

21 December 2021

Dear Shareholders,

Re: IOUpay Limited – Notice of Annual General Meeting

IOUpay Limited (ASX: **IOU** or '**the Company**') advises that an Annual General Meeting (the **Meeting**) has been called for 2:00pm AEDT on Thursday 27 January 2022. The meeting is to be held at Thomson Geer Lawyers, Level 14, 60 Martin Place, Sydney NSW 2000.

In accordance with section 253RB of the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from the Company's website at <https://ioupay.com/>.

In light of the COVID-19 pandemic, the Company will adhere to all social distancing measures prescribed by government authorities at the Meeting, and Shareholders attending the Meeting will need to ensure they comply with all protocols. We are concerned for the safety and health of all our shareholders so we have put in place certain protocols and will not allow non-shareholder visitors to attend.

In person attendance at this Meeting will be subject to all government COVID-19 requirements and admittance to the venue will be at the discretion of the meeting venue in accordance with these requirements.

Due to the above limited attendance capacity, the Company encourages all shareholders to vote online at <https://investor.automic.com.au/#/home> or by lodging the attached proxy form.

The Company will continue to closely monitor guidance from government authorities for any impact on the proposed Meeting arrangements and advise shareholders by way of announcement on the ASX at <https://www2.asx.com.au/markets/company/iou>. If the situation in relation to COVID-19 changes in a way that affects the ability to conduct an in-person meeting, the Company reserves the right to hold the AGM as an entirely virtual meeting.

The Directors of the Company appreciate your understanding under the current circumstances.

For and on behalf of the Board,

Lee Chin Wee
Chairman

IOUPAY LIMITED

ACN 091 192 871

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm (AEDT)

DATE: Thursday, 27 January 2022

PLACE: Thomson Geer Lawyers
Level 14/ 60 Martin Place
Sydney NSW 2000

This Notice of Meeting should be read in its entirety. Shareholders in doubt as to how they should vote 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 02 8296 0000.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of IOUpay Limited (**Company** or **IOUpay**) will be held at Thomson Geer Lawyers, Level 14, 60 Martin Place, Sydney NSW 2000 on Thursday, 27 January 2022, at 2:00pm (AEDT).

The Explanatory Statement that accompanies and forms part of this Notice of Meeting sets out the background information on the Resolutions to be considered. The Proxy Form also forms part of this Notice of Meeting.

This Notice of Meeting, Explanatory Statement and Proxy Form should be read in their entirety.

YOUR VOTE IS IMPORTANT

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

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 Meeting are those who are registered Shareholders of the Company as at 2:00pm (AEDT) on 25 January 2022.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed/attached Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
 - the proxy need not be a Shareholder of the Company; and
 - a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
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A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name and title of the individual representative of the body corporate for the Meeting.

A Proxy Form accompanies this notice. If a Shareholder wishes to appoint more than 1 proxy, they may make a copy of the Proxy Form attached to this Notice. For the Proxy Form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Broadly, these provisions provide that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
- if the proxy is the Chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the company's shareholders;
- the appointed proxy is not the Chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; and
 - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at that meeting.

Proxy Voting by the Chair

If you complete a Proxy Form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on the Resolution. In accordance with this express authority provided by you, the Chair will vote in favour of the Resolution. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

CORPORATE REPRESENTATIVES

Any corporation which is a Shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the Constitution. Attorneys are requested to bring an original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity is also required for corporate representatives and attorneys.

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Statements, the Directors' Report and the audit report of the Company for the year ended 30 June 2021.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as set out in the Directors' Report for the financial year ended 30 June 2021."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion statement

The Company will disregard any votes cast on Resolution 1 by any member of the Key Management Personnel of the Company whose remuneration is included in the Remuneration Report, or a closely related party of such member, regardless of the capacity in which the vote is cast.

However, the Company will not disregard any votes cast on Resolution 1 by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair of the Meeting voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected with the remuneration of the Key Management Personnel of the Company.

If you are a member of the Key Management Personnel of the Company or a closely related party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2: RE-ELECTION OF MR KWONG YANG CHONG

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That Kwong Yang Chong, being a Director of the Company, who retires by rotation in accordance with clause 16.1 of the Company's Constitution, and offers himself for re-election, be re-elected as a Director of the Company."

4. RESOLUTION 3: RE-ELECTION OF MR KHAIRUL IDHAM ISMAIL

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That Khairul Idham Ismail, being a Director of the Company, who retires in accordance with clause 13.2 of the Company's Constitution and ASX Listing Rule 14.4, and offers himself for re-election, be elected as a Director of the Company."

