



UCW Limited (ASX:UCW)
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30 May 2018

Dear Shareholder

Notice in relation to Rights Issue

On 29 May 2018, UCW Limited ACN 108 962 152 (**Company**) announced a fully underwritten 1 for 3.18618332 non-renounceable rights issue of 25,000,000 new fully paid ordinary shares in the Company (each, a **New Share**) at \$0.16 per New Share (**Issue Price**) to raise \$4,000,000 before costs (**Rights Issue**).

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**).

IKON Institute is a Registered Training Organisation and Higher Education Provider that offers a range of qualifications in the field of Community Services to both domestic and international students. The acquisition of IKON Institute broadens UCW's business operations into the Higher Education sector, in line with its corporate strategic plan. 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.

Under the Rights Issue, New Shares will be offered 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**).

Eligible Shareholders will also be offered the opportunity to apply for additional New Shares (**Additional New Shares**) above their entitlement from any shortfall that may arise under the Rights Issue (**Shortfall**)².

The Rights Issue is being fully underwritten by Shaw and Partners Limited ACN 003 221 583 (AFSL 236048) (**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 of the Company (**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 Shortfall (again, either directly or through associated shareholding entities).

Further details are contained in the offer booklet (**Offer Booklet**) which is expected to be mailed to Eligible Shareholders on Friday, 8 June 2018. The Offer Booklet is also available on the Company's announcements platform at www.asx.com.au (ASX Code: UCW).

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.

Shares purchased on-market on or after the “Ex Date” of Tuesday, 5 June 2018 will not carry an entitlement to participate in the Rights Issue. If you have any doubt, please consult your broker. Entitlements to New Shares pursuant to the Rights Issue are non-renounceable and accordingly, those entitlements are not transferrable and nor will there be any rights trading.

Details of the Rights Issue are contained in the Appendix 3B which was given to ASX by the Company on Tuesday, 29 May 2018.

If the acquisition of IKON Institute does not complete for any reason, the funds raised under the Rights Issue will be used for general working capital purposes of the Company and/or will be applied towards any future acquisition or other investment opportunities.

Key dates of the Rights Issue

The expected timetable for the Rights Issue is shown below:

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 the 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.

An application for New Shares under the Rights Issue may only be made by completing the Entitlement and Acceptance Form which accompanies the Offer Booklet. Eligible Shareholders should read the Offer Booklet in its entirety.

Ineligible Foreign Shareholders

In accordance with ASX Listing Rule 7.7.1 and Section 9A of the Corporations Act, the Company advises that it has decided that it is unreasonable to make the Rights Issue to registered shareholders on the Record Date with a registered address outside of Australia or New Zealand (**Ineligible Foreign Shareholders**), having regard to:

- the small number of shareholders with addresses outside of Australia or New Zealand;
- the small number and value of the New Shares those shareholders would be offered; and
- the cost of complying with the legal requirements, and requirements of regulatory authorities in each of the countries concerned.

Accordingly, the Rights Issue will not be made to Ineligible Foreign Shareholders.

Contact

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.

Thank you for your continuing support of the Company.

Yours faithfully



Lyndon Catzel
Company Secretary

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 by the Company 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 letter)).

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