
PT BLINK LIMITED

ACN 613 446 003

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of PT Blink Limited will be held on Tuesday 14 September 2021 at 11 AM (Sydney time) as a virtual meeting.

Shareholders may participate in the General Meeting virtually. Further information on how to participate is set out in this Notice of Meeting and the Virtual Meeting Guide available on our website. Shareholders will not be able to attend the General Meeting at a physical location.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 0411 713 555

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II. IMPORTANT INFORMATION

A. RESOLUTION BY POLL

In accordance with clause 5.10 of the Company's Constitution, the Chair intends to call a poll on the Resolution proposed at the Meeting.

B. YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding, and your vote is important.

C. HOW TO VOTE

Shareholders may vote either:

1. before the general meeting by voting online through Boardroom Pty Ltd or by completing and returning the enclosed Proxy Form in one of the other ways specified below under the heading "Voting by Proxy" no later than 11 AM (Sydney time) on 12 September 2021; or
2. during the general meeting, using the online platform as set out below under the heading "Voting via the Online Platform".

D. VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the general meeting are those who are registered Shareholders as at 7pm (SYDNEY TIME) on 12 September 2021.

E. VOTING BY PROXY

You may appoint any person to attend the virtual Meeting and vote as your proxy, including the Chair. A proxy is not required to be a shareholder of the Company. A proxy form is enclosed with this Notice.

Unless the proxy is required by law to vote, the proxy may decide whether or not to vote on any particular item of business. If the appointment of proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. Any undirected proxies on a given resolution may be voted by the appointed proxy as they choose, subject to the voting exclusions described after each resolution.

A shareholder entitled to cast two or more votes may appoint two proxies. If you appoint two proxies, you may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number of votes is specified, each proxy may exercise half of your votes (disregarding fractions).

To vote using the proxy form, please complete and sign the proxy form enclosed and send the proxy form by:

- (a) post to Boardroom Pty Ltd Level 12/225 George St, The Rocks NSW 2000; or
- (b) email to the Company at brett.crowley@ptblink.com.au,

so that it is received not later than 11 AM (SYDNEY TIME) on 12 September 2021.

Proxy forms received later than this time will be invalid.

If the proxy form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

Chair's intention

The Chair intends to vote all valid undirected proxies received in favour of each resolution subject to the voting exclusions after each resolution.

III. NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of PT Blink Limited will be held at 11 AM (SYDNEY TIME) on 14 September 2021 as a virtual meeting.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

RESOLUTION – BUY-BACK OF SHARES

To consider and, if thought fit, to pass the following as a special resolution:

“That, for the purposes of Section 257D of the Corporations Act and for all other purposes, approval is given for PT Blink Limited to selectively Buy-back and cancel 30 million Shares held by Ilwella Pty Limited on the terms and conditions set out in the Explanatory Statement”.

Voting Exclusion

PT Blink Limited will disregard any votes cast in favour of the resolution by or on behalf of Ilwella Pty Limited or an associate of Ilwella Pty Limited. However, this does not apply to a vote cast in favour of a resolution by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in the nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD

**BRETT CROWLEY
COMPANY SECRETARY**

IV. EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held on 14 September 2021

This purpose of this Explanatory Statement is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution in the Notice of Meeting.

RESOLUTION – BUY-BACK OF SHARES

A. Background

Shareholders are asked to approve the selective buy-back of 30 million shares from Ilwella Pty Limited at 8.3c per share for a total consideration of \$2.5 million.

The buy-back is a component of a broader transaction, described below, whereby USA-based investors with a property and construction background will subscribe for convertible notes which, if certain conditions are met, will result in conversion into shares amounting to 19.9% of the expanded issued capital of the Company for total consideration of \$5 million.

The buy-back will be funded from the proceeds of the \$5 million share subscription.

B. Buy-back Agreement

On 16 August 2021, the Company entered into an agreement (**Buy-back Agreement**) with its second largest shareholder, Ilwella Pty Ltd (**Ilwella**), to buy-back (**Buy-back**) all of Ilwella's 30 million shares (**Buy-back Shares**) in the Company for \$2.5 million.