5. RESOLUTION 4: RE-ELECTION OF MR BYUNG MOO SHIN

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That Byung Moo Shin, being a Director of the Company, who retires in accordance with clause 13.2 of the Company's Constitution and ASX Listing Rule 14.4, and offers himself for re-election, be elected as a Director of the Company."

6. RESOLUTION 5: RE-ELECTION OF MR PAUL RUSSELL

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That Paul Russell, being a Director of the Company, who retires in accordance with clause 13.2 of the Company's Constitution and ASX Listing Rule 14.4, and offers himself for re-election, be elected as a Director of the Company."

7. RESOLUTION 6: RATIFICATION OF PRIOR ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue of 100,000,000 Shares to Placement Participants at an issue price of \$0.50 be ratified on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Placement Participants or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as 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;
- (b) 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
- (c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an

- associate of a person excluded from voting, on the Resolution;
and
- (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

8. RESOLUTION 7: ISSUE OF PERFORMANCE OPTIONS TO MR. LEE CHIN WEE

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, Shareholders approve the issue of 1,800,000 Performance Options to Mr. Lee Chin Wee (or his nominee), under the Company's Employee Option Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Lee) who is eligible to participate in the employee incentive scheme and any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as 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;
- (b) 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
- (c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

9. RESOLUTION 8: ISSUE OF PERFORMANCE OPTIONS TO MR. PAUL RUSSELL

To consider and, if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, Shareholders approve the issue of 300,000 Performance Options to Mr. Paul Russell (or his nominee), under the Company's Employee Option Plan, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Russell) who is eligible to participate in the employee incentive scheme and any associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (d) a person as 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;
- (e) 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
- (f) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

10. RESOLUTION 9: ADDITIONAL 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, for the purpose and on the terms set out in the Explanatory Statement."

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as 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;
- (b) 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
- (c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.
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DATED: 21 DECEMBER 2021

BY ORDER OF THE BOARD


JARROD WHITE
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at an Annual General Meeting to be held at Thomson Geer Lawyers, Level 14, 60 Martin Place, Sydney NSW 2000 on Thursday 27 January 2022, at 2:00pm (AEDT).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

ASX takes no responsibility for the contents of the Notice or the Explanatory Statement.

This Explanatory Statement does not take into account any person's investment objectives, financial situation or particular needs. If you are in any doubt about what to do in relation to the Meeting you should consult your financial or other professional adviser.

1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the annual financial report, Directors' Report and the auditor's report (**Annual Financial Statements**) be received and considered at the Annual General Meeting. The Annual Financial Statements for the period ended 30 June 2021 are included in the Company's annual financial report, a copy of which can be accessed online at www2.asx.com.au/markets/company/iou. Alternatively, a hard copy will be made available on request.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

The Company's auditor, MNSA Pty Ltd, will be present at the Annual General Meeting and Shareholders will have the opportunity ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
 - (b) the conduct of the audit;
 - (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
 - (d) the independence of the auditor in relation to the conduct of the audit,
- may be submitted no later than 5 business days before the meeting date in person or by post to: Suite 305, 35 Lime Street SYDNEY NSW 2000.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

2.1 Background

Pursuant to Section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding Resolution, its remuneration report for the financial year ended 30 June 2021 (the **Remuneration Report**). The Remuneration Report is a distinct section of the Directors' Report which deals with the remuneration of Directors, executives and senior managers of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's 2021 annual report. The 2021 annual report is available on the Company's website at www2.asx.com.au/markets/company/iou.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2021.

The remuneration levels for Directors, executives and senior managers are competitively set to attract and retain appropriate Directors and Key Management Personnel.

The Chair of the Annual General Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

2.2 Voting consequences

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

However, in the event that 25% or more of votes that are cast are against adoption of the 2021 Remuneration Report, Shareholders should be aware that if a 'no' vote of 25% or more of the same resolution at the 2022 Annual General Meeting, the consequence are that it may result in the re-election of the Board.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a closely related party of such a member as your proxy -

You ***must*** direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a closely related party of such a member)-

You ***may***, but ***do not*** need to direct your proxy how to vote on this Resolution.

If you appoint any other person as your proxy -

You ***may***, but ***do not*** need to direct your proxy how to vote on this Resolution.

