



OFFER BOOKLET

Non-Renounceable Rights Issue

Fully underwritten 1 for 3.18618332 non-renounceable rights issue by UCW Limited ACN 108 962 152 of 25,000,000 new fully paid ordinary shares at \$0.16 per share to raise \$4,000,000, before costs.

Last date for acceptance and payment

5.00pm (AEST) on Wednesday, 20 June 2018

If you are an Eligible Shareholder (ie a Shareholder with registered address in Australia or New Zealand and hold Shares at the Record Date of 7.00pm (AEST) on Wednesday, 6 June 2018), this is an important document and requires your immediate attention. This document and the accompanying Entitlement and Acceptance Form should be read in their entirety. If you are in doubt about what to do, you should consult your professional adviser without delay.

8 June 2018

Dear Shareholder

NON-RENOUNCEABLE RIGHTS ISSUE

The directors (**Directors**) of UCW Limited ACN 108 962 152 (**Company**) are pleased to offer you the opportunity to participate in a 1 for 3.18618332 pro rata non-renounceable rights issue, as set out in this Offer Booklet.

The offer is available to all shareholders who are, as at 7.00pm (AEST) on Wednesday, 6 June 2018 (**Record Date**), registered (in accordance with the records of the Company's share registry) with a registered address in Australia or New Zealand (**Eligible Shareholders**).

1. Introduction

1.1 Key Details

As announced on 29 May 2018, the Company invites all Eligible Shareholders to participate in a fully underwritten non-renounceable rights issue on the basis of 1 new fully paid ordinary share in the Company (each, a **New Share**) for every 3.18618332 existing shares in the Company (each, a **Share**) held at an issue price of \$0.16 per New Share (**Issue Price**) (**Rights Issue**). Under the Rights Issue, the Company is seeking to raise \$4,000,000, before costs.

The funds raised under the Rights Issue will be used to pay part of the cash component payable by the Company for all of the shares in Proteus Technologies Pty Ltd ACN 112 989 581 (**Proteus Technologies**)¹, the corporate entity that owns and operates IKON Institute of Australia (**IKON Institute**). Further details in relation to the Company's proposed acquisition of IKON Institute can be found in the Company's announcement given to ASX on 29 May 2018.

As noted, the Rights Issue is being fully underwritten by Shaw and Partners Limited ACN 003 221 583 (**Underwriter**) pursuant to an underwriting agreement entered into between the Underwriter and the Company on 29 May 2018 (**Underwriting Agreement**).

The Company notes that all Directors and certain officers of the Company have committed to take up their pro rata entitlement under the Rights Issue (either directly or through associated shareholding entities) and that certain Directors and officers have also entered into sub-underwriting arrangements with the Underwriter whereby they have committed to apply for additional shares in the event of a Shortfall² (defined below) (again, either directly or through associated shareholding entities).

Furthermore, the Company notes that Global UCW Pty Limited and Global UCW No. 2 Pty Limited (together, **Global UCW**), the Company's largest shareholder, has committed to take up its pro rata entitlement under the Rights Issue³.

¹ As noted in the Company's announcement to ASX on 29 May 2018, the consideration payable by the Company for IKON Institute also includes a total of \$1,100,000 worth of New Shares to be issued at the greater of the (i) volume weighted average price of the Company's existing shares on ASX on the 20 trading days prior to the completion date for the acquisition and (ii) \$0.20.

² The Company, in consultation with the Underwriter, intends to allocate the Shortfall (if any) in the following order: (i) firstly, pro rata to Eligible Shareholders who apply for Additional New Shares and (ii) secondly, to the Underwriter (who will allocate any Shortfall to the sub-underwriters of the Rights Issue (including to the related party sub-underwriters noted in this Offer Booklet)).

³ Global UCW is not sub-underwriting any portion of the Rights Issue.

Any New Shares offered under the Rights Issue that are not applied for by Eligible Shareholders by the Closing Date will form part of the shortfall⁴ (**Shortfall**). The Directors reserve the right, subject to the *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules (**Listing Rules**), to allocate any Shortfall to Eligible Shareholders that apply for New Shares in addition to their Entitlement (**Additional New Shares**) (refer section 3.4).

The pro-forma consolidated balance sheet in Section 2.4 illustrates the effect of the Rights Issue on the Company.

1.2 Rights Issue pursuant to section 708AA of the Corporations Act

The Rights Issue is being conducted by the Company in accordance with section 708AA of the Corporations Act, without the issue of a prospectus or disclosure document under Chapter 6D of the Corporations Act. Accordingly, this Offer Booklet is not a prospectus, disclosure document or other offering document under the Corporations Act (or any other Australian or foreign law) and has not been (and will not be) lodged with the Australian Securities and Investments Commission (**ASIC**).

The Company is a disclosing entity for the purpose of section 111AC of the Corporations Act and as such it is subject to regular reporting and disclosure obligations under section 674 of the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX Limited (**ASX**) of information about specified events and matters as they arise for the purpose of ASX making that information available to the securities exchange conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately once it is or becomes aware of any information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

For the Company to rely on the disclosure exemption in section 708AA of the Corporations Act, the Company is required to lodge a "cleansing notice" under section 708AA(2)(f) of the Corporations Act. That notice is required to:

- (a) set out any information that has been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the New Shares; and
- (b) state the potential effect of the issue of the New Shares on the control of the Company and the consequences of that effect.

