

# NEXT SCIENCE®

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Time	9:00am (Sydney time)
Date	Wednesday, 28 January 2026
Location	Level 5, 126 Phillip Street, Sydney
Online Option	Next Science shareholders wishing to participate online should visit our registry's website at <a href="https://www.automicgroup.com.au/virtual-agms">https://www.automicgroup.com.au/virtual-agms</a> for information on how to attend, vote and ask questions online.

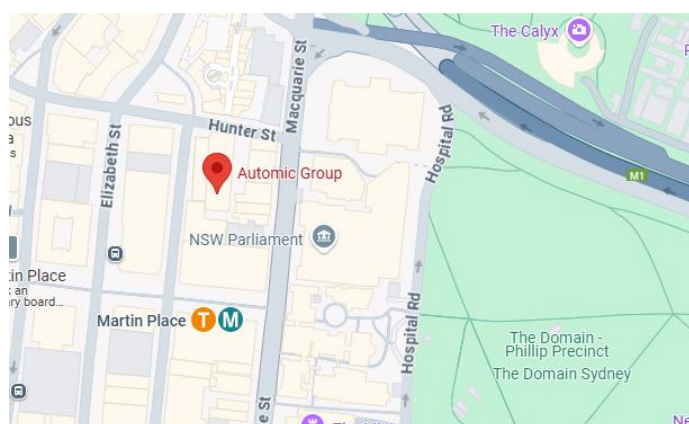
Dear Shareholder,

On behalf of the board of directors (**Board**) of Next Science Limited (**Next Science/Company**), I am pleased to invite you to Next Science's Extraordinary General Meeting (**EGM**).

The EGM will be held on **Wednesday, 28 January 2026** commencing at **9:00am** (Sydney time). Shareholders may choose to attend in person or virtually.

**Virtual attendance and voting.** Online attendees may ask questions and vote during the EGM virtually by using the following online link: [investor.automic.com.au](https://investor.automic.com.au).

**Physical attendance.** The EGM will be held physically at the offices of the Company's Share Registrar, Automic, at Level 5, 126 Phillip Street, Sydney. The venue is easily accessible from the Martin Place train or metro station.



**Voting before the EGM.** You may, and are encouraged to, enter your vote on the items of business ahead of the EGM by voting online or by completing and returning the Voting Form no later than **9:00am** (Sydney time) on **Monday, 26 January 2026**. The details on how to do this are specified in the Notice of Meeting and the Voting and Proxy Form provided.

**Questions and comments.** I encourage you to submit questions and comments ahead of the EGM. Instructions on how to do this are specified in this Notice of Meeting.

**Items of business.** The formal items of business are set out on page 3.

If you have any questions regarding the EGM, please contact Next Science's share registrar, Automic either by telephone on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) or by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).

Thank you for your support of Next Science.

Yours sincerely,

**Aileen Stockburger**  
Chair

## ITEMS OF BUSINESS

### 1. RESOLUTION 1 – APPROVAL OF RETURN OF CAPITAL

To consider and, if thought fit, pass the following as an **ordinary resolution**:

*“That, for the purposes of Section 256C(1) of the Corporations Act and for all other purposes, approval is given for the share capital of the Company to be reduced by way of capital return on the terms and conditions described in the Explanatory Memorandum.”*

**Board voting recommendation:** FOR

### 2. RESOLUTION 2 – DELISTING


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

*“That, conditional on the passing of Resolution 1, for the purposes of ASX Listing Rule 17.11 and for all other purposes, approval is given for the removal of the Company from the Official List of the ASX on a date, and subject to any conditions, to be decided by the Company and ASX, and that the Directors be authorised to do all things reasonably necessary for the removal of the Company from the Official List of the ASX.”*

**Board voting recommendation:** FOR

The **Explanatory Memorandum** accompanying this Notice of Meeting provides additional information regarding the above items of business and forms part of this Notice of Meeting.

By Order of the Board



Gillian Nairn  
Company Secretary  
23 December 2025

# IMPORTANT INFORMATION - PARTICIPATION AND VOTING

## Voting Exclusion Statement

ASX has not specified or imposed any voting exclusion.

## Determining if you are eligible to vote and participate at the EGM

INVESTOR	ELIGIBILITY
Shareholder	In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), registered holders of shares of Next Science as at <b>7:00pm</b> (Sydney time) on <b>26 January 2026</b> will be entitled to participate in and vote at the EGM.
Joint holder	If more than one joint holder of shares participates in the EGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.
Option holders	Not eligible to vote.

## How you can vote

If you are entitled to participate in and vote at the EGM, you can vote your shares in one of the following ways.