2.5 Board recommendation

The Directors do not make a recommendation to Shareholders with respect to Resolution 1 due to being excluded from voting on this resolution. However, the Chairman intends to vote all undirected proxies in favour of Resolution 1.

3. RESOLUTION 2: RE-ELECTION OF MR KWONG YANG CHONG

3.1 Background

Clause 16.1 of the Company's Constitution requires that at the Company's annual general meeting every year, one-third of the Directors for the time being (except the Managing Director), or if their number is not a multiple of 3, then the number nearest to but not less than one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without offering themselves for re-election.

Accordingly, Mr Chong is offering himself for re-election under Resolution 2 in accordance with clause 16.1 of the Company's Constitution.

3.2 Biography

Mr Chong is of Australian nationality. He has substantial experience in finance and accounting and is a CPA Australia member. Mr Chong's relevant experience includes being an audit manager at Ernst & Young, financial controller of a

leading commercial advertisement production Group in Malaysia, Corporate Finance Manager in Eaton Industries Australia (a member of Eaton Corporation, a Fortune 500 company listed in US), and Chief Financial Officer of Donaco International Ltd (an ASX listed company) from 2015 to Jan 2020.

3.3 Board recommendation

The Board recommends, with Mr Chong abstaining, that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3: RE-ELECTION OF MR KHAIRUL IDHAM ISMAIL

4.1 Background

Khairul Idham Ismail was appointed as a Director of the Company on 26 November 2020 as an additional Director to the Board.

Pursuant to ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, any Director appointed as an addition to the Board must not hold office, without re-election, past the next annual general meeting of the Company.

Mr Ismail was required to retire at the 2020 AGM and offer himself for re-election at that meeting. Due to administrative errors, this matter was unfortunately overlooked by the Company at the time and Mr Ismail was not put forward for re-election.

Accordingly, the continuance to hold office by Mr Ismail subsequent to the 2020 AGM may have been defective. On having become aware of this issue recently in preparation for the Meeting, the board has duly re-appointed and ratified Mr Ismail's appointment over the relevant period and will put Mr Ismail forward for re-election at the Meeting.

After taking legal advice, the Company is not concerned that the actions of the board during the period following the 2020 AGM are invalidated in any way as a result of Mr Ismail's participation at board level given clause 18.9(a) of the Company's Constitution which relevantly has the effect of validating the actions of directors in situations where there is some defect in the appointment of a director.

Accordingly, Mr Ismail submits himself for re-election in accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution.

4.2 Biography

Mr Ismail is a lawyer by profession and was called to the Malaysian Bar in September 2000. He holds a LLB (2nd Class Upper Division) from King's College, London and a Certificate in Legal Practice (C.L.P.) from the Legal Profession Qualifying Board of Malaysia.

Mr Ismail started his legal career with Messrs David Chong & Co in 2000 before joining the Corporate Secretarial and Legal Department of MMC Corporation Berhad in January 2003. In 2006 Mr Ismail joined Messrs Naqiz & Partners and was promoted to become its Managing Partner in 2015. Mr Ismail's experience in the legal industry includes all corporate & commercial matters, capital markets, Islamic banking & finance, construction and real estate transactions, infrastructure and projects, corporate restructuring, public-private partnerships, privatisation and intellectual property.

Mr Ismail is also an Independent Non-Executive Director of Niche Capital Emas Holdings Berhad (**Niche Capital**) since 26 May 2015. Niche Capital is a public listed company on Bursa Malaysia Securities Berhad and is principally involved in construction, property investment and jewellery trading. Mr Ismail was re-designated as the Chairman of the Board of Niche Capital on 29 May 2017.

4.3 Board recommendation

The Board recommends, with Mr Ismail abstaining, that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4: RE-ELECTION OF MR BYUNG MOO SHIN

5.1 Background

Byung Moo Shin was appointed as a Director of the Company on 11 January 2021 as an additional Director to the Board.

Pursuant to ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, any Director appointed as an addition to the Board must not hold office, without re-election, past the next annual general meeting of the Company.

Accordingly, Mr Shin submits himself for re-election in accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution.

5.2 Biography

Mr Shin is a commercial lawyer by profession holding an LLB, Bachelor of Commerce & Bachelor of Laws from The University of Sydney (2011) and having been admitted as a Lawyer of the Supreme Court of New South Wales by the NSW Legal Profession Admission Board in 2012.

