

(1) Subject to (2), between the Announcement Date and the end of the Offer Period (each inclusive) none of the following occurs:

- (A) an event, change, condition, matter or thing occurs or will or is reasonably likely to occur;
- (B) information is disclosed or announced by Cashrewards concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur; or
- (C) information concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur becomes known to 1835i (whether or not becoming public).

(each of (A), (B) and (C), a **Specified Event**) which, whether individually or when aggregated with all such events, changes, conditions, matters or things of a like kind that have occurred or are reasonably likely to occur, has resulted in or would be considered reasonably likely to result in a diminution in the value of the consolidated net assets of the Cashrewards Group, taken as a whole, by \$5 million or more against what it would reasonably have been expected to have been but for such Specified Event.

(2) Section 10.7(c)(1) will not apply to events, occurrences or matters that:

- (A) arise from any actual or proposed change in any law, or rule or regulation of any Government Agency, or any change in generally accepted accounting standards, after the date of the Bid Implementation Deed;

- (B) arise from general economic, business or political conditions or changes in any such conditions (including disruptions to, or fluctuations in, financial markets, or changes in interest rates, foreign currency exchange rates or commodity prices) after the date of the Bid Implementation Deed;
- (C) have been disclosed by Cashrewards in its public filings with the ASX or ASIC before the Announcement Date;
- (D) are required to be done or procured by Cashrewards to be done pursuant to the Bid Implementation Deed or the Offer or the transactions contemplated by either;
- (E) are Fairly Disclosed in the Disclosure Materials; or
- (F) the Bidder has previously approved in writing.

(d) **Cash burn rate**

Cashrewards' average net cash position over any rolling three month period (being the net cash position at each calendar month end over any three month period, averaged) between the Announcement Date and the end of the Offer Period (each inclusive) is not more than 10% below the average net cash position over that same three month period as shown in the relevant document in the data room made available to the Bidder (where Cashrewards' actual average net cash position is calculated on a consistent basis to in the relevant document in the data room).

(e) **No prescribed occurrences**

Between the Announcement Date and the date three business days after the end of the Offer Period (each inclusive), none of the following prescribed occurrences happen:

- (1) Cashrewards converting all or any of its shares into a larger or smaller number of shares;
- (2) a member of the Cashrewards Group resolving to reduce its share capital in any way;
- (3) a member of the Cashrewards Group:
 - (A) entering into a buy-back agreement; or
 - (B) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (4) a member of the Cashrewards Group issuing shares or securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than the issue of shares on the exercise of an option presently on issue and disclosed to the ASX;
- (5) a member of the Cashrewards Group issuing, or agreeing to issue, convertible notes;
- (6) a member of the Cashrewards Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (7) a member of the Cashrewards Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property; or
- (8) an Insolvency Event occurs in relation to a member of the Cashrewards Group,

provided that a prescribed occurrence will not include any matter:

- (9) disclosed by Cashrewards in its public filings with the ASX or ASIC before the date of the Bid Implementation Deed;
- (10) required to be done or procured by Cashrewards to be done pursuant to Bid Implementation Deed or the Offer;
- (11) Fairly Disclosed in the Disclosure Materials;
- (12) required by law or by an order of a court or Government Agency;
- (13) expressly permitted pursuant to the Bid Implementation Deed; or
- (14) the undertaking of which the Bidder has previously approved in writing (which approval may be given in the Bidder's absolute discretion).

(f) **Conduct of business**

- (1) Subject to section (2), no member of the Cashrewards Group:
 - (A) declares, pays or distributes any dividend, bonus or other share of its profits or assets or return or agree to return any capital to its members;
 - (B) makes any change to its constitution;
 - (C) acquires, leases or disposes of any securities, business, assets, interest in any joint venture, entity or undertaking;
 - (D) enters into any contract or commitment (including in respect of financial indebtedness or capital expenditure) requiring payments by the Cashrewards Group in excess of \$1 million (individually or in aggregate);
 - (E) enters into, amends or terminates any contract or commitment with an annual value in excess of \$1 million or with a term of 12 months or more;
 - (F) writes down any of its material assets;
 - (G) amends the terms of any option, performance right, incentive or share plan;
 - (H) accelerates the rights of any of their employees or consultants to compensation or benefits of any kind (including under any option, performance right, incentive or share plan), waives any condition to exercise in relation to any Cashrewards Options held by any of their employees or consultants or agrees or offers to make any payment for the cancellation, buy-back or acquisition of any Cashrewards Option except as permitted by Bid Implementation Deed or with the prior written approval of the Bidder;
 - (I) provides financial accommodation to any person other than to members of the Cashrewards Group (irrespective of what form of financial indebtedness that accommodation takes);
 - (J) enters into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments;
 - (K) enters into or materially alters, varies or amends any employment, consultant, severance or similar agreement or arrangement with any person, including any of its officers, directors, other executives or employees whose total employment cost exceeds (or would exceed in the case of an agreement or arrangement not on foot on the date of Bid Implementation Deed) \$200,000 (Key Person), or

accelerates or otherwise materially increases compensation, benefits or entitlements for any Key Person, in each case other than pursuant to entitlements in effect on the date of Bid Implementation Deed and which are fairly disclosed to the Bidder prior to the date of Bid Implementation Deed;