VOTING OPTIONS	DETAILS	STEPS
Online	You may vote your shares online prior to the EGM.	Go to: <a href="https://investor.automic.com.au">https://investor.automic.com.au</a>  To be effective, your votes must be received by Next Science no later than <b>9:00am</b> (Sydney time) on <b>26 January 2026</b> .
By post prior to the EGM	<p>Complete the enclosed <b>Voting Form</b> and deliver it to Next Science prior to the EGM.</p> <p>Shareholders should complete their voting directions by selecting 'FOR' or 'AGAINST' or 'ABSTAIN' for each resolution on the Voting Form.</p> <p><u>Appoint a Proxy or Nominee</u> Alternatively, Shareholders may appoint a proxy or proxies to vote and act on your behalf at the EGM. A proxy need not be a Shareholder and can be an individual or a body corporate.</p> <p>You may appoint one or two proxies (but no more). If two proxies are appointed, you may specify the proportion or number of the votes each proxy is appointed to exercise. In accordance with Rule 17.1 of Next Science's Constitution, if no proportion or number is specified,</p>	<p>Completed Voting Forms may be <b>posted</b> to:</p> <p>Next Science Limited C/- Automic GPO Box 5193 Sydney NSW 2001 Australia</p> <p>To be effective, your completed Voting Form must be received by Next Science no later than <b>9:00am</b> (Sydney time) on <b>26 January 2026</b>.</p>

VOTING OPTIONS	DETAILS	STEPS
	<p>each proxy may exercise half of the Shareholder's votes.</p> <p>If no direction is given on an item, your vote may be passed to the Chair of the EGM as your proxy. The Chair will vote in accordance with the voting intentions stated below.</p>	
Voting online during the meeting	<p>Shareholders who wish to vote online during the EGM will need to login to Automic's Investor platform at <a href="https://investor.automic.com.au">investor.automic.com.au</a>.</p> <p>Shareholders who do not have an account with Automic are strongly encouraged to register for an account <b>as soon as possible and well in advance of the EGM</b> to avoid any delays on the day of the EGM.</p> <p>Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.</p> <p>If you need assistance locating your SRN or HIN, please contact Automic on 1300 288 664.</p>	<p>Registration for the online meeting facility will commence from <b>8:30am</b> on <b>28 January 2026</b>.</p> <p>Shareholders who wish to vote online during the EGM will need to login to Automic's Investor platform at <a href="https://investor.automic.com.au">investor.automic.com.au</a>.</p> <p>You can vote online during the meeting by following these steps and logging in to the Automic shareholder portal:</p> <ol style="list-style-type: none"> <li>1. Open your internet browser and go to <a href="https://investor.automic.com.au">investor.automic.com.au</a></li> <li>2. Login using your username and password. If you do not already have an account, click <b>"Register"</b> and follow the prompts. <b>Shareholders are encouraged to register prior to the commencement of the Meeting to avoid delays in accessing the virtual platform.</b></li> <li>3. After logging in, a banner will appear at the bottom of your screen when the Meeting is open for registration. Click <b>"Register"</b>. Alternatively, select Meetings from the left-hand menu.</li> <li>4. Click on <b>"Join Meeting"</b> and follow the prompts.</li> <li>5. When the Chair of the Meeting declares the poll open, select the <b>"Voting"</b> dropdown menu on the right-hand side of your screen.</li> <li>6. Select either the <b>"Full"</b> or <b>"Allocate"</b> option to access your electronic voting card.</li> <li>7. Follow the prompts to record your voting direction for each resolution and click <b>"Submit votes"</b>. For allocated votes, the number of votes submitted must not exceed your remaining available units. <b>Important:</b> Votes cannot be amended once submitted.</li> </ol>

VOTING OPTIONS	DETAILS	STEPS
		<p><b><i>If you experience any technical difficulties during the EGM, please contact Automic by phoning: 1300 816 159.</i></b></p> <p><b>A Registration and Voting Guide</b> containing further information on how to vote online is available at: <a href="https://www.automicgroup.com.au/virtual-agms">https://www.automicgroup.com.au/virtual-agms</a></p> <p>It is recommended that Shareholders wishing to attend the EGM log in from 15 to 30 minutes prior to the scheduled start time.</p>
Voting in person during the meeting	If you attend the EGM in person, you will be able to register and vote at the EGM by attending <b>Level 5, 126 Phillip Street, Sydney, NSW.</b>	<p>Registration will commence from <b>8:30am</b> (Sydney time) on <b>28 January 2026</b>.</p> <p>To facilitate a smooth registration, please bring a copy of your Voting Form with you on the day.</p>

Next Science reserves the right to declare a Voting and Proxy Form invalid if it is not received in a manner indicated above.

In terms of general queries, Shareholders are encouraged to call Next Science's share registry, Automic, if they have any questions regarding submitting their votes, by phoning 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

### Power of Attorney

If you appoint an attorney to act on your behalf at the EGM your appointment must be made by a duly executed power of attorney. The power of attorney (or a certified copy of it) must be received by Next Science's share registry no later than **9:00am** (Sydney time) on **26 January 2026**.

### Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers at the EGM. The representative should deliver to Next Science, prior to the EGM, a properly executed letter or other document confirming its authority to act as the company's representative.

### Voting Intentions

The Chair of the EGM intends to vote all available proxies in favour of ('FOR') all items of business.

It is intended that voting on each of the proposed resolutions at the EGM will be conducted by a poll.