Mr Shin specialises in institutional investment and asset management, specifically inbound and outbound South Korean investment across a diverse range of industries. Mr Shin has a strong passion for the financial technology sector and has held senior executive roles with Trihill Partner Investment Management and Hangang Asset Management in Seoul, South Korea and Manhattan, New York.

5.3 Board recommendation

The Board recommends, with Mr Shin abstaining, that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5: RE-ELECTION OF MR PAUL RUSSELL

6.1 Background

Paul Russell was appointed as a Director of the Company on 12 May 2021 as an additional Director to the Board.

Pursuant to ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, any Director appointed as an addition to the Board must not hold office, without re-election, past the next annual general meeting of the Company.

Accordingly, Mr Russell submits himself for re-election in accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution.

6.2 Biography

Mr Russell brings 15 years of institutional banking experience with Australia's leading financial institutions as a senior structured asset finance practitioner. Operating out of Sydney, he originated and executed transactions for large corporates, governments and institutional relationships across Australia and the Asia-Pacific region.

Ranging from big-ticket capex funding for mining, aviation and marine equipment through to portfolio finance for specialised non-bank financial institutions, Mr Russell's transaction and relationship experience has covered a range of industries, jurisdictions, regulatory frameworks and credit profiles.

In his previous role as Director, Structured Asset Finance at Westpac Institutional Bank, Mr Russell was involved in building a portfolio of direct and third-party originated receivables, relationship management, product development, credit structuring & evaluation, and growing the bank's Debt Capital Markets business. His work included a number of portfolio acquisition opportunities in addition to ongoing funding of new business.

Mr Russell holds a Bachelor of Economics from the University of Sydney (1990) specialising in accounting and econometrics.

6.3 Board recommendation

The Board recommends, with Mr Russell abstaining, that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6: RATIFICATION OF PRIOR ISSUE OF SHARES

7.1 Background

As announced to the market on 18 February 2021 (**Announcement**), the Company completed a placement which raised approximately \$50,000,000 in total (**Placement** and the Shares issued pursuant to the Placement being the **Placement Shares**).

As set out in the Announcement, the Company issued 65,000,000 Placement Shares to Placement Participants in the Placement under the Company's existing 15% placement capacity and 35,000,000 Placement Shares to Placement Participants in the Placement under the Company's Additional 10% Placement Facility (collectively the **Placement Shares**). The issue price for the Placement Shares was \$0.50 per Placement Share.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary Securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid, a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue. The Company obtained shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A at the 2020 AGM.

As the issue of Placement Shares does not fall within any of the specified exceptions to ASX Listing Rule 7.1 and has not yet been approved by Shareholders, it effectively uses up part of the Company's 15% placement capacity under ASX Listing Rule 7.1 and 10% placement capacity under ASX listing Rule 7.1A (as applicable), reducing the Company's capacity to issue further equity securities without Shareholder approval over the 12 month period following the date of issue of the Shares.

Under ASX Listing Rule 7.4, if a company's shareholders approve an issue of equity securities after it has been made or agreed to be made, that issue or agreement to issue equity securities is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1 (provided that the issue or agreement did not breach ASX Listing Rule 7.1). By ratifying the issue of the Placement Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and its 10% placement capacity under ASX Listing Rule 7.1A (and assuming Resolution 9 is approved) (as applicable), without the requirement to obtain prior Shareholder approval.

Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares the subject Resolution 6.

If Resolution 6 is not passed, the Shares will be included in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1 and its 10% placement capacity under ASX Listing Rule 7.1A (and assuming Resolution 9 is approved), effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of those securities.

If Resolution 6 is passed, the base figure (i.e, variable "A") in which the Company's 15% placement capacity under ASX Listing Rule 7.1 and its 10% placement capacity under ASX Listing Rule 7.1A is calculated will be a higher number which in turn will allow a proportionately higher number of equity securities to be issued by the Company without prior Shareholder approval.

7.2 Information required by ASX Listing Rule 7.5

Pursuant to ASX Listing Rule 7.5 the following information is provided in relation to Resolution 6.

