



23 December 2022

**ELMO Software Limited (ASX:ELO)**

### **Despatch of Scheme Booklet**

ELMO Software Limited ("**ELMO**") refers to the proposed acquisition of all of the issued shares in ELMO by Cookie Monster AcquireCo Pty Ltd (the "**Bidder**") (an entity controlled by investment funds advised or managed by K1 Investment Management, LLC) by way of a scheme of arrangement ("**Scheme**").

A copy of the scheme booklet in connection with the Scheme ("**Scheme Booklet**") was released to the ASX on 16 December 2022.

### **Despatch of the Scheme Booklet**

ELMO is pleased to announce that the Scheme Booklet, together with a personalised proxy form, have now been despatched to ELMO shareholders.

ELMO shareholders who have elected to receive electronic communications have been sent an email containing instructions about how to view or download a copy of the Scheme Booklet, as well as instructions on how to lodge their proxies for the relevant Scheme meeting.

ELMO shareholders who have elected to receive all communications via post will receive a printed copy of the Scheme Booklet together with a personalised proxy form.

All other ELMO shareholders will receive a letter, together with a personalised proxy form, with instructions about how to view or download a copy of the Scheme Booklet. A copy of the letter is attached to this announcement.

### **Recommendation and voting intention of the IBC and Danny Lessem**

The ELMO Independent Board Committee, comprised of non-executive directors Barry Lewin, Kate Hill and Leah Graeve ("**IBC**"), continues to unanimously recommend that ELMO shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of ELMO shareholders.<sup>1</sup> Subject to those same qualifications, each member of the IBC intends to vote (or procure the voting of) all ELMO shares held or controlled by them in favour of the Scheme.

Danny Lessem, ELMO's CEO and Co-Founder also recommends that ELMO shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of ELMO shareholders. As previously announced, Danny Lessem entered into a voting and rollover agreement with Manhattan Bondi HoldCo, Inc. (an entity controlled by investment funds advised or managed by K1 Investment Management, LLC), and others, pursuant to which he has agreed (among other things) to vote all of the ELMO shares held or controlled by him in favour of the Scheme as long as that agreement remains operative (and subject to the terms of that agreement).

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<sup>1</sup> Note that the IBC makes this recommendation only in respect of the Cash Consideration and not in respect of the Scrip Consideration, and the IBC also does not make any recommendation in relation to whether the Rollover Shareholders should make an election to receive Scrip Consideration (as those capitalised terms are defined in the Scheme Booklet).

**Further information**

ELMO shareholders can obtain further information in relation to the Scheme or the Scheme Booklet by visiting <https://investors.elmosoftware.com.au/investors/> or calling the ELMO Shareholder Information Line on 1300 255 218 (within Australia) or +61 2 9066 4084 (outside Australia), Monday to Friday (excluding public holidays) between 9:00 am and 5:00pm (Sydney time).

This announcement is authorised for release by the Board of ELMO.

- ENDS

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23 December 2022

Dear ELMO Shareholder,

As announced by ELMO Software Limited (**ELMO**) to the ASX on 16 December 2022, the Supreme Court of New South Wales has ordered that ELMO convene a meeting of the Rollover Shareholders, being select members of ELMO's senior executive management team,<sup>1</sup> (**Rollover Shareholder Scheme Meeting**) and a meeting of General Shareholders, being the ELMO Shareholders other than the Rollover Shareholders, (**General Scheme Meeting**) (together, the **Scheme Meetings**), to consider and vote on a scheme of arrangement (**Scheme**) for the proposed acquisition by Cookie Monster AcquireCo Pty Ltd (an entity controlled by investment funds advised or managed by K1 Investment Management, LLC) of all of the issued shares in ELMO (**ELMO Shares**).

**The Independent Board Committee (IBC) unanimously recommends that you vote in favour of the Scheme in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of ELMO Shareholders.<sup>2</sup>**

This letter is being sent to you because you are shown on ELMO's register of shareholders as holding ELMO Shares and you have not elected to receive communications in relation to your ELMO Shares electronically or via post. If you have recently sold all of your ELMO Shares, please disregard this letter.

This letter contains important information about how you can access information regarding the Scheme Meetings, the scheme booklet in connection with the Scheme (**Scheme Booklet**) and the proposed acquisition of ELMO.