### How you can ask questions and make comments

Shareholders are invited to submit questions and make comments relating to the business of Next Science or any item of business at the EGM using any of the methods set out below. Whilst we may not be able to respond to each question individually, we will endeavour to respond to as many as possible of the most frequently raised shareholder questions received.

OPTION	DETAILS	STEPS
By email prior to the EGM	You may submit questions and comments by email prior to the EGM.	<p>Shareholders are invited to submit questions and make comments relating to the business of Next Science or any item of business at the EGM by email to:  <a href="mailto:investorqueries@nextscience.com">investorqueries@nextscience.com</a></p> <p>Questions and comments must be received by Next Science no later than <b>5:00pm</b> (Sydney time) on <b>21 January 2026</b>.</p>
Attending the meeting virtually	Shareholders who join the EGM virtually will be able to ask questions during the EGM.	<p>Registration for the online facility will commence from <b>8:30am</b> on <b>28 January 2026</b>.</p> <p>When you log into the online platform at <a href="https://investor.automic.com.au/">https://investor.automic.com.au/</a>, to ask a question, select the 'Ask a Question' dropdown menu on the right-hand side of your screen. Click on the green "Ask Question" button then choose either Text Question or Verbal Question.</p> <p>A panel will open where you can type your question or register to ask it verbally. Please also select the related resolution and indicate the shareholding or capacity on behalf of which the question is being submitted. When ready, click Submit Question.</p> <p><b><i>If you experience any technical difficulties during the EGM, please contact Automic by phoning: 1300 816 159.</i></b></p> <p>Further information on how to use the online meeting facility is set out in the Virtual Meeting - Shareholder Registration &amp; Voting Guide and Online Proxy Lodgment Guide found at:  <a href="https://www.automicgroup.com.au/virtual-agms">https://www.automicgroup.com.au/virtual-agms</a></p>
Attending the meeting in person	If you attend the EGM in person, you will be able to ask questions at the EGM by attending <b>Level 5, 126 Phillip Street, Sydney NSW.</b>	<p>Registration will commence from <b>8:30am</b> (Sydney time) on <b>28 January 2026</b>.</p> <p>On registration, you will be provided with an attendance card.</p>

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared in relation to the items of business to be conducted at the EGM. The purpose of this Explanatory Memorandum is to provide shareholders of Next Science (**Shareholders**) with the information that is reasonably required by them to decide on how to vote upon the resolutions being put forward at the EGM.

Resolution 1 is an ordinary resolution which requires a simple majority of votes cast by Shareholders entitled to vote on the Resolution.

Resolution 2 is a special resolution which requires 75% of votes cast by Shareholders entitled to vote on the Resolution.

### 1. RESOLUTION 1 - APPROVAL OF RETURN OF CAPITAL

#### 1.1 OVERVIEW

Resolution 1 seeks, for the purposes of section 256C(1) of the Corporations Act and for all other purposes, the approval of Shareholders for the Company to conduct a capital return by way of an equal reduction in the share capital of the Company by an anticipated amount of approximately A\$0.145 per Share (the **Distribution Amount**).<sup>1</sup> The aggregate amount of the Distribution Amount will be the AUD equivalent amount of US\$28M based on the then prevailing exchange rate.

On 1 July 2025, the Company announced to the ASX that it had entered into a binding asset purchase agreement (**Asset Purchase Agreement**) under which it was proposing to sell substantially all of the assets of the Company, and its wholly-owned subsidiaries, (**NXS Group**) to Demetra Holding S.p.A. (**Demetra**) (**Transaction**). On 19 August 2025, the Company announced that Demetra had assigned its obligations under the Asset Purchase Agreement to its wholly owned subsidiary OSARTIS GmbH (**OSARTIS**).

On 28 August 2025, the Company sought and obtained the approval of Shareholders for the Transaction for the purposes of Listing Rule 11.2.

The Transaction completed on 15 September 2025 (**Completion Date**).

As announced to the market, the Company entered into transition service agreements (**TSA**) with OSARTIS to provide services to OSARTIS for the period up to 27 October 2025. Under the TSA, the transition period may be extended up to 31 December 2025 at the discretion of OSARTIS. On 15 October 2025, OSARTIS exercised its discretion to extend the transition period to 31 December 2025.

As the DME business was not acquired by OSARTIS, the Company has been assessing strategic options in respect of the DME business. The Company has continued to operate the DME business post the Transaction with direct sales having ceased on 29 October 2025.

The Company advised in its announcements of 1 July 2025 and 16 September 2025 that it intended to return the net proceeds of the Transaction to shareholders following the receipt of tax and other legal advice. The Company continues to estimate that the net proceeds to shareholders including post completion adjustments and payment of various liabilities of the Company, including repayment of debt, transaction costs, potential tax liabilities, winding down costs and cash required to adequately support the Company's operations in the interim, will be approximately US\$30 million (**Net Proceeds**).

Next Science's intention is to return surplus capital to Shareholders via a distribution to shareholders, delist from the Official List, and commence a process to wind up the NXS Group with a final distribution expected at the direction of the liquidator.