- (L) terminates or encourages the resignation of an employee, except in accordance with current personnel practices;
 - (M) pays any of its directors or employees a termination or retention payment, other than pursuant to contractual arrangements in effect on the date of Bid Implementation Deed and which have been fairly disclosed to the Bidder prior to the date of Bid Implementation Deed;
 - (N) enters into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of Bid Implementation Deed;
 - (O) settles any legal proceedings, disputed claim, investigation, arbitration or other like proceeding where the settlement amount payable by any member of the Cashrewards Group exceeds \$250,000;
 - (P) changes any accounting policy applied to a party to report its financial position, other than any change in policy required by a change in accounting standards;
 - (Q) does anything that would result in a change in the Cashrewards consolidated tax group;
 - (R) amends any arrangements with its advisers (including any amendment that might result in an increase in fees payable by the Cashrewards Group to any adviser), or appoint any adviser, in respect of the Takeover Bid or a competing proposal; or
 - (S) authorises, commits or agrees to do any of the matters set out above.
- (2) Nothing in section (1) restricts the ability of Cashrewards to take any action:
- (A) which is required by any applicable law or Government Agency or under a contract which is Fairly Disclosed in the Disclosure Materials;
 - (B) which is required or expressly permitted by Bid Implementation Deed or the Takeover Bid;
 - (C) which has been agreed to in writing by the Bidder;
 - (D) which is Fairly Disclosed in the Disclosure Materials; or
 - (E) Fairly Disclosed in public filings to the ASX prior to the date of Bid Implementation Deed.

(g) No termination of the Bid Implementation Deed or Facility Agreement

Between the Announcement Date and the end of the Offer Period (each inclusive), the Bidder does not become entitled to terminate:

- (1) the Bid Implementation Deed, as a result of any of the representations and warranties given by Cashrewards under the Bid Implementation Deed becoming untrue or incorrect in any material respect; or
- (2) the Facility Agreement as a result of an event of default.

10.8 Nature and benefit of conditions

- (a) The conditions in section 10.7 are conditions subsequent. The non fulfilment of any condition does not, until the end of the Offer Period (or in the case of the conditions in section 10.7(d), until the end of the third business day after the end of the Offer Period), prevent a contract to sell Your Shares from arising, but non-fulfilment of any of those conditions will have the consequences set out in section 10.9(a)(2).
- (b) Subject to the Corporations Act, the Bidder alone is entitled to the benefit of the conditions in section 10.7, or to rely on any non-fulfilment of any of them.
- (c) Each condition in section 10.7 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

10.9 Freeing the Offer of conditions

- (a) The Bidder may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions subsequent in section 10.7, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Cashrewards and to the ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:
 - (1) in the case of the condition in section 10.7(d), not later than three business days after the end of the Offer Period; and
 - (2) in the case of all the other conditions in section 10.7, not less than seven days before the end of the Offer Period.
- (b) If, at the end of the Offer Period (or in the case of the conditions in section 10.7(d), at the end of the third business day after the end of the Offer Period), the conditions in section 10.7 have not been fulfilled and the Bidder has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

10.10 Notice on status of conditions

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is [] 2021 (subject to extension in accordance with section 630(2) if the Offer Period is extended).

10.11 Withdrawal of this Offer

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, the Bidder will give notice of the withdrawal to the ASX and to Cashrewards and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the conditions in section 10.7 have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in section 10.7, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal pursuant to section 10.11 will be deemed to take effect:

- (1) if the withdrawal is not subject to conditions imposed by ASIC, on the date after the date on which that consent in writing is given by ASIC;
or
- (2) if the withdrawal is subject to conditions imposed by ASIC, on the date after the date on which those conditions are satisfied.

10.12 Variation of this Offer

The Bidder may vary this Offer in accordance with the Corporations Act.

10.13 Stamp duty

The Bidder will pay any stamp duty on the transfer of Your Shares to it.

10.14 Governing laws

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Victoria, Australia.