Neither ASX, ASIC nor the Underwriter takes any responsibility for the content of this Offer Booklet.

⁴ The Company, in consultation with the Underwriter, intends to allocate the Shortfall (if any) in the following order: (i) firstly, pro rata to Eligible Shareholders who apply for Additional New Shares and (ii) secondly, to the Underwriter (who will allocate any Shortfall to the sub-underwriters of the Rights Issue (including to the related party sub-underwriters noted in this Offer Booklet)).

1.3 Timetable

The Rights Issue is being conducted in accordance with the following timetable:

Event	Date
Announcement of Rights Issue and lodgement of Appendix 3B and section 708AA(2)(f) cleansing notice with ASX	Tuesday, 29 May 2018
Despatch of notice to securityholders	Wednesday, 30 May 2018
"Ex" Date (date from which Shares commence trading on ASX without an entitlement to participate in the Rights Issue)	Tuesday, 5 June 2018
Record Date (date for determining entitlements to participate in the Rights Issue)	7.00pm (AEST) on Wednesday, 6 June 2018
Despatch of this Offer Booklet and personalised Entitlement and Acceptance Form to Eligible Shareholders	Friday, 8 June 2018
Closing Date for acceptances	5.00pm (AEST) on Wednesday, 20 June 2018
New Shares quoted on a deferred settlement basis	Thursday, 21 June 2018
Notification to ASX of under subscriptions	Friday, 22 June 2018
Issue of New Shares and lodgement of an additional Appendix 3B (if necessary) with ASX and date on which deferred settlement trading in New Shares ends	Tuesday, 26 June 2018
New Shares commence trading on a normal ("T+2") settlement basis	Wednesday, 27 June 2018
Despatch of holding statements for New Shares	Thursday, 28 June 2018

This timetable is indicative only and subject to change. The Company, in consultation with the Underwriter, reserves the right, subject to the Corporations Act and Listing Rules, to change the dates, including the Closing Date and to accept late applications under the Rights Issue (either generally or in particular cases) without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for the issue of the New Shares.

2. Details of the Rights Issue

2.1 The Rights Issue

The Company is making an underwritten pro rata non-renounceable offer of New Shares to Eligible Shareholders to subscribe for 1 New Share for every 3.18618332 Shares held at the Record Date at the Issue Price. Fractional entitlements to New Shares will be rounded down to the nearest whole New Share.

Your entitlement to New Shares under the Rights Issue (**Entitlement**) is shown on the accompanying Entitlement and Acceptance Form. Details on how to accept your Entitlement (or part of it) are set out in section 3. This Offer Booklet will be mailed to Eligible Shareholders on or about Friday, 8 June 2018 together with a personalised Entitlement and Acceptance Form.

2.2 Size of the Rights Issue

The total number of New Shares that may be issued under the Rights Issue (which number includes the Shortfall (if any)) will be approximately 25,000,000 (with the exact number depending on the rounding up of individual holdings and whether any optionholders exercise options for the issue of Shares prior to the Record Date⁵).

The table below sets out, for illustrative purposes only, the existing capital structure (before the Rights Issue) together with the expected impact of the issue of the New Shares under the Rights Issue.

Shares	Number
Existing Shares as at Tuesday, 29 May 2018	79,654,583
Number of New Shares that will be issued under the Rights Issue	25,000,000
Number of Shares on issue following completion of the Rights Issue	104,654,583
Expected maximum number of Consideration Shares (defined over page) that may be issued to the vendors of IKON Institute in consideration for IKON Institute ⁶	5,500,000
Expected maximum number of Shares on issue following completion of the Rights Issue and the issue of Consideration Shares in consideration for IKON Institute	110,154,583

As the Rights Issue is fully underwritten, the expected effect of the Rights Issue will be to increase the number of Shares on issue in the Company by 25 million and increase the cash held by the Company by \$4,000,000 (before taking into account the expenses of the Rights Issue and the fact that these funds will be used to partially pay the purchase price payable for IKON Institute). Expenses of the Rights Issue are expected to be approximately \$230,000.

2.3 Use of funds of the Rights Issue

The purpose of the Rights Issue is to raise \$4,000,000 (before costs) to partly fund the cash component of the purchase price under the Share Sale Agreement. These funds are intended to be allocated as follows:

Allocation of funds raised under the Rights Issue	Amount \$ (maximum)
Cash component of the purchase price under the Share Sale Agreement	\$3,770,134
Costs of the Rights Issue (including the underwriting fee, legal fees, printing, mailing, ASX Fees and share registry)	\$229,866
Total	\$4,000,000

⁵ The maximum number noted in this paragraph assumes that no options over Shares are exercised before the Record Date. As at the date of this Offer Booklet, the Company has granted 18,704,813 unlisted options with exercise prices ranging from \$0.19746 to \$0.39746 per option and with expiry dates ranging from 30 June 2018 until 31 July 2021. If any of these options are exercised before the Record Date, the number of Shares on issue will increase and the number of New Shares issued under the Rights Issue will also increase. Further details of the terms of the options noted herein can be found in the Company's ASX announcement on 22 November 2017.

⁶ As the Consideration Shares (and Earn Out Shares, if applicable) will be issued after the Record Date they will not be entitled to participate in the Rights Issue.