Persons to whom the Placement Shares were issued	The Placement Participants, none of whom are Related Parties of the Company. The Placement Participants were selected by the lead
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	<p>manager, Clee Capital Pty Ltd, appointed for the Placement.</p> <p>The Company has been advised that Clee Capital participated in its own name for 1.73 million shares. Other than Clee Capital, and as far as the Company is aware, no KMP, substantial holder, or advisors to IOU (or associates of those persons) participated in this placement.</p>
The number and class of Placement Shares issued	65,000,000 Placement Shares were issued using the Company's 15% placement capacity and 35,000,000 Placement Shares were issued using the Company's 10% placement capacity.
Issue price of the Placement Shares	\$0.50 per Placement Share.
Issue date of Placement Shares	18 February 2021.
Terms of Placement Shares	The Placement Shares were issued on the same terms and conditions as the Company's existing Shares.
Use of funds	The funds raised from the issue of the Placement Shares will be used partly towards funding the part payment of consideration for the investment in I-Destinasi Sdn Berhad (as disclosed to the market on 9 September 2021) and partly towards funding existing operations including digital payments and BNPL inventories, new BNPL product development, expansion of Malaysian operations (and also South East Asia) and administrative costs.
Voting exclusion	A voting exclusion statement applies to this Resolution.

7.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 6.

8. RESOLUTION 7: ISSUE OF PERFORMANCE OPTIONS TO MR. LEE CHIN WEE

8.1 Background

The Company's employee incentive scheme was first adopted by Shareholders on 11 January 2021 (**Incentive Plan** or **Plan**). The Plan was established to help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.

As a Director and the Executive Chairman, Mr Lee is eligible to participate in the Plan. In recognition of Mr Lee's performance and to further promote Mr Lee's engagement with IOU, the Company proposes, subject to obtaining Shareholder approval, to issue 1,800,000 Performance Options to Mr Lee.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the following Options to Directors under Resolution 7:

Number of Options	Vesting Criteria	Expiry Date
600,000	Vesting on the date that is 4 months from their issue	Six months from their date of issue
600,000	10 day VWAP of over \$0.35	27 January 2024
600,000	10 day VWAP of over \$0.425	27 January 2024

As at the date of this Notice, Mr Lee and his Associates hold 4,692,843 Shares in the Company.

8.2 Approval for the purposes of ASX Listing Rule 10.14 is sought

ASX Listing Rule 10.14.1 requires a listed entity to obtain Shareholder approval by ordinary resolution prior to the issue of, or agreement to issue, Securities under an employee incentive scheme to a person who is a Related Party. As a Director and the current Executive Chairman of the Company, Mr Lee is a Related Party falling within the category set out in ASX Listing Rule 10.14.1.

Accordingly, this Resolution 7 seeks Shareholder approval for the proposed issue of 1,800,000 Performance Options to Mr Lee pursuant to ASX Listing Rule 10.14. If this Resolution is not passed, no Performance Options will be issued to Mr Lee. And where this Resolution is passed, Performance Options will be issued to Mr Lee.

Details of any Performance Options will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution 7 is approved and who are not named in this Notice will not participate until approval is obtained under that rule.

8.3 Approval for the purposes of Chapter 2E of the Corporations Act not sought

For a public company, or an entity that a public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

A 'financial benefit' for the purposes of the Corporations Act has a wide meaning and catches the issue of the Performance Options to Mr Lee. Consequently, the issue of the Shares the subject of this Resolution 7 will, for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to a Related Party of the Company.

The Directors are of the view that the giving of the financial benefit to Mr Lee as a Related Party of the Company is reasonable remuneration and falls within the exception in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E is not being sought.

8.4 Shareholder approval under ASX Listing Rule 10.11 not sought

Exception 8 to ASX Listing Rule 10.12 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 10.11. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

8.5 Shareholder approval under ASX Listing Rule 7.1 not sought

Exception 14 to ASX Listing Rule 7.2 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

8.6 Required Information

Pursuant to ASX Listing Rule 10.15 the following information is provided.

Person to whom the Securities are to be issued, number and class	Mr Lee is to be issued 1,800,000 Performance Options.
Current remuneration package	In the year ended 30 June 2021, Mr Lee's total remuneration is AU\$127,669, which comprised of AU\$68,636 for Director's fees and AU\$59,033 Remuneration, as reflected in the 2021 Annual Report. The Company expects Mr Lee to continue to be remunerated at a similar level on an ongoing basis.
Securities previously issued under the scheme and price paid for those Securities	No Securities have previously been issued to Mr Lee under the Company's Employee Option Plan.
Terms of the Securities	The Performance Options are options expiring on the expiry dates set out above, vesting on the meeting of the stated vesting conditions, and each exercisable (once vested) at \$0.0001 per Option.
Reasoning behind the type of Security	To help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.
Price and value of the Securities	<p>No consideration is payable by Mr Lee to receive the Performance Options. Subject to the vesting of all Performance Options, Mr Lee will be required to pay \$0.0001 per converted Performance Option.</p> <p>The Company estimates that the value of the proposed grant of securities is \$250,241.56, based on a Monte Carlo valuation undertaken by the Company. The Company considers this to be reasonable remuneration having considered both</p>