11 Definitions and interpretation

11.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

Term	Meaning
\$ or A\$	Australian dollars, the lawful currency of the Commonwealth of Australia.
Acceptance Form	the acceptance form enclosed with this Bidder's Statement.
Announcement Date	the date of the announcement of the Offer, being 22 October 2021.
ANZ	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522).
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning set out in section 12 of the Corporations Act.
ASX Settlement	ASX Settlement Pty Limited ABN 49 008 504 532.
ASX Settlement Operating Rules	the operating rules of the ASX Settlement which govern the administration of the Clearing House Electronic Sub-register System.
ASX	as the context requires, ASX Limited ABN 98 008 624 691 or the securities market conducted by it.
ATO	Australian Taxation Office.
Bid Implementation Deed	the bid implementation deed dated 22 October 2021 between Cashrewards and the Bidder in relation to the Takeover Bid.
Bidder's Statement	this document, being the statement of the Bidder under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
The Bidder	1835i Ventures Trusco III Pty Ltd in its capacity as trustee of the 1835i Ventures Trust III.

Term	Meaning
Business Day	a day that is not a Saturday, Sunday or public holiday or a bank holiday in Sydney.
Cashrewards	Cashrewards Resources Limited (ABN 85 126 379 646).
Cashrewards Board or Board	the board of directors of Cashrewards, and an 'Cashrewards Director' means any director of Cashrewards comprising part of the Cashrewards Board.
Cashrewards Group	Cashrewards and each of its Subsidiaries, and a reference to a 'Cashrewards Group Member' is to Cashrewards or any of its Subsidiaries.
Cashrewards Option	an option over an unissued ordinary share in Cashrewards.
Cashrewards Performance Right	a performance right over an unissued ordinary share in Cashrewards.
Cashrewards Share	an ordinary share in the capital of Cashrewards, including all shares on issue as at the end of the Offer Period.
Cashrewards Shareholder	a person who is registered as the holder of a Cashrewards Share in the Cashrewards Share register.
CGT	capital gains tax.
CHESS Holding	a number of Cashrewards Shares which are registered on the Cashrewards share register being a register administered by the ASX Settlement and which records uncertificated holdings of shares.
Competing Proposal	<p>any proposal, agreement, arrangement or transaction (or expression of interest therefor), which, if entered into or completed, would result in a Third Party (either alone or together with any Associate):</p> <ol style="list-style-type: none"> 1 directly or indirectly acquiring a Relevant Interest in, or having a right to acquire, a legal, beneficial or economic interest in, or control of, 10% or more of the Cashrewards Shares or any material Subsidiary of Cashrewards; 2 acquiring Control of Cashrewards or any material Subsidiary of Cashrewards; 3 directly or indirectly acquiring or become the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of Cashrewards' business or assets or the business or assets of the Cashrewards Group;

Term	Meaning
	<p>4 otherwise directly or indirectly acquiring or merging with Cashrewards or a material Subsidiary of Cashrewards; or</p> <p>5 requiring Cashrewards to abandon, or otherwise fail to proceed with, the Takeover Bid,</p> <p>whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.</p> <p>Each successive material modification or variation of any proposal, agreement, arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.</p>
Control	has the meaning given in section 50AA of the Corporations Act, disregarding subsection 50AA(4).
Controlling Participant	in relation to Your Shares, has the same meaning as in the ASX Settlement Operating Rules.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Disclosure Materials	<p>1 the documents and information contained in the data room made available by Cashrewards to the Bidder and its Related Persons prior to entry into the Bid Implementation Deed, the Index of which has been Initialled by, or on behalf of, Cashrewards and the Bidder for identification; and</p> <p>2 written responses from Cashrewards and its Related Persons to requests for further information made by the Bidder and its Related Persons prior to the entry into the Bid Implementation Deed.</p>
Exclusivity Period	<p>the period from and including the date of the Bid Implementation Deed until the earlier of:</p> <p>1 the date of termination of the Bid Implementation Deed;</p> <p>2 the end of the Offer Period; and</p> <p>3 the date that is six months after the date of the Bid Implementation Deed.</p>
Facility Agreement	the facility agreement between the Bidder and Cashrewards dated the same date as the Bid Implementation Deed.
Fairly Disclosed	a reference to 'Fairly Disclosed' means disclosed to the Bidder, to the extent that, and in sufficient detail so as to enable the Bidder to identify with reasonable particularity the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).