---

<sup>1</sup> This is based on the USD/AUD conversion rate as at 23 December 2025, which results in an estimated aggregate Distribution Amount of A\$42.5 million (converted from US\$28 million).



The anticipated amount of approximately A\$0.145 per Share (based on the capital structure as at the date of this Notice of Meeting) will be returned to relevant Shareholders by way of an equal capital reduction under Chapter 2J.1 of the Corporations Act (**Initial Capital Return**). The aggregate amount of the Distribution Amount will be the AUD equivalent amount of US\$28M based on the then prevailing exchange rate.

The date and time for determining which Shareholders will participate in the Initial Capital Return is the Record Date, which is expected to be 4 Business Days after the EGM.

## 1.2 REASONS FOR THE INITIAL CAPITAL RETURN

The Company intends to implement the Initial Capital Return to enable Shareholders to realise value from their Shares (save for the portion held back to deal with anticipated costs of the Initial Capital Return, delisting, associated administrative and management costs of the Company and the estimated costs of voluntarily winding up the NXS Group) prior to the intended delisting of the Company from the Official List of the ASX and the subsequent winding up of the Company. The remaining value in Shares will be distributed to Shareholders in the course of the winding up process.

## 1.3 CALCULATION OF THE INITIAL CAPITAL RETURN

The Distribution Amount will be the AUD equivalent amount of US\$28 million based on the then prevailing exchange rate or approximately A\$0.145 per Share, which will be distributed as an equal return of capital. The Distribution Amount has been calculated on the basis of the total Shares on issue as at the date of this Notice of Meeting, and assuming that no Shares are issued or Options exercised between the date of this Notice of Meeting and the Record Date. Refer to section 1.6(b) for details of the Options on issue.

The following table shows how the Company has calculated its estimate of the Distribution Amount.

Components	A\$ ('000) <sup>2</sup>
Cash balance as at 30 September 2025 (excluding gross proceeds)	1,504
Gross proceeds from the Transaction	77,455
Payment of tax and other items in connection with the Transaction	(10,751)
Payment in full of the Company's debt	(7,495)
Winding up costs	(8,055)
Other operating costs	(3,998)
<b>Subtotal</b>	<b>48,660</b>
Amount retained for estimated further winding up costs, plus contingency amounts for unexpected costs during the winding up period *	(6,206)
<b>Initial Distribution Amount</b>	<b>42,454</b>

\*Includes but is not limited to fees for finance compliance, administration, any required corporate lodgements, liquidator fees, advisor costs, sundry other items.

The aggregate amount to be paid to Shareholders under the Initial Capital Return has been determined by reference to the estimated net assets of the Company following completion of the Transaction and the payment of the liabilities of the Company, less an adjustment for anticipated costs of the Initial Capital Return, delisting, associated administrative and management costs of the Company and the estimated

<sup>2</sup> Based on AUD/USD exchange rate as at 11:10am on 23/11/2025 ET

costs of winding up the NXS Group, which is expected to be conducted in the first half of 2026. Any remaining value in Shares will be distributed to Shareholders in the course of the winding up process.

#### 1.4 WHO WILL PARTICIPATE IN THE INITIAL CAPITAL RETURN

Subject to Shareholder approval, the Initial Capital Return will be made to all Shareholders who were Shareholders on the Record Date.

If the Initial Capital Return proceeds, payment will be made by way of direct credit into a nominated Australian bank account, or by cheque if banking details of a Shareholder have not previously been provided to the Company's share registry prior to the payment Record Date.

Shareholders who wish to be paid by direct credit into a nominated Australian bank account can nominate an account for the payments to be made by direct credit by updating your payment details with the Company's share registry, Automic. Shareholders wishing to do so can provide details online at [investor.automic.com.au](https://investor.automic.com.au) or by phoning 1300 288 664.

#### 1.5 REQUIREMENTS FOR THE INITIAL CAPITAL RETURN

For the purposes of the Corporations Act, the Distribution Amount to be made by way of a return of capital, is an equal reduction of capital because:

- (a) it relates only to ordinary shares in the Company;
- (b) applies to each holder of ordinary shares in the Company in proportion to the number of ordinary shares they hold; and
- (c) the terms of the reduction are the same for each holder of ordinary shares in the Company.

Under section 256(1) of the Corporations Act, a company may conduct an equal capital reduction provided that three requirements described below are met.

- (a) **The return of capital must be fair and reasonable to the company's shareholders as a whole.**  
The Directors are of the opinion that the return of capital is fair and reasonable to all Shareholders as it will apply to all Shareholders at the Record Date equally, in proportion to the number of Shares in which they hold at the Record Date.
- (b) **The return of capital must not materially prejudice the company's ability to pay its creditors.**  
The Directors are of the opinion that the return of capital will not materially prejudice the Company's ability to pay its creditors after having reviewed and considered the financial position of the Company, including the Company's assets, liabilities, cashflow and capital requirements.
- (c) **The return of capital must be approved by ordinary resolution of shareholders under section 256C of the Corporations Act.**  
Resolution 1 seeks Shareholder approval of the return of capital, for the purposes of section 256C of the Corporations Act.