	the circumstances of the Company and the Director.
Issue date	The Performance Options will be issued within three years after the date of this Meeting.
Material terms of the scheme	Material terms of the Plan are contained in the 2021 Annual Report, which can be located at https://www2.asx.com.au/markets/company/iou .
Material terms of loan	No loan will be given to Mr Lee by the Company to acquire the Performance Options.
Voting Exclusion	A voting exclusion statement applies to this Resolution.

8.7 Board recommendation

The Board, with Mr Lee abstaining, recommends that Shareholders vote in favour of Resolution 7.

9. RESOLUTION 8: ISSUE OF PERFORMANCE OPTIONS TO MR. PAUL RUSSELL

9.1 Background

The Company's employee incentive scheme was first adopted by Shareholders on 11 January 2021 (**Incentive Plan** or **Plan**). The Plan was established to help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.

As an Executive Director, Mr Russell is eligible to participate in the Plan. In recognition of Mr Russell's performance and to further promote Mr Russell's engagement with IOU, the Company proposes, subject to obtaining Shareholder approval, to issue 300,000 Performance Options to Mr Russell.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the following Options to Directors under Resolution 8:

Number of Options	Vesting Criteria	Expiry Date
100,000	Vesting on the date that is 4 months from their issue	Six months from their date of issue
100,000	10 day VWAP of over \$0.35	27 January 2024
100,000	10 day VWAP of over \$0.425	27 January 2024

As at the date of this Notice, Mr Russell and his Associates hold Nil Shares in the Company.

9.2 Approval for the purposes of ASX Listing Rule 10.14 is sought

ASX Listing Rule 10.14.1 requires a listed entity to obtain Shareholder approval by ordinary resolution prior to the issue of, or agreement to issue, Securities under an employee incentive scheme to a person who is a Related Party. As an Executive

Director of the Company, Mr Russell is a Related Party falling within the category set out in ASX Listing Rule 10.14.1.

Accordingly, this Resolution 8 seeks Shareholder approval for the proposed issue of 300,000 Performance Options to Mr Russell pursuant to ASX Listing Rule 10.14. If this Resolution is not passed, no Performance Options will be issued to Mr Russell. And where this Resolution is passed, Performance Options will be issued to Mr Russell.

Details of any Performance Options will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the Plan after this Resolution 8 is approved and who are not named in this Notice will not participate until approval is obtained under that rule.

9.3 Approval for the purposes of Chapter 2E of the Corporations Act not sought

For a public company, or an entity that a public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

A 'financial benefit' for the purposes of the Corporations Act has a wide meaning and catches the issue of the Shares to Mr Russell. Consequently, the issue of the Shares the subject of this Resolution 8 will, for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to a Related Party of the Company.

The Directors are of the view that the giving of the financial benefit to Mr Russell as a Related Party of the Company is reasonable remuneration and falls within the exception in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E is not being sought.

9.4 Shareholder approval under ASX Listing Rule 10.11 not sought

Exception 8 to ASX Listing Rule 10.12 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 10.11. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

9.5 Shareholder approval under ASX Listing Rule 7.1 not sought

Exception 14 to ASX Listing Rule 7.2 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

9.6 Required Information

Pursuant to ASX Listing Rule 10.15 the following information is provided.

Person to whom the Securities are to be issued, number and class	Mr Russell is to be issued 300,000 Performance Options.
Current remuneration package	In the year ended 30 June 2021, Mr Russell's total remuneration is AU\$6,630 (\$50,000 annualised), as reflected in the 2021 Annual Report. The Company expects Mr Russell to continue to be remunerated at a similar level on an ongoing basis.
Securities previously issued under the scheme and price paid for those Securities	No Securities have previously been issued to Mr Russell under the Company's Employee Option Plan.
Terms of the Securities	The Performance Options are options expiring on the expiry dates set out above, vesting on the meeting of the stated vesting conditions, and each exercisable (once vested) at \$0.0001 per Option.
Reasoning behind the type of Security	To help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.
Price and value of the Securities	<p>No consideration is payable by Mr Russell to receive the Performance Options. Subject to the vesting of all Performance Options, Mr Lee will be required to pay \$0.0001 per converted Performance Option.</p> <p>The Company estimates that the value of the proposed grant of securities is \$41,706.93, based on a Monte Carlo valuation undertaken by the Company. The Company considers this to be reasonable remuneration having considered both the circumstances of the Company and the Director.</p>
Issue date	The Performance Options will be issued within three years after the date of this Meeting.
Material terms of the scheme	Material terms of the Plan are contained in the 2021 Annual Report, which can be located at https://www2.asx.com.au/markets/company/iou .
Material terms of loan	No loan will be given to Mr Russell by the Company to acquire the Performance Options.
Voting Exclusion	A voting exclusion statement applies to this Resolution.