The Buy-back Agreement is conditional upon the shareholders of the Company passing a resolution pursuant to section 257A of the Corporations Act (**Act**) approving the Buyback.

On completion of the Buy-back, the Buy-back Shares will be cancelled pursuant to section 257H of the Act.

The amount payable to Ilwella on completion of the Buy-back Agreement be funded out of the \$5 million received by the Company pursuant to the share subscription agreement described in section C below.

C. Investment in Company by Shareholders of Holland Partner Group (HPG)

The Company has entered into a convertible note deed (**Deed**) with the investment entities (**Investors**) associated with the major shareholders of US-based Holland Partner Group (**HPG**).

HPG is a USA-based company involved in property development and construction. Further information regarding the Investors and HPG is set out in section I below.

The amount to be subscribed for new capital under the Deed is \$5 million. The Deed provides that the Company will use the \$5 million for two specific purposes:

1. to fund the Buy-back being the subject of the Resolution; and
2. expenditure of \$1 million for use in the business immediately, and the balance to be expended in accordance with the business plan described in point 2(b) of section D below.

D. Deed

Pursuant to the Deed, the Investors have at the date of this Notice subscribed a total of \$5 million in cash for convertible notes (**Notes**) on the following terms:

1. An amount of \$1 million has been paid to the Company for use in its day-to-day business.
2. An amount of \$4 million has been paid to a third party to be held in escrow to be released as follows:
 - a) an amount of \$2.5 million will be released to allow the Company to pay Ilwella the amount required to complete the Buy-back Agreement; and
 - b) an amount of \$1.5 million will be released to the Company for use in its day-to-day business upon the Company adopting a business plan (**Business Plan**) for the next five years which includes a commitment by the Company to assist HPG to secure building code approvals for the use of the Company's technology and systems in cities in the United States where HPG operates, to commit to the digitalisation of the Company's software and technology and to confirm the executive leadership team to manage the implementation of the business plan.

In the event that completion of the Buy-back Agreement does not occur within 45 days of the date of entering into the Buy-back Agreement, the amount of \$2.5 million held in escrow will be returned to the investors. Similarly, in the event that the Business Plan is not adopted by the Company within 90 days of entering into the Deed, the amount of \$1.5 million will remain owing to the Investors.

3. Upon completion of the requirements of the Buy-back Agreement and the Business Plan, the whole of the \$4 million held in escrow will be released and the Notes will convert into fully paid ordinary shares equivalent to 19.9% of the issued capital of the Company at the time of conversion.
4. Other material terms of the Deed include:
 - a) as soon as reasonably practicable, the Company and HPG are to negotiate in good faith and enter into the Commercial Agreement;
 - b) in the event that any ordinary shares (**New Shares**) are issued upon the exercise or conversion of the options and convertible notes currently on issue by the Company, additional shares (**Top-up Shares**) will be issued to the Investors at no consideration. The number of Top-up Shares to be issued will be the number that will result in the Investors owning the same proportion of shares in the Company both before and after the issue of the New Shares; and

(Note: the number of options and convertible notes currently on issue by the Company is set out in section G below).
 - c) Clyde Holland and Parker Holland will have board observation rights, and, following conversion of the Notes, the right to be appointed as Directors of the Company.

5. The material terms of the Commercial Agreement include:
 - a) the Company must work with HPG to develop markets for the Company's products and services in the United States of America and New Zealand;
 - b) the Company must assist HPG to secure such necessary building code approvals as HPG shall require; and
 - c) the Company must grant HPG "most favoured nations" pricing and other terms in relation to the proposed services and activities under the Commercial Agreement, and the Company must supply services to HPG to satisfy HPG's requirements before providing services to third parties.

E. Requirements of the Corporations Act in relation to the Buy-back

The Resolution seeks Shareholder approval to enable the Company to Buy-back and cancel the Buy-back Shares. Section 257D of the Act provides that the rules relating to share buy-backs are designed to protect the interests of shareholders and creditors by:

- a) addressing the risk of the transaction leading to the company's solvency;
- b) seeking to ensure fairness between the shareholders of the company; and
- c) requiring the company to disclose all material information.