Term	Meaning
Financial Adviser	any financial adviser retained by Cashrewards or the Bidder in relation to the Takeover Bid or a Competing Proposal from time to time.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.
Holder Identification Number	has the same meaning as in the ASX Settlement Operating Rules.
Independent Board Committee or IBC	the board committee established by the directors of Cashrewards to consider the Takeover Bid and related matters, which may exclude any director regarded as not independent of the Bidder.
Insolvency Event	means, in relation to an entity: <ol style="list-style-type: none"> 1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity; 2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets; 3 the entity executing a deed of company arrangement; 4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of Bid Implementation Deed; 5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act unless the entity has, or has access to, committed financial support from its parent entity such that it is able to pay its debts; or 6 the entity being deregistered as a company or otherwise dissolved.
Issuer Sponsored Holdings	a holding of Cashrewards Shares on Cashrewards issuer sponsored subregister.
Listing Rules	the Official Listing Rules of the ASX, as amended and waived by the ASX from time to time.
Offer	the offer for Cashrewards Shares under the terms and conditions contained in section 10 of this Bidder's Statement.
Offer Period	the period during which the Offer will remain open for acceptance in accordance with section 10.2 of this Bidder's Statement.

Term	Meaning
Offer Price	\$1.135 per Cashrewards Share.
Participant	an entity admitted to participate in the Clearing House Electronic Sub-register System under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
Public Authority	any government or any governmental, semi-governmental, statutory or judicial entity, agency or authority, whether in Australia or elsewhere, including (without limitation) any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and the ASX or any other stock exchange.
Registrar Date	the date set by the Bidder under section 633(2) of the Corporations Act, being 1 November 2021.
Related Persons	In respect of a party or its Related Bodies Corporate, each director, officer, employee, Financial Adviser (and each director, officer, employee or contractor of that Financial Adviser), agent or representative of that party or Related Body Corporate.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Rights	all accreditations, rights or benefits of whatever kind attaching or arising from Cashrewards Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other Distributions and all rights to receive them or rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by Cashrewards or any of its subsidiaries).
Security Interest	has the same meaning as in section 51A of the Corporations Act.
Securityholder Reference Number	has the same meaning as in the ASX Settlement Operating Rules.
Superior Proposal	<p>a <i>bona fide</i> Competing Proposal received by Cashrewards from a Third Party:</p> <ol style="list-style-type: none"> 1 which, if entered into or completed, would result in a Third Party acquiring Control of Cashrewards; 2 not resulting from a breach by Cashrewards of any of its obligations under the Bid Implementation Deed (it being understood that any actions by the Related Persons of Cashrewards in breach of the Bid Implementation Deed shall be deemed to be a breach by Cashrewards for the purpose hereof); and <p>which the Cashrewards Board, acting in good faith, and after receiving written legal advice from its external legal adviser and written advice from its Financial Adviser, determines:</p>

Term	Meaning
	<p>3 is reasonably capable of being valued and completed in a timely fashion; and</p> <p>4 would, if completed substantially in accordance with its terms, likely be more favourable to Cashrewards Shareholders (as a whole) than the Takeover Bid (as completed, and as the terms of the Takeover Bid may be amended or varied following the application of the matching right set out in clause 11.4 of the Bid Implementation Deed),</p> <p>in each case, taking into account all terms and conditions and other aspects of the Competing Proposal (including any timing considerations, any conditions precedent or other matters affecting the probability of the Competing Proposal being completed).</p>
TAA	the <i>Taxation Administration Act 1953</i> (Cth).
Takeover Bid	the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.
Takeover Transferee Holding	has the same meaning as in the ASX Settlement Operating Rules.
Third Party	a person other than Cashrewards, the Bidder or their respective Related Bodies Corporate or Associates.
VWAP	volume weighted average price
Your Shares	subject to section 10.1(e) and section 10.1(f), the Cashrewards Shares (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Cashrewards at the open of business (Sydney time) on the Register Date, or (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

11.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- (a) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words importing a gender include any gender;
- (c) words importing the singular include the plural and vice versa;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a section, attachment and schedule is a reference to a section of and an attachment and schedule to this Bidder's Statement as relevant;

- (f) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances, or by-laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (h) a reference to time is a reference to time in Sydney, Australia;
- (i) a reference to writing includes facsimile transmissions; and
- (j) a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

12 Approval of Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by the directors of the Bidder.

date 2021

Signed for and on behalf of
**1835i Ventures Trusco III Pty Ltd in
its capacity as trustee of the 1835i
Ventures Trust III**
by

sign here ►

Director

print name

Corporate directory

1835i Group Pty Ltd

242 Pitt Street

Sydney

NSW 2000

Share Registry

Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street

Abbotsford

Victoria 3067

Legal Adviser

Herbert Smith Freehills

80 Collins Street

Melbourne

Victoria 3000