IKON Institute Share Sale Agreement

As announced by the Company on 29 May 2018, the Company has entered into a put and call option agreement with Simon Paul and Rebecca Paul as trustees of the Paul Family Trust and Brad Richard Seaman, Simon Paul (in his own capacity) and Proteus Technologies to acquire 100% of the shares in Proteus Technologies, the corporate entity that owns and operates IKON Institute. Following the exercise of the put and call option agreement referred to above, these same parties will then enter into a further agreement to effect the acquisition of IKON Institute by the Company (**Share Sale Agreement**).

Completion of the Share Sale Agreement is subject to various conditions precedent required by the Company.

Subject to completion of the Share Sale Agreement (**Completion**), the purchase price payable on Completion is \$5,500,000. 80% of the total purchase price will be paid in cash and the balance in New Shares (**Consideration Shares**). The Consideration Shares will be issued to the vendors of IKON Institute at the greater of the volume weighted average Share price calculated over the 20 trading days on ASX prior to the Completion Date and \$0.20 and will be subject to a 12-month escrow period. Subject to Completion, the Consideration Shares will be issued without Shareholder approval within the Company's authorised capacity under the Listing Rules.

Under the Share Sale Agreement, the Company must, under certain circumstances (further details of which are set out in the Company's announcement dated 29 May 2018) also pay an earn out (**Earn Out**) of up to \$6.5 million which amount is also to be paid 80% in cash and 20% in Shares (**Earn Out Shares**). The Earn Out Shares (which will, if the agreed performance hurdles are achieved) be issued on or around 30 September 2019) will be issued at a price equivalent to the volume weighted average Share price calculated over the 20 trading days on ASX prior to the applicable Earn Out date (**Earn Out Date**) and will also be subject to a 12-month escrow period. Subject to fulfilment of the agreed performance hurdles, the Earn Out Shares will also be issued without shareholder approval within the Company's authorised capacity under the Listing Rules.

The \$4,000,000 million raised under the Rights Issue will be used to partly fund the cash component of the purchase price payable by the Company on completion of the Share Sale Agreement. The balance of the cash component of the purchase price payable at Completion will be funded from the Company's existing cash reserves.

If the acquisition under the Share Sale Agreement does not complete, the funds raised under the Rights Issue will be used for the Company's general working capital requirements and/or will be applied towards any future acquisition or other investment opportunities.

Completion of the Share Sale Agreement is conditional on each of the conditions precedent being fulfilled, or waived by the parties, on or before 30 September 2018 (or such other date as is agreed in writing between the parties). Assuming Completion of the Share Sale Agreement and assuming the purchase amount payable on Completion is \$5,500,000, a total of 5,500,000 Consideration Shares will be issued on Completion.

Assuming the Earn Out under the Share Sale Agreement is the maximum amount of \$6,500,000 (and the volume weighted average Share price calculated over the 20 trading days on ASX prior to the Earn Out Date is \$0.20), a further 6,500,000 Earn Out Shares will be issued on or around 30 September 2019 (or any other date agreed by the parties in writing)⁷.

⁷ The precise number of Earn Out Shares to be issued by the Company is subject to change and depends on a number of factors including the quantum of the Earn Out and the actual volume weighted price of the Shares over the 20 trading days prior to the Earn Out Date. References to \$0.20 are therefore for illustrative purposes only.

Following completion of the Rights Issue and subject to and following issue of 5,500,000 Consideration Shares and the 6,500,000 Earn Out Shares (which number assumes the agreed Earn Out performance hurdles are achieved and the deemed issue price for the Earn Out Shares is \$0.20), the Company would have on issue a total of 116,654,583 Shares.

2.4 Pro-Forma Balance Sheet

The following pro-forma consolidated balance sheet illustrates the expected effect of the Acquisition and the Rights Issue on the Company's financial position. It has been prepared based on the reviewed half-yearly financial statements for the Company and management prepared internal accounts for IKON Institute as at 31 December 2017. It is not intended to represent the financial position of the Company upon completion of the Rights Issue. It is provided as an illustration of the effect of the Rights Issue only. The actual impact on the Company is dependent on a range of factors, a number of which are outside the control of the Company.

The pro-forma balance sheet has been prepared to provide Eligible Shareholders with information on the pro-forma assets and liabilities of the Company. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Notes to the pro-forma balance sheet:

The consolidated balance sheet of 31 December 2017 has been extracted from the reviewed half-yearly financial statements for the Company together with the balance sheet of IKON Institute as at 31 December 2017 (extracted from the management accounts provided by the vendors of IKON Institute). No changes have been made to IKON Institute's balance sheet to match or align with the Company's accounting policies.

No account has been taken of any trading or transactions of the Company since 31 December 2017 except for the transactions noted below:

- (a) The adjustment to share capital reflects the issue of 25,000,000 New Shares pursuant to the Rights Issue less approximately \$229,866 costs of the Rights Issue.
- (b) The adjustment to share capital reflects the issue of 5,500,000 million Consideration Shares under the Share Sale Agreement.
- (c) The adjustment to the cash and cash equivalents figure comprises the gross cash proceeds from the Rights Issue, less the costs of the Rights Issue and transaction costs associated with the acquisition, the cash component of the purchase price payable by the Company on completion of the Share Sale Agreement to the IKON vendors, and the working capital adjustment that would have been payable to the IKON vendors in accordance with the Share Sale Agreement if completion occurred on 31 December 2017.