In particular, Section 257A of the Act provides that a company may buy-back its own shares if:

- a) the buy-back does not materially prejudice the company's ability to pay its creditors; and
- b) the company follows the procedures laid down in Division 2 of Part 2J.1 of the Act.

The procedures required differ for each type of buy-back. The buy-back proposed in the Resolution is classified as a selective buy-back. Pursuant to Section 257D(1) of the Act, a selective share buy-back must be approved by either:

- a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by any person whose shares are to be bought back or by their associates; or
- b) a resolution agreed to, at a general meeting by all ordinary shareholders.

Pursuant to Section 257D(2) of the Act, the company must include with the notice of meeting a statement setting out all information known to the company that is material to the decision on how to vote on the resolution. However, the company does not have to disclose information if it would be unreasonable to require the company to do so because the company had previously disclosed the information to shareholders.

Section 257H(3) of the Act provides that immediately after the registration of the transfer to a company of shares bought back, the shares are cancelled.

F. Details of the Buy-back

ASIC Regulatory Guide 110 sets out the information ASIC expects a company to provide to shareholders with a notice of meeting proposing a selective buyback. This information, as it relates to the Buy-back proposed in the Resolution is set out below:

- a) The Company has 87,596,940 shares on issue at the date of this Notice.
- b) The number and percentage of shares to be bought back are 30,000,000 shares representing 34.248% of the shares on issue at the date of this Notice.
- c) The terms of the Buy-back are set out in the Buy-back Agreement with Ilwella, a summary of which is set out above.
- d) The consideration payable to Ilwella for the Buy-back Shares is \$2.5 million.
- e) The reason for the Buy-back is to facilitate the Investors becoming the second largest shareholder by subscribing \$5 million for the issue of new shares in the Company representing 19.9% of the Company's diluted issued capital at the time of issue. It is a condition of completion of the Deed that the Buy-back is completed.
- f) No Directors or related parties will participate in the Buy-back.
- g) The Buy-back will be funded out of the \$5 million received by the Company pursuant to the Deed.

- h) On completion of the Buy-back and the Deed, the Investors' subscription funds of \$5 million will be converted into shares amounting to 19.9% of the issued capital in the Company. The consideration for the Buy-back is \$2.5 million. As a result of the Buy-back and the subscription for additional shares in the Company by the Investors, shareholders' funds of the Company will increase by \$2.5 million.
- i) The Directors believe the advantages of the Buy-back are:
- i. Shareholders' funds will increase by a net amount of \$2.5 million on completion of the Buy-back and the subscription by the Investors.
 - ii. As there will be less shares on issue after completion of the Buy-back and the issue of the shares to the Investors, the proportion of ownership of all shareholders not participating in the Buy-back will increase. No current shareholders will be diluted.
 - iii. The Company, subject to also agreeing the Business Plan, will secure the Investors as shareholders. The Investors' intention upon becoming shareholders is to be able to procure, through HPG, a significant volume of new business for the Company from the licensing of the Company's technology.
- j) The Directors do not believe there are any disadvantages of the Buy-back.
- k) The Buy-back will have an effect on the control of the Company. Prior to the Buy-back, the largest shareholder in the Company, The Square Company Pty Ltd, holds 49.08% of the shares on issue. After the Buy-back and after the issue of new shares to the Investors, The Square Company Pty Ltd will hold 59.79% of the shares on issue.

G. Share structure before and after the Buy-back

Set out in the table below are the details of the shares on issue in the Company prior to the Buy-back and the shares on issue subsequent to the Buy-back and the issue of shares to the Investors:

Shares currently on issue	87,596,940
Less: Buy-back Shares	-30,000,000
Shares on issue after Buy-back	57,596,940
Issue of shares to the Investors (Note 1)	14,312,840
Shares on issue at completion of the Buy-back and issue of shares to the Investors	71,909,780

Note 1: the number of shares issued to the Investors may increase as a result of the issue of Top-up Shares, see section D.4.b) above.