## **SCHEME BOOKLET**

ELMO is pleased to provide you with a copy of the Scheme Booklet, which contains important information for your consideration about the Scheme and the Notices of Scheme Meetings. Capitalised terms not otherwise defined in this letter have the meaning given to them in the Scheme Booklet.

The Scheme Booklet, including the Notice of General Scheme Meeting and the Notice of Rollover Shareholder Meeting, is available electronically for viewing and downloading at <https://investors.elmosoftware.com.au/investors/>. If you would like to obtain a hard copy of the Scheme Booklet or the Notice of General Scheme Meeting and/or Notice of Rollover Shareholder Scheme Meeting, please contact the ELMO Shareholder Information Line on 1300 255 218 (within Australia) or +61 2 9066 4084 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

You should read the Scheme Booklet in its entirety, and consider its contents carefully, before you decide whether or not to vote in favour of the Scheme. If you are in any doubt about how to deal with this document, you should contact your broker or financial, taxation, legal or other professional adviser immediately.

## **DETAILS OF THE SCHEME MEETINGS**

The General Scheme Meeting will be held at **10.00am (Sydney time) on Monday, 30 January 2023**. The General Scheme Meeting will be held as a hybrid meeting. General Shareholders will be able to attend and vote

<sup>1</sup> The Rollover Shareholders comprise select members of the senior executive management team of ELMO, namely Danny Lessem (CEO and Co-Founder), James Haslam (Chief Financial Officer), Xin (Samuel) Sun (Global Chief Technology Officer) and Gordon Starkey (Chief Revenue Officer), and certain applicable ELMO shareholders controlled by them.

<sup>2</sup> The IBC makes this recommendation only in respect of the Cash Consideration and not in respect of the Scrip Consideration, and the IBC also does not make any recommendation in relation to whether the Rollover Shareholders should make an Election to receive Scrip Consideration (see section 2.5 of the Scheme Booklet for further details).

at the General Scheme Meeting in person at Level 27, 580 George Street, Sydney, NSW 2000, or via the online meeting platform at <https://meetings.linkgroup.com/ELOScheme>.

The Rollover Shareholder Scheme Meeting is to be held immediately after the General Scheme Meeting at **11.00am (Sydney time) on Monday, 30 January 2023**. Rollover Shareholders will be able to attend and vote at the Rollover Shareholder Scheme Meeting in person at Level 27, 580 George Street, Sydney, NSW 2000.

If it becomes necessary or appropriate to make alternative arrangements for the holding of the Scheme Meetings, ELMO Shareholders will be given as much notice as possible. Any changes will be advised to the ASX and posted on the ELMO's website at <https://investors.elmosoftware.com.au/investors/>.

All ELMO Shareholders registered on the ELMO Share Register as at **7.00pm (Sydney time) on Saturday, 28 January 2023** will be eligible to vote at the relevant Scheme Meeting.

Further information on how to participate and vote in the relevant Scheme Meeting and ask questions during the relevant Scheme Meeting is set out in the Notice of General Scheme Meeting and the Notice of Rollover Shareholder Scheme Meeting (as applicable) and the Virtual Meeting Online Platform Guide which has been released to the ASX and is available for viewing and downloading at <https://investors.elmosoftware.com.au/investors/>.

## APPOINTING A PROXY

Shareholders are encouraged to lodge a proxy prior to the Scheme Meetings. ELMO Shareholders can do this online at (<https://investorcentre.linkgroup.com/>) or by requesting a hard copy Proxy Form from Link Market Services (by calling 1800 990 363) and returning it according to the instructions outlined on the Proxy Form.

To be effective, proxy appointments must be received by the ELMO Share Registry by **10.00am (Sydney time) on Saturday, 28 January 2023** (or, if the meeting is adjourned or postponed, no later than 48 hours before the resumption of the meeting in relation to the resumed part of the meeting).

For more information about your voting options, please refer to the Scheme Booklet (including the Notice of General Scheme Meeting and/or the Notice of Rollover Shareholder Scheme Meeting).

## FURTHER QUERIES AND SUPPORT

For more information, please refer to the Scheme Booklet. If you have any questions, or if you would like to obtain a hard copy of the Scheme Booklet and the Notice of General Scheme Meeting and/or the Notice of Rollover Shareholder Scheme Meeting, please contact the ELMO Shareholder Information Line on 1300 255 218 (within Australia) or +61 2 9066 4084 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

Yours sincerely,

Barry Lewin, Chairman

**ELMO Software Limited**