	UCW Dec'17 \$	IKON Dec'17 \$	Acquisition \$	Consolidation adjustments \$	Proforma combined Dec'17 \$
Current assets					
Cash and cash equivalents	4,138,947	1,704,467	(2,399,525)	-	3,443,888
Trade and other receivables	1,128,714	410,860	-	-	1,539,574
Inventories	6,190	-	-	-	6,190
Income tax receivable	-	-	-	-	-
Deferred tax asset	-	-	68,960	-	68,960
Other assets	411,056	198,769	-	-	609,825
Total current assets	5,684,907	2,314,095	(2,330,565)	-	5,668,437
Non-current Assets					
Trade and other receivables	241,446	-	-	-	241,446
Property, plant & equipment	1,020,348	211,253	-	-	1,231,601
Intangible assets	288,103	-	-	-	288,103
Deferred tax asset	461,828	-	-	-	461,828
Investment in associate	6,071,955	-	-	-	6,071,955
Investments	-	-	7,269,659	(7,269,659)	-
Goodwill on consolidation	1,314,720	-	-	5,398,147	6,712,867
Total non-current assets	9,398,400	211,253	7,269,659	(1,871,512)	15,007,800
Total Assets	15,083,307	2,525,348	4,939,094	(1,871,512)	20,676,237
Liabilities					
Current Liabilities					
Deferred revenue	3,175,423	42,200	-	-	3,217,623
Trade and other payables	1,284,389	344,521	-	-	1,628,910
Provision for onerous contracts	219,136	-	-	-	219,136
Provision for employee entitlements	179,004	248,467	-	-	427,471
Income tax liabilities	177,533	18,648	-	-	196,181
Total current liabilities	5,035,485	653,836	-	-	5,689,321
Non-current liabilities					
Borrowings	1,425,000	-	-	-	1,425,000
Deferred settlement	200,000	-	-	-	200,000
Provisions for employee entitlements	31,974	-	-	-	31,974
Deferred lease liability	14,165	-	-	-	14,165
Total non-current liabilities	1,671,139	-	-	-	1,671,139
Total liabilities	6,706,624	653,836	-	-	7,360,460
Net assets	8,376,683	1,871,512	4,939,094	(1,871,512)	13,315,777
Equity					
Issued capital	18,523,356	50	4,939,094	(50)	23,462,450
Reserves	171,988	-	-	-	171,988
Accumulated losses	(10,318,661)	1,871,462	-	(1,871,462)	(10,318,661)
Total equity	8,376,683	1,871,512	4,939,094	(1,871,512)	13,315,777

2.5 No rights trading

The Rights Issue is non-renounceable. Accordingly, there will be no trading of rights to subscribe for the New Shares (**Rights**) on ASX (and Rights may not be transferred or sold).

2.6 Underwriting

The Company has agreed to pay the Underwriter an underwriting fee of approximately \$180,000 (exclusive of GST) in consideration of the Underwriter performing its obligations under the Underwriting Agreement.

As is typical for agreements of this nature, the Underwriter may terminate its obligations under the Underwriting Agreement if certain circumstances (some of which must, in the reasonable opinion of the Underwriter, have or be likely to have, a materially adverse effect on the Rights Issue to permit the Underwriter to terminate) arise in relation to the Rights Issue. These circumstances include, without limitation:

- (a) the S&P/ASX 300 Index is at any time up to and including the settlement date for the Rights Issue at a level that is 10% (or more) below its level as at 5.00pm (AEST) on the trading day immediately preceding the date of the Underwriting Agreement (and remains below that level for a period of three consecutive trading days or until the close of business on the day prior to the Closing Date);
- (b) the Offer Booklet (or any of the other documents issued by the Company in connection with the Rights Issue) is or becomes false, misleading or deceptive (including by way of omission);
- (c) the Offer Booklet (or any of the other documents issued by the Company in connection with the Rights Issue) does not contain all information required to comply with the Corporations Act and all other applicable laws;
- (d) the Offer Booklet (or any of the other documents issued by the Company in connection with the Rights Issue) or any aspect of the Rights Issue does not or ceases to comply in any respect with the Corporations Act or the Listing Rules;
- (e) there is a material adverse change, or any development involving or that may result in a prospective material adverse change, in the condition, financial or otherwise, or in the assets, liabilities, earnings, business, results of operations, management or prospects of the Company or any of its subsidiaries, or affecting or relating to the industry in which the Company or any of its subsidiaries operate, from that known or disclosed to the Underwriter prior to the date of the Underwriting Agreement or disclosed in the Offer Booklet (or any of the other documents issued by the Company in connection with the Rights Issue);
- (f) ASX does not approve the granting of official quotation to the New Shares unconditionally (or grants official quotation to the New Shares subject to conditions that are unacceptable to the Underwriter (acting reasonably)) before 10.00am on the date on which the New Shares are expected to be issued or if granted by ASX, any such approval is subsequently withdrawn or qualified (other than by conditions acceptable to the Underwriter (acting reasonably));
- (g) an event specified in the timetable set out in the Underwriting Agreement is delayed for more than five business days without the prior written consent of the Underwriter;
- (h) the Company fails to perform or observe any of its material obligations under the Underwriting Agreement or there is a breach of any material representation or warranty given by the Company under the Underwriting Agreement; and
- (i) the Company or any of its subsidiaries contravenes:
 - (i) any law, regulation, authorisation, ruling, consent, judgment, order or decree of any applicable government agency (including any legally binding requirement of ASIC or ASX);
 - (ii) the Company's constitution or another constituent document;
 - (iii) the Listing Rules;
 - (iv) any contract which is material to the business of the Company or any of its subsidiaries (as applicable).