#### 1.6 EFFECT ON THE COMPANY

For the purposes of ASX Listing Rule 7.20, the Company provides the following information to Shareholders regarding the effect of the proposed Initial Capital Return on Shares and the proposed treatment of options.

- (a) **Share capital**  
The Company has 292,625,365 fully paid ordinary shares on issue as at the date of this Notice of Meeting and paid-up share capital of approximately US\$137 million.  
The Company's share capital will be reduced in accordance with Resolution 1 by the Distribution Amount of the AUD equivalent of US\$28 million based on the then prevailing exchange rate.

No Shares will be cancelled and the number of Shares held by Shareholders will not change as a result of the passing of Resolution 1 or by the Capital Return. No fractional entitlements will arise from the Capital Return. All Shares issued by the Company are fully paid, and therefore the Capital Return will not have any effect on amounts unpaid on Shares of the Company on issue, nor will it affect the control of the Company.

(b) **Options**

The Company has 5,000,000 Options on issue as at the date of this Notice of Meeting, which will remain unchanged following completion of the Capital Return. In accordance with Listing Rule 7.22.3, the exercise price of each Option will be reduced by A\$0.145, being the amount of the Capital Return.

(c) **Convertible Securities**

The Company does not have convertible securities on issue.

(d) **Share Price**

If the Distribution Amount is implemented, the Company's Shares are expected to trade at a lower share price than its then trading price immediately prior to the 'ex' date for the Distribution Amount due to the return of funds to Shareholders.

As the trading price of the Company's Shares on the ASX is below \$0.20 and is expected to decrease following the implementation of the Capital Return, the Company has obtained a waiver from ASX in respect to Listing Rule 7.25 to the extent necessary to permit the Company to undertake the Capital Return.

(e) **Financial position**

The cash reserves of the Company are sufficient to fully fund the Capital Return. The financial impact of the Capital Return on the Company's balance sheet is as set out in the unaudited pro forma balance sheet below, based on the unaudited financial position of the Company as at 30 September 2025.

The pro forma balance sheet set out below (in USD) is prepared on the following basis that the Capital Return occurred on 12 February 2026.

USD	30 September 2025 (Unaudited) '000	Adjustment for impact of Capital Return	Pro-forma after Capital Return (Unaudited)
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	39,560	(28,000)	11,560
Trade and other receivables	2,316	-	2,316
Inventories	742	-	742
Other current assets – other	426	-	426
<b>Total current assets</b>	43,043	(28,000)	15,043
<b>Non-current assets</b>			
Trade and other receivables	37	-	37

USD	30 September 2025 (Unaudited) '000	Adjustment for impact of Capital Return	Pro-forma after Capital Return (Unaudited)
Property, plant and equipment	387	-	387
Right-of-use assets	397	-	397
Intangible assets	1,818	-	1,818
<b>Total non-current assets</b>	2,639	-	2,639
<b>Total assets</b>	45,682	(28,000)	17,682
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	1,546	-	1,546
Lease liabilities	91	-	91
Employee benefits	206	-	206
<b>Total current liabilities</b>	1,843	-	1,843
<b>Non-current liabilities</b>			
Lease liabilities	104	-	104
Employee benefits	9	-	9
<b>Total non-current liabilities</b>	113	-	113
<b>Total liabilities</b>	1,956	-	1,956
<b>Net assets</b>	43,726	(28,000)	15,726
<b>Equity</b>			
Share capital	137,231	(28,000)	109,231
Capital Raising Costs	(3,203)	-	(3,203)
Reserves	(42,970)	-	(42,970)
Accumulated losses	(47,332)	-	(47,332)
<b>Total Equity</b>	43,726	(28,000)	15,726

## 1.7 TAX CONSEQUENCES FOR SHAREHOLDERS

This section should be read in conjunction with the entire Notice of Meeting and Explanatory Memorandum. This summary is not intended to be comprehensive and is based upon the Company's interpretation of Australian tax law currently in force at the date of this Notice of Meeting. Shareholders should not rely on the information on this section as advice in relation to their own affairs. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor or relied upon as tax advice. The taxation laws are complex and there could be implications in addition to those described in this section. The precise implications of ownership or disposal will depend upon each Shareholder's specific circumstances. Shareholders should seek independent professional advice in relation to their own particular circumstances.

This summary does not constitute financial produce advice as defined in the *Corporations Act 2001* and is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. You should consider taking advice from a licensed adviser, before making a decision about your investments.

The information in this section only applies to Shareholders who hold their shares on capital account.

The commentary does not deal with the taxation implications of the Capital Return for:

- (a) Shareholders who hold their shares in the Company on revenue account or as trading stock; or
- (b) Shareholders who are exempt from Australian income tax; or
- (c) Shareholders subject to the Taxation of Financial Arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* which have made elections to apply the fair value or reliance on financial report methodologies.