9.7 Board recommendation

The Board, with Mr Russell abstaining, recommends that Shareholders vote in favour of Resolution 8.

10. RESOLUTION 9: ADDITIONAL 10% PLACEMENT FACILITY

10.1 Background

ASX Listing Rule 7.1A enables an eligible entity to issue Equity Securities totalling up to 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, at the time of the entity's annual general meeting. If the Company does not meet the eligibility criteria on the date of the Meeting, the Resolution will be withdrawn and Shareholders will not be required to vote on this Resolution.

Resolution 9 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility throughout the 12 months after the Annual General Meeting. The effect of Resolution 9 will be to allow the Directors to issue Equity Securities under ASX Listing Rule 7.1A during the period set out below in section 11.2(c). In the event that Resolution 9 is not passed, the capacity of the Company to issue Equity Securities under ASX Listing Rule 7.1A will not be approved, and accordingly the ability to issue Equity Securities under ASX Listing Rule 7.1A will not be permitted. Any equity securities issued under ASX Listing Rule 7.1A must be in an existing quoted class of equity securities.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

10.2 ASX Listing Rule 7.3A requirements

In compliance with the information requirements of ASX Listing Rule 7.3A, Shareholders are advised of the following information:

(a) Minimum Issue Price

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the volume weighted average price for securities in the same class calculated over the 15 trading days on which trades in that class were conducted immediately before:

- (i) the date on which the Equity Securities are issued; or
- (ii) the date on which the price of Equity Securities is agreed, provided that the issue is thereafter completed within 10 business days.

(b) Dilution

Any issue of Equity Securities under the Additional 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

The precise number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

(A x D) – E

Where:

- A =** the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:
- I. plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17;
 - II. plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
 - III. plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
 - IV. plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4;
- Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1.*
- V. plus the number of partly paid ordinary securities that became fully paid in the relevant period;
 - VI. less the number of fully paid ordinary securities cancelled in the relevant period.
- D =** 10%
- E =** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.4.

If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Annual General Meeting.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

The following table sets out the possible dilution of existing shareholders of the Company on the basis of the market price of the Company's securities of \$0.165 on 13 December 2021 and on the issued capital of the Company at 13 December 2021 as variable "A" per Listing Rule 7.1A.

Variable A Listing Rule 7.1A	Dilution Effect			
		50% Decrease in Share Price \$0.083	Current Share Price \$0.165	100% Increase in Share Price \$0.33
Current Variable A 551,412,065	10% Dilution	55,141,207	55,141,207	55,141,207
	Funds Raised	\$4,576,720	\$9,098,299	\$18,196,598
50% Increase Variable A 827,118,098	10% Dilution	82,711,810	82,711,810	82,711,810
	Funds Raised	\$6,865,080	\$13,647,449	\$27,294,897
100% Increase Variable A 1,102,824,130	10% Dilution	110,282,413	110,282,413	110,282,413
	Funds Raised	\$9,153,440	\$18,196,598	\$36,393,196

The above table makes the following assumptions:

- All securities have been issued under the 10% capacity and the Company has issued the maximum number of equity securities available under the 10% capacity.
- The dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table only shows the effect of issues of securities under ASX Listing Rule 7.1A and does not consider the 15% capacity the Company has under ASX Listing Rule 7.1 nor the Company's ability to issue securities

without shareholder approval under the exceptions in the ASX Listing Rule 7.2.

(c) **Issue period**

If Shareholders approve Resolution 9, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under ASX Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- (i) the date that is 12 months after the date of the Annual General Meeting; and
- (ii) the date of the approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking); and
- (iii) the time and date of the entity's next annual general meeting, (the **Additional 10% Placement Period**).

The Company will only issue and allot Equity Securities during the Additional 10% Placement Period.