The Company has on issue:

- 6,713,428 options which may be converted to shares at various exercise prices.
- 674,500 Convertible Notes which, on issue of the 14,312,840 new shares to the Investors, can be converted, at the election of the noteholders, into approximately 2.574 million shares.

H. Substantial Shareholders

Set out in the table below are the details of the substantial shareholders of the Company prior to the Buy-back and the substantial shareholders subsequent to the Buy-back and the subscription for shares by the Investors.

Substantial Shareholders	Current Shareholding	%	Shareholding after Buy-back and share subscription	%
The Square Company Pty Ltd	43,000,000	49.08	43,000,000	59.79
Ilwella Pty Limited	30,000,000	34.24	Nil	Nil
The Investors	Nil	Nil	14,312,840	19.9

I. About the Investors

The Investors are:

- a) VIG PTB Holdings, LLC, a Washington limited liability company. This company is controlled by Clyde Parker Holland Snr.
- b) Clyde Parker Holland III.

The Investors are entering into the Deed and the Commercial Agreement independently of each other and not jointly.

Clyde Parker Holland Jnr is the Chairman and CEO of HPG. He founded HPG in 2001.

Clyde Parker Holland III is Investment Manager at HPG.

HPG was founded in 2001 and is based in Washington state, USA. HPG is a fully-integrated real estate investment company involved in property development, construction, refurbishment, construction and property management. HPG currently employs over 750 team members. The value of the real property transacted by HPG typically exceeds US\$2.0 billion per year and HPG estimates that since establishment in 2001 it has completed development of over 50,000 apartment units with a transaction value exceeding US\$20 billion. Most of its projects are based in the high-growth Western U.S. markets including Seattle, Portland, Los Angeles, Denver, San Diego, and the San Francisco Bay Area.

The Investors intend to procure that HPG will utilise the technology of PT Blink in HPG's multi-storey building construction projects. The initial HPG projects to be undertaken are multi-storey property developments in the US and New Zealand.

J. Recommendation by Directors

The Directors of the Company have considered the basis on which a fair value of the consideration for the Buy-back should be determined.

In assessing the fair value, the Directors have considered a range of valuation methodologies including the following:

- the discounted cash flow method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets; and
- any recent genuine offer for securities in the Company.

In considering the above methodologies, the Directors have noted that:

- The Company is at an early stage of its development.
- Significant expenditure is required to further develop the Company's technology to its highest use.
- The Company has not derived a profit in any income year and is not yet cash flow positive from its operations.
- There is either a limited or non-existent market for the sale of the Company's assets which consist almost entirely of its intellectual property.

Accordingly, the Directors have determined that the most appropriate valuation method to assess the fair value of the Buy-back Shares is on the basis of a recent genuine offer being received for its securities.

There have been two such genuine offers:

- a) Between May and December 2020, arm's length investors subscribed \$674,500 for convertible notes which convert into fully paid ordinary shares in the Company at a conversion price of the lower of 35c per share and the amount which equals a 25% discount to the price at which shares in the Company are issued under a "capital event". A "capital event" will have occurred when an investor or investors subscribe for 10% or more of the shares in the Company. In the absence of a capital event, the noteholders may convert the convertible notes to shares in the Company at 35c per share.
- b) Pursuant to the Deed, the Investors have agreed to subscribe for new shares representing 19.9% of the issued capital of the Company at a share price of 34.9c per share.

The above two offers provide evidence for the Directors' determination that the fair value of the Company's shares based on recent genuine offers is a minimum of 34.9 cents per share.

The share price payable for the 30 million shares subject to the Buy-back Agreement is 8.3c per share.

The Directors unanimously recommend that shareholders vote in favour of the Resolution approving the Buy-back Agreement on the basis that the amount payable for the Buy-back Shares (8.3c) is significantly less than the fair value of the shares in the Company. The fair value of the shares is determined by the Directors as the amount payable for the shares pursuant to the Deed entered into with the Investors (34.9c).

ENQUIRIES

Shareholders are required to contact the Company Secretary on 0411 713 555 if they have any queries in respect of the matters set out in these documents.