For the purposes of the section below, 'Shareholder' does not refer to any of the persons or entities at (a) or (c) above. It is important that such persons or entities also seek independent taxation advice specific to their circumstances.

(a) **Taxation position of Australian Resident Shareholders**

The Capital Return should result in a capital gains tax (**CGT**) event for a Shareholder. The immediate income tax consequence of the receipt of the Distribution Amount will depend on the cost base of a Shareholder's shares for CGT purposes. The cost base of listed shares will generally be the cost of acquisition of the shares, plus any (non-tax deductible) costs incurred in relation to the acquiring of the shares (such as brokerage fees).

A Shareholder's cost base is reduced by the Distribution Amount.

If the cost base of the shares exceeds the Distribution Amount (capital proceeds) received by a Shareholder there should be no immediate tax consequences for a Shareholder other than the abovementioned reduction in cost base of the shares. This will impact the amount of any capital gain or loss that arises when their shares are disposed of or cancelled (in the event of a liquidation of the Company).

If the Distribution Amount exceeds a Shareholder's cost base, then the Shareholder should realise a capital gain equivalent to the amount of the excess in the income year in which the cash is received. In this situation, a Shareholder's cost base is nil after the payment which will have further consequences in the event the Shareholder's parcel of shares are disposed of or cancelled.

Whether a Shareholder makes a capital gain or simply has their cost base reduced should largely depend on the price at which their shares in the Company were acquired. In this regard, the Company expects that for many shareholders the receipt of the Distribution Amount will result in no adverse Australian tax consequences (i.e. merely a non-assessable cost base reduction, as described above).

A CGT discount may be applied against the capital gain (after reduction of total capital gains by capital losses) where the Shareholder is an individual, complying superannuation entity or trustee, the shares have been held for at least 12 months and certain other requirements have been met. The CGT discount for individuals and entities acting as trustees (other than a trust that is a complying superannuation entity) is one-half. For a complying superannuation entity, the discount is one-third.

Where the Shareholder is the trustee of a trust that has held the shares for at least 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

Shareholders who are companies are not entitled to the CGT discount.

(b) **Taxation position of Non-resident Shareholders**

If the Distribution Amount exceeds the cost base, then the Shareholder will realise a capital gain equal to the amount of the excess. However, any capital gain arising to a Shareholder who is not a resident of Australia for Australian tax purposes should be able to disregard any capital gain that would otherwise arise on the basis that their shares do not constitute 'Taxable Australian Property', as defined for Australian income tax purposes.

### **ATO Class Ruling**

The Company has applied to the Australian Taxation Office (**ATO**) for a Class Ruling for Australian resident Shareholders who hold their shares on capital account seeking to confirm that:

- (a) no part of the proposed Distribution Amount will be treated as a dividend for income tax purposes; and
- (b) the cost base for each share will be reduced by the Distribution Amount for the purpose of calculating any capital gain or loss on the ultimate disposal of that share; and
- (c) where the Distribution Amount exceeds a Shareholder's cost base then a capital gain will arise in the income year of the payment to the extent of that excess.

The Class Ruling will also seek to confirm the CGT consequences for Shareholders that dispose of their shares in the Company after becoming entitled to receive the Distribution Amount but before that amount is received.

Further, the Class Ruling will seek to confirm the income tax position that for those Shareholders who are not tax residents of Australia, no Australian capital gain or loss should arise as a consequence of the Capital Return.

The ATO has yet to confirm their views regarding the above matters. In this regard, a Class Ruling may not be relied on by Shareholders until it is issued in final form by the ATO.

The Company will display the final version of the Class Ruling on its website as soon as it becomes available.

### **1.8 INDICATIVE TIMETABLE**

The proposed timetable for the Capital Return is set out in section 2.9 of this Explanatory Memorandum dealing with Resolution 2. The timetable is indicative only and subject to change by the Company or ASX.

### **1.9 DIRECTORS' INTERESTS**

No Director will receive a payment or benefit of any kind as a result of the Capital Return, other than in their capacity as a Shareholder.

The number of Shares in which each Director (and their associates) has an interest as at the date of this Notice of Meeting, and the approximate amount that they are likely to receive if Resolution 1 is passed and the Capital Return is implemented, is set out in the table below:

Director	Number of Shares	Percentage of total issued capital	Approximate amount received if Capital Return is implemented
I.V. Hall	1,130,262	0.39%	A\$158,236
Aileen Stockburger	569,638	0.19%	A\$79,749
Grant Hummel	387,694	0.13%	A\$54,277

## 1.10 DIRECTORS' RECOMMENDATIONS

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1. Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote all Shares which they control in favour of Resolution 1.

If Resolution 1 is approved by Shareholders, the Capital Return will occur in accordance with the indicative timetable set out in section 2.9 below. If Resolution 1 is not approved by Shareholders, the proceeds from the Transaction will be retained by the Company and the Board will consider alternative options to return capital to Shareholders. Furthermore, the Delisting canvassed by Resolution 2 (which is conditional on the passing of Resolution 1) will not take place as described below and the Company's Shares will remain listed on ASX.