(d) **Purpose of issues**

At the date of this Notice of Annual General Meeting, the Company has not identified any persons to whom it intends to offer Securities under ASX Listing Rule 7.1A. In the event that the Company issues any Shares under ASX Listing Rule 7.1A, the funds raised from such an issue would be used by the Company to advance its business activities and the development of new products.

The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A(4) when issuing Equity Securities.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the persons to whom Equity Securities will be issued to will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The persons to whom Equity Securities will be issued under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders who, in either case, are not related parties or associates of a related party of the Company.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A on 11 January 2021. The approval granted on 11 January 2021 will cease to be valid as at the date of this Annual General Meeting.

(g) **Information under ASX Listing Rule 7.3A.6**

The following securities under 7.1A.2 have been issued in the past 12 months:

Issue date	Number of securities	Price of Issue and Recipient of Securities	Total cash consideration received and what it was spent on
18 February 2021	35,000,000 Fully Paid Ordinary Shares	\$0.50 per share and the recipient of securities are institutional and sophisticated investors. This was a 15.06% premium to the 15 day VWAP and a 28.57% discount to the last closing price prior to the agreement of issue.	Total cash received was \$17,500,000, which is being applied partly towards funding the part payment of consideration the investment in I-Destinasi Sdn Berhan (as disclosed to the market on 9 September 2021) and partly towards funding existing operations including digital payments and BNPL inventories, new BNPL product development, expansion of Malaysian operations (and also South East Asia) and administrative costs.
Total	Equity Securities 35,000,000 (representing 7.72% of the issued capital on the date that it is 12 months prior to this notice)	All 7.1A.2 Securities Issued in the 12 months preceding	

(h) **Ranking of Shares**

Equity Securities issued under the Additional 10% Placement Facility will rank equally with all other existing Equity Securities on issue in the Company.

(i) **Voting exclusion statement**

A voting exclusion statement for Resolution 9 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

As at the date of this Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of

the Equity Securities. Accordingly, the proposed persons to whom any Equity Securities may be issued under the Additional 10% Placement Facility are not as yet known or identified.

In these circumstances, for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

10.3 Board recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends that Shareholders approve Resolution 9.

GLOSSARY

2020 AGM means the annual general meeting convened in relation to FY2020 held on 11 January 2021.

Additional 10% Placement Facility has the meaning given to that term in section 11.1 of the Explanatory Statement.

Additional 10% Placement Period has the meaning given to that term in section 11.2(c) of the Explanatory Statement.

AEDT means Australian Eastern Daylight-Savings Time as observed in Sydney, New South Wales.

Annexure means an annexure of this Notice.

Annual Financial Statements has the meaning given to that term in section 1 of the Explanatory Statement.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Chair means the chair of the Meeting.

Company or **IOUpay** means IOUpay Limited (ACN 091 192 871).

Company Secretary means Mr Jarrod White.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company from time to time.

Directors' Report has the meaning given to that term in section 2.1 of the Explanatory Statement.

Eligible Entities as defined in Chapter 19 of the ASX Listing Rules.

Equity Securities includes a share, a right to a share or option, an option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option in the Company to acquire a Share.

Placement has the meaning given to that term in section 7.1 of the Explanatory Statement.

Placement Participants means various sophisticated and professional investors as identified by the lead manager appointed for the Placement being Clee Capital.

Placement Shares has the meaning given to that term in section 7.1 of the Explanatory Statement.

Plan means the Company's employee incentive plan.

Proxy Form means the proxy form accompanying the Notice.

Related Party as defined in Chapter 19 of the ASX Listing Rules.

Remuneration Report has the meaning given to that term in section 2.1 of the Explanatory Statement.

Resolution means a resolution set out in the Notice.

Schedule means a schedule of this Notice.

Placement Shares has the meaning given to that term in section 7.1 of the Explanatory Statement.

Securities as defined in Chapter 19 of the ASX Listing Rules.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Spill Meeting has the meaning given to that term in section 2.2 of the Explanatory Statement.

Spill Resolution has the meaning given to that term in section 2.2 of the Explanatory Statement.

VWAP means the volume weighted average price of the relevant security over the relevant number of trading days (being days in which trades in the relevant security were recorded on the ASX) calculated as (total value of trades in relevant period / total volume of trades in relevant period).

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **2.00pm (AEDT) on Tuesday, 25th January 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise, if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 2: Your Voting Direction

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).