Furthermore, subject to the certain customary "permitted exceptions" the Underwriting Agreement restricts the Company, without the Underwriter's consent, from issuing equity securities for a period of 6 months after the Closing Date. The "permitted exceptions" include the issue of Shares pursuant to an employee incentive scheme or on the conversion of any options on issue before the date of the Underwriting Agreement.

2.7 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application under your Entitlement and Acceptance Form once it has been received by the Company.

2.8 Potential effect on control

Eligible Shareholders who take up their Entitlements in full should not have their interest in the Company diluted by the Rights Issue (subject to immaterial movements as a result of rounding of Entitlements).

The following persons are Shareholders holding 5% or more of the Shares:

Name	Number of Shares before Rights Issue	Percent of Shares before Rights Issue
Global UCW	24,819,168	31.16%
ABD UCW Pty Ltd (entity controlled by Adam Davis, Managing Director and Chief Executive Officer) (ABD UCW)	5,822,959	7.31%
Matthew Crawford Reede (Reede)	4,879,352	6.13%

So far as the Company is aware and based on substantial holding notices that have been lodged prior to the date of this Offer Booklet, other than Global UCW there are no Shareholders with voting power of 20% or more in the Company.

The Company notes that all Directors and certain officers of the Company have committed to take up their pro rata entitlement under the Rights Issue (either directly or through associated shareholding entities) and certain Directors and officers have also entered into sub-underwriting arrangements with the Underwriter whereby they have committed to apply for additional New Shares in the event of a Shortfall⁸ (again, either directly or through associated shareholding entities).

Furthermore, the Company notes that Global UCW, the Company's largest shareholder, has committed to take up its pro rata entitlement under the Rights Issue so as to maintain its interest in the Company at approximately 31.16%⁹.

The potential effect of the issue of New Shares under the Rights Issue on the control of the Company is as follows:

- (a) If all Eligible Shareholders take up their Entitlements under the Rights Issue, then the Rights Issue will have no significant effect on the control of the Company. In this scenario, the substantial holders and related party sub-underwriters noted above will, on completion of the Rights Issue, continue to hold their respective percentage interests in the Company as they held immediately prior to the announcement of the Rights Issue.

⁸ The Company, in consultation with the Underwriter, intends to allocate the Shortfall (if any) in the following order: (i) firstly, pro rata to Eligible Shareholders who apply for Additional New Shares and (ii) secondly, to the Underwriter (who will allocate any Shortfall to the sub-underwriters of the Rights Issue (including to the related party sub-underwriters noted in this Offer Booklet)). If there is a Shortfall remaining after making these allocations, the Underwriter would be obliged to subscribe (or procure subscriptions for) the remainder of any such Shortfall.

⁹ Global UCW is not sub-underwriting any portion of the Rights Issue.

- (b) If some Eligible Shareholders do not take up all of their Entitlements under the Rights Issue, then the interests of those Eligible Shareholders will be diluted.
- (c) The proportional interests of Shareholders with registered addresses outside of Australia and New Zealand (if any), will be diluted because such ineligible foreign Shareholders are not entitled to participate in the Rights Issue.
- (d) If the substantial Shareholders noted above take up their full Entitlements and the related party sub-underwriters take up their full entitlements and, because no other Eligible Shareholders participate in the Rights Issue, they are also allocated their full sub-underwriting commitment, then the voting power of Global UCW, ABD UCW, Reede, Mobbs (defined below) and Pager (defined below) in the Company will change as shown below:

Name	Number of Shares before Rights Issue	Percent of Shares before Rights Issue	Number of Shares held after taking up full Entitlement (and in the case of ABD UCW, Peter Mobbs and Jonathan Pager, after also being allocated their full sub-underwriting commitment) (with no Eligible Shareholder taking up any of their Entitlements)	Percent of Shares after Rights Issue ¹⁰
Global UCW	24,819,168	31.16%	32,608,791	29.60%
ABD UCW	5,822,959	7.31%	7,715,836	7.00%
Reede	4,879,352	6.13%	6,410,762	5.82%
Peter Mobbs (non-executive Director) (Mobbs)	2,243,271	2.82%	4,118,271	3.74%
Jonathan Pager (non-executive Director) (Pager)	1,021,404	1.28%	1,396,403	1.27%

- (e) The Company does not expect the Rights Issue to give rise to any material effect on the control of the Company. Furthermore, the Directors will not offer any of the Shortfall to Eligible Shareholders, new investors or the related party sub-underwriters referred to above if doing so would result in those persons having voting power of 20% or more in the Company.

The tables below set out the possible impact of the Rights Issue on the control of the Company based on different participation rates by Eligible Shareholders.

¹⁰ The percentages noted here take into account the issue of the Consideration Shares.