## 1.11 NO OTHER MATERIAL INFORMATION

Other than as set out in this Notice of Meeting, and information previously disclosed to Shareholders, there is no information known to the Directors which might reasonably be expected to be material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 1.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.



## 2. RESOLUTION 2 - DELISTING FROM ASX

### 2.1 OVERVIEW

Resolution 2 seeks approval from Shareholders to remove the Company from the Official List of the ASX (**Delisting**), subject to Resolution 1 being approved by Shareholders and completion of payment of the Capital Return to Shareholders.

As disclosed in the previous Notice of Meeting released on 28 July 2025, the Company was granted a six-month period from the date on which the sale of its main undertaking was announced to the market (being 1 July 2025) to demonstrate a sufficient level of operations in accordance with ASX Listing Rule 12.1. Where the Company is unable to demonstrate compliance with ASX Listing Rule 12.1 within that six-month period, its securities will be suspended on 2 January 2026 (given that 1 January 2026 is a public holiday).

The Company has received in-principle advice from ASX that, subject to receipt of a formal application for Delisting, ASX would likely remove the Company from the Official List of ASX, on a date to be decided by ASX in consultation with the Company, subject to compliance with certain conditions detailed in Section 2.2 below. However, as set out in section 2.2 below, ASX has imposed the condition that removal of the Company from the Official List of ASX will take place **no earlier than the date of completion of payment of the Capital Return to Shareholders**.

As is its usual practice, ASX has imposed a requirement under Listing Rule 17.11 and Guidance Note 33 *Removal of Entities from the ASX Official List* (**Guidance Note 33**) that the Company obtain Shareholder approval by way of a special resolution for the Delisting.

Resolution 2 seeks the required shareholder approval to the Delisting under and for the purposes of the ASX Listing Rules.

If Resolution 2 is passed, subject to Resolution 1 being approved by Shareholders and completion of payment of the Capital Return to Shareholders, the Company will be able to proceed with the Delisting and will no longer be required to incur the relevant costs involved with being listed. This means that after the Delisting, the Company's Shares will no longer be quoted on (or be able to be traded on) the ASX. Further information regarding the proposal and the consequences of the Delisting are set out in the section below.

If Resolution 2 is not passed, the Company will not be able to proceed with the Delisting and the Company's Shares will remain listed on ASX (although the Company expects that trading of the Company's Shares will be suspended from 2 January 2026 as detailed above). The Company will not have any ongoing business operations or plans to enter into any new business activity but will continue to incur costs, thereby reducing the amount of a final distribution to shareholders. Once the final distribution is completed, the Company will also have distributed all of its remaining assets and cash (less cash withheld to wind up the NXS Group).

The Company expects that in these circumstances the ASX would exercise its power to remove the Company from the Official List of ASX as its structure and operations would not be appropriate for a listed entity.

As Resolution 2 is a special resolution, it will only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on Resolution 2 are voted in favour of the resolution, and Resolution 1 is passed (given Resolution 2 is conditional on the passing of Resolution 1).

The Company has formally applied to ASX to be removed from the ASX Official List under ASX Listing Rule 17.11 on the conditions set out in the in-principle advice application and ASX in-principle decision letter. The Company's reasons for seeking removal from the official list are that:

- (a) Following the sale of substantially all of the Company's assets, the Company does not have any ongoing business operations and does not have any plans to enter into any new business activity. Therefore, the Company has no need to access capital (and noting that



the key reasons for being listed on the ASX are to access capital for growth and to provide liquidity for existing shareholders);

- (b) There are significant administrative, management and compliance costs associated with being listed on the ASX. Incurring these costs reduces the amount of the final distribution to shareholders. As such, the Company believes that the benefits of being listed on the ASX are outweighed by the benefits of being removed from the official list;
- (c) Delisting will relieve the Company of the significant compliance and administrative burden associated with being listed.

## 2.2 CONDITIONAL APPROVAL FROM ASX FOR DELISTING

The conditions imposed by ASX on the Delisting are as follows:

- (a) Condition 1.1: the request for removal of the Company from the Official List is approved by a special resolution of ordinary Shareholders of the Company;
- (b) Condition 1.2: the notice of meeting seeking Shareholder approval for the Company's removal from the Official List must include the following information, in form and substance satisfactory to ASX:
  - (i) Condition 1.2.1: a timetable of key dates, including the time and date at which the Company will be removed from the Official List;
  - (ii) Condition 1.2.2: details of the winding up process of the entities comprising the Company;
  - (iii) Condition 1.2.3: a statement to the effect that the removal will take place no earlier than the date of completion of payment of the return of capital to Shareholders; and
  - (iv) Condition 1.2.3: the information prescribed in section 2.11 of ASX Guidance Note 33,
- (c) Condition 1.3: the removal of the Company must not take place any earlier than the date of completion of payment of the Capital Return to Shareholders; and
- (d) Condition 1.4: the Company releases the full terms of ASX's decision to the market upon making a formal application to ASX to remove the Company from the official list of the ASX.

(together, the **Delisting Conditions**).

In accordance with the Delisting Conditions:

- (a) Resolution 2 seeks Shareholder approval via a special resolution for the removal of the Company from the Official List as set out in Condition 1.1 above;
- (b) this Explanatory Memorandum includes the statements that are conditions of ASX's approval of the Delisting;
- (c) the removal of the Company from the Official List will not take place any earlier than the date of completion of payment of the Capital Return to Shareholders; and
- (d) the Company will lodge its formal request for removal from the Official List shortly before the date of the Meeting and release the full terms of ASX's decision to the market as soon as it is received.

## 2.3 ADVANTAGES OF THE DELISTING

If the Company is Delisted, the Directors expect that the Company will save the following expenses per annum:

ASX listing fees	\$49,300
------------------	----------

Other ASX compliance and registry costs	\$24,600
Audit costs *	\$268,450
<b>Total</b>	<b>\$342,350</b>

\* Assuming that the Company is voluntarily wound up following the Delisting.

The above does not include any allocation of the cost of management's time taken up by matters associated with being listed.

The Delisting will only occur if the Capital Return is approved by Shareholders under Resolution 1, and completion of payment of the Capital Return to Shareholders. Following completion of the Transaction and the Capital Return, the benefit of the Company being a listed entity will be outweighed by the costs associated with continuing to be a listed entity, as the Company does not have any ongoing business operations. In the opinion of the Board, it would not be appropriate for the Company, having no operations or plans to enter into any new business activity, to maintain its listing on ASX.

The Company currently incurs various administrative and management costs to comply with the Listing Rules, fees for ASX clearance and settlement and costs for maintaining staff and other services. As a result of the Delisting, the Company will not be required to continue to pay these costs.

The Company will also be relieved of the administrative burden associated with being listed.

Consequently, the Directors consider that the Delisting will maximise the return to Shareholders received as a result of the Transaction and minimise the ongoing operating costs of the Company prior to winding up of the NXS Group.

## 2.4 DISADVANTAGES OF THE DELISTING

The Directors have considered the potential disadvantages of the Company of Delisting, particularly:

- (a) Shareholders' ability to sell Shares and realise their investment in the Company may be diminished as Shares will no longer be traded on the ASX and they will only be capable of sale by private transaction. However, if Shareholders approve the Capital Return detailed above, they will substantially receive the value of their Shares by way of a return in capital.
- (b) If the Company is delisted, it will have more limited means by which it can raise capital by way of the issue of securities. Typically, an unlisted company does not have the ability to raise capital from the issue of securities by means of limited disclosure fundraising documents. As an unlisted entity, the main means for the Company to raise equity funds will be by way of placement to sophisticated and other investors who do not require a prospectus. However, following the completion of the Transaction the Company no longer has an operating business and therefore the Company does not intend to conduct any fundraising activity.
- (c) If the Company is delisted, various requirements of the Listing Rules will no longer apply, and these may include relief from some reporting and disclosure requirements, restrictions on the issue of Shares by the Company, requirements concerning significant changes to the Company's activities and requirements to address ASX Corporate Governance Principles and Recommendations. The absence of continued restrictions in these areas may be perceived to be a disadvantage to some Shareholders.

## 2.5 THE EFFECT OF DELISTING

If Shareholders approve Resolutions 1 and 2, following completion of payment of the Capital Return, the Company will be removed from the Official List on or about 13 February 2026 or some other date to be decided by ASX (**Delisting Date**).

Following the Delisting, while the Listing Rules will cease to apply to the Company, Shareholders will retain the protections afforded to them under the Corporations Act. The Company will continue to be subject to its obligations under the Corporations Act and the Company's constitution, including:

- (a) while the Company has 100 or more Shareholders (i.e. is an "unlisted disclosing entity"), the Company will be required to give continuous disclosure of material matters in accordance with the Corporations Act by filing notices with ASIC under section 675 of the Corporations Act. These obligations are substantively the same as those that currently apply to the Company under section 674 of the Corporations Act and Listing Rule 3.1. The Company will also still be required to lodge annual audited and half-year financial statements in accordance with the requirements of the Corporations Act. However, if the Company ceases to be an unlisted disclosing entity, there will be no ongoing requirement for the Company to give continuous disclosure of material matters under section 675 or lodge half-yearly financial statements reviewed by an auditor, but, as a public company, it will continue to be required to lodge annual audited financial statements (For the avoidance of doubt, the Company will be an unlisted disclosing entity immediately following Delisting);
- (b) while the Company has 50 or more Shareholders, the acquisition and control of Shares will continue to be subject to the takeover provisions in Chapter 6 of the Corporations Act;
- (c) as a public company, the restrictions on the giving of a financial benefit to a related party of the Company under Chapter 2E of the Corporations Act will continue to apply; and
- (d) the majority of the provisions of the Company's constitution will not be affected by the Company ceasing to be listed on ASX, and there is no present proposal to change the Company's constitution following the Delisting.

Furthermore, if Shareholders approve Resolutions 1 and 2 at the EGM, the Company intends to then call a further EGM to commence winding up of the Company and all its subsidiaries