25% of Entitlements are taken up by other Eligible Shareholders

Name	Number of Shares held before Rights Issue	Percent of Shares before Rights Issue	Number of Shares held after taking up full Entitlement (and in the case of ABD UCW, Mobbs and Pager, after also being allocated their full sub-underwriting commitment) (with only 25% of Eligible Shareholders taking up their Entitlements)	Percent of Shares after Rights Issue ¹⁰
Global UCW	24,819,168	31.16%	32,608,791	29.60%
ABD UCW	5,822,959	7.31%	7,699,508	6.99%
Reede	4,879,352	6.13%	6,410,762	5.82%
Mobbs	2,243,271	2.82%	3,825,537	3.47%
Pager	1,021,404	1.28%	1,382,796	1.26%

50% of Entitlements taken up by other Eligible Shareholders

Name	Number of Shares held before Rights Issue	Percent of Shares before Rights Issue	Number of Shares held after taking up full Entitlement (and in the case of ABD UCW, Mobbs and Pager, after also being allocated their full sub-underwriting commitment) (with only 50% of Eligible Shareholders taking up their Entitlements)	Percent of Shares after Rights Issue ¹⁰
Global UCW	24,819,168	31.16%	32,608,791	29.60%
ABD UCW	5,822,959	7.31%	7,683,180	6.97%
Reede	4,879,352	6.13%	6,410,762	5.82%
Mobbs	2,243,271	2.82%	3,532,802	3.21%
Pager	1,021,404	1.28%	1,369,190	1.24%

75% of Entitlements taken up by other Eligible Shareholders

Name	Number of Shares held before Rights Issue	Percent of Shares before Rights Issue	Number of Shares held after taking up full Entitlement (and in the case of ABD UCW, Mobbs and Pager, after also being allocated their full sub-underwriting commitment) (with 75% of Eligible Shareholders taking up their Entitlements)	Percent of Shares after Rights Issue ¹⁰
Global UCW	24,819,168	31.16%	32,608,791	29.60%
ABD UCW	5,822,959	7.31%	7,666,852	6.96%
Reede	4,879,352	6.13%	6,410,762	5.82%
Mobbs	2,243,271	2.82%	3,240,068	2.94%
Pager	1,021,404	1.28%	1,355,583	1.23%

Each of Simon Paul and Rebecca Jane Paul as joint trustees of the Paul Family Trust, and Brad Richard Seaman, together the sellers of the shares of IKON Institute, under the Share Sale Agreement, will in total acquire, subject to Completion, 5,500,000 Consideration Shares and 6,500,000 Earn Out Shares (assuming the Earn Out amount is the maximum amount and the Earn Out Shares are issued at \$0.20 each¹¹), being approximately 10.29% of the Company's Shares post completion of the Rights Issue and after completion of the Share Sale Agreement.

2.9 ASX quotation of New Shares

The Company has made an application to ASX for the New Shares to be granted quotation on ASX. If that permission is not granted by ASX, the Company will not issue any New Shares and all application monies received will be refunded (without interest) in full to the applicants. The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

Trading of the New Shares will, subject to ASX approval, occur on or about the date specified in the timetable in Section 1.3.

2.10 Issue of New Shares

Subject to the New Shares being granted quotation on ASX, the New Shares will be issued, and holding statements despatched, in accordance with the timetable in Section 1.3. It is expected that New Shares will be issued on 26 June 2018, and that updated holding statements for the New Shares will be despatched on or after 28 June 2018.

¹¹ The precise number of Earn Out Shares to be issued by the Company is subject to change and depends on a number of factors including the quantum of the Earn Out and the actual volume weighted price of the Shares over the 20 trading days prior to the Earn Out Date. References to \$0.20 are therefore for illustrative purposes only.

2.11 Eligible Shareholders

The Rights Issue is being made to all Eligible Shareholders who are, as at 7.00pm (AEST) on the Record Date, registered (in accordance with the records of Link Market Services Limited, the Company's share registry (**Share Registry**)) with a registered address in Australia or New Zealand. This Offer Booklet and a personalised Entitlement and Acceptance Form will only be sent to Eligible Shareholders.

The offer contained in this Offer Booklet to Eligible Shareholders with registered addresses in New Zealand is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand)*. Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for New Shares.

The Company reserves the right to reject any Entitlement and Acceptance Form that it believes come from a person who is not an Eligible Shareholder.

Ineligible Shareholders

In accordance with ASX Listing Rule 7.7.1 and Section 9A of the Corporations Act, the Company has decided that it is unreasonable to extend the Rights Issue to any Shareholder with a registered address outside Australia or New Zealand as at the Record Date (**Ineligible Shareholder**), having regard to:

- (a) the number of Shareholders with addresses outside of Australia or New Zealand;
- (b) the number and value of the New Shares those Shareholders would be offered under the Rights Issue; and
- (c) the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, the Rights Issue is not being extended to, and does not qualify for distribution or sale by or to, and no New Shares will be issued to, Shareholders having registered addresses outside Australia or New Zealand.

To the extent that there are any Ineligible Shareholders registered at the Record Date, the Company will send details of the Rights Issue to each Ineligible Shareholder and advise each Ineligible Shareholder that they will not be offered New Shares under the Rights Issue.

2.12 Overseas Shareholders

This Offer Booklet does not, and is not intended to, constitute an offer or invitation in the United States, to any US person, to any person acting for the account or benefit of a person in the United States, or in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

The distribution of this Offer Booklet in jurisdictions outside of Australia or New Zealand may be restricted by law and persons who come into possession of this offer should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken by the Company to register the New Shares or otherwise permit an offering of the New Shares in any jurisdiction other than Australia or New Zealand. Eligible Shareholders holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Rights Issue does not breach regulations in the relevant overseas jurisdiction.

The New Shares have not been and will not be registered under the US Securities Act of 1933 or the securities laws of any state or jurisdiction in the United States and may only be

offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

Eligible Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how to proceed. The Rights Issue is being made to all Eligible Shareholders. Neither the Company nor the Underwriter is required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Rights Issue is compatible with applicable foreign laws.

Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Rights Issue and the nominee must not take up any Entitlement or send any materials into the United States or to any person that is, or is acting for the account or benefit of, a U.S. person.

It is the responsibility of a Shareholder to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company and the Underwriter as a representation that there has been no breach of such laws and that the applicant is an Eligible Shareholder.

2.13 Rights and liability attaching to New Shares

The New Shares will, from issue, rank equally with existing Shares. Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours or on request from the Company Secretary, Lyndon Catzel, who can be contacted on +61 2 9112 4540.

2.14 Costs of the Rights Issue

It is expected that the costs of the Rights Issue will be approximately \$230,000 (excluding GST).

2.15 Privacy Act

If you complete an application for New Shares, you will be providing personal information to the Company (directly or via the Share Registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Share Registry if you wish to do so at the relevant contact numbers set out in the Entitlement and Acceptance Form.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for New Shares, the Company may not be able to accept or process your application.

3. Action required by Shareholders

3.1 Your choices

The accompanying Entitlement and Acceptance Form details the number of New Shares to which you are entitled. You may:

- (a) **take up your Entitlement in full** (refer to section 3.2);
- (b) **take up part of your Entitlement** and allow the balance to form part of the Shortfall (refer to section 3.3);
- (c) **take up your Entitlement in full and apply for Additional New Shares** (refer to section 3.4); or
- (d) **not take up any of your Entitlement** and allow all of your Entitlement to form part of the Shortfall (refer to section 3.5).

You cannot sell or transfer any of your Entitlement to another person.

That part of your Entitlement not taken up will form part of the Shortfall.

The issue price of any New Shares offered pursuant to the Shortfall will be \$0.16 per New Share, being the same as the Issue Price under the Rights Issue.

The Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date. In this case, any application monies will be returned (without interest).

3.2 Take up all of your Entitlement

If you wish to take up your Entitlement in full, complete the Entitlement and Acceptance Form in accordance with the instructions set out on the form and forward it, together with your application monies in accordance with section 3.8 for the amount shown on the form, to reach the Share Registry by 5.00pm (AEST) on the Closing Date.

3.3 Take up part of your Entitlement

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and forward it, together with your application monies in accordance with section 3.8, to reach the Share Registry by 5.00pm (AEST) on the Closing Date. In this case, the New Shares not taken up by you will form part of the Shortfall.

3.4 Take up all of your Entitlement and apply for New Shares additional to your Entitlement

If you wish to take up your Entitlement in full and apply for Additional New Shares (ie New Shares in addition to your Entitlement), complete the Entitlement and Acceptance Form in accordance with the instructions set out on the form and forward it, together with your application monies in accordance with section 3.8 for the amount shown on the form, to reach the Share Registry by 5.00pm (AEST) on the Closing Date. The Company will determine the allocation of any Additional New Shares under the Shortfall offer subject to the Corporations Act and Listing Rules. Accordingly there is no guarantee that Eligible Shareholders will receive any or all of the Additional New Shares that they apply for.

3.5 Not take up any of your Entitlement

If you do not wish to accept any part of your Entitlement, you do not need to take any further action. In this case, your whole Entitlement will lapse and will form part of the Shortfall.

3.6 Allocation of Shortfall

The Company, in consultation with the Underwriter, intends to allocate the Shortfall (if any) in accordance with the following order of priorities:

- (a) firstly, pro rata to Eligible Shareholders who apply for Additional New Shares; and
- (b) secondly, to the Underwriter who will allocate any Shortfall to the sub-underwriters of the Rights Issue (including to the related party sub-underwriters noted in this Offer Booklet).

If there is a Shortfall remaining after making these allocations, the Underwriter would be obliged to subscribe (or procure subscriptions for) the remainder of any such Shortfall.

3.7 Acceptance of your Entitlement

The method of acceptance of your Entitlement will depend on your method of payment being by cheque, bank draft, BPAY® or money order.

By completing and returning your personalised Entitlement and Acceptance Form, you will be deemed to have represented that you are an Eligible Shareholder.

3.8 Payment for New Shares

The Issue Price for each New Share accepted under your Entitlement is payable on application. Payment by cheque, bank draft, money order or by BPAY® will be accepted.

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions set out on that form and return it to the address specified on the form accompanied by a cheque, bank draft or money order in Australian currency for the amount of the application monies, payable to "UCW Limited" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- (a) for an amount equal to \$0.16 multiplied by the number of New Shares (and Additional New Shares, if applicable to you) that you are applying for; and
- (b) in Australian currency drawn on an Australian branch of a financial institution.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) you are deemed to have applied for such whole number of New Shares that is covered in full by your Application Monies, whether that number is less than, equal to, or more than your Entitlement.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

You should ensure that sufficient funds are held in the relevant account(s) to cover the application monies. If the amount of your cheque for application monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared application monies will pay for (and taken to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

All payments must be in Australian currency. Other currencies will not be accepted. Cash payments will not be accepted. Other currency or cash payments will be returned to the applicant and the acceptance will be deemed invalid. The amount payable on application will be deemed not to have been received until the Company's receipt of clear funds.

Receipts for payment will not be issued.

Application monies will be held on trust for applicants until the issue of the New Shares. Any application monies received for more than your final allocation of New Shares will be refunded (except when the amount is less than \$2.00, in which case it will be retained by the Company) on or around 26 June 2018.

No interest will be paid on any application monies received or refunded. Interest earned on application monies will be for the benefit of the Company and will be retained by it whether or not issue takes place.

3.9 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Booklet and, once lodged, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

3.10 Representations by Acceptance

By completing and returning your personalised Entitlement and Acceptance Form, you will be deemed to have represented to the Company that you are an Eligible Shareholder and that you:

- (a) acknowledge that you have read and understand this Offer Booklet and your Entitlement and Acceptance Form in its entirety;
- (b) agree to be bound by the terms of the Rights Issue, the provisions of this Offer Booklet and the Company's constitution;
- (c) authorise the Company to register you as the holder of New Shares issued to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you are at least 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;

- (f) acknowledge that once the Company receives your Entitlement and Acceptance Form or any payment of application monies, you may not withdraw your application or funds except as allowed by law;
- (g) agree to apply for and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any application monies, at the Issue Price per New Share;
- (h) authorise the Company, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your Entitlement and Acceptance Form;
- (i) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (j) acknowledge that the information contained in this Offer Booklet and your Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (k) acknowledge that investments in the Company are speculative and involve risks;
- (l) acknowledge that neither the Company nor the Underwriter or any of their related bodies corporate and affiliates or their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (m) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Rights Issue and of your holding of Shares on the Record Date;
- (n) authorise the Company and the Underwriter to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- (o) represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Rights Issue as an Eligible Shareholder and you represent and warrant to the Company and the Underwriter that there has been no breach of such laws or regulatory requirements; and
- (p) you understand and acknowledge that neither the Rights Issue nor the New Shares have been, or will be, registered under the U.S. Securities Act or any US State or other securities laws in any jurisdiction, and may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

3.11 Brokerage

No brokerage is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for an Entitlement.

3.12 Governing law

This Offer Booklet and the contracts which arise on the acceptance of applications are governed by the laws applicable in New South Wales and each applicant submits to the non-exclusive jurisdiction of the courts of New South Wales.

4. General information regarding the Rights Issue

4.1 Risks

An investment in New Shares (and, if applicable to you, Additional New Shares) should be regarded as speculative and involves many risks.

Eligible Shareholders intending to participate in the Rights Issue should refer to the announcements made by the Company to the ASX. This information is available from the ASX website: www.asx.com.au (ASX code: UCW). Copies of the announcements are also available from the Company Secretary on request.

Shareholders should consider the investment in the context of their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Shareholder should consult their own stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest in the New Shares (and, if applicable to you, Additional New Shares).

Neither the New Shares (nor the Additional New Shares, if applicable) carry a guarantee with respect to the payment of dividends, returns of capital or the market value or liquidity of those Shares.

Eligible Shareholders should be aware that there are risks associated with investment in shares of companies listed on a stock exchange. The value of securities can be expected to fluctuate depending on various factors including the general condition of the Australian economy, general worldwide economic and political conditions, changes in government policies, taxation changes and legislative or regulatory changes, investor sentiment, inflation levels, movements in the price of shares, movements in interest rates and stock markets, commodity prices, industrial disruption, environmental impacts, international competition, and other factors which may affect the Company's financial performance and position. Many of these factors are beyond the control of the Company and the Company cannot, to any degree of certainty, predict how they will impact on the Company. Accordingly, assuming that the New Shares (and if applicable, the Additional New Shares) are granted official quotation by ASX, they may trade on ASX at higher or lower prices than the Issue Price.

The information in this Offer Booklet does not constitute a recommendation to subscribe for New Shares (or Additional New Shares) and this Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares (and if applicable, the Additional New Shares). You should make your assessment of what information is relevant to your decision to participate in the Rights Issue.

4.2 Tax consideration for investors

You should be aware that there may be taxation implications associated with participating in the Rights Issue. The Directors consider that it is not appropriate to give advice regarding the taxation consequences of subscribing for New Shares (and if applicable to you, the Additional New Shares) or the subsequent disposal of any such Shares. The Company, its advisers and its officers do not accept any responsibility or liability for any taxation consequences to Shareholders. The Directors recommend that all Shareholders consult their own professional tax advisers in connection with subscribing for, or subsequent disposal of, New Shares (and if applicable, the Additional New Shares).

4.3 Enquiries

If you have any questions regarding the Rights Issue, please do not hesitate to contact Lyndon Catzel, Company Secretary on +61 2 9112 4540 or contact your stockbroker or professional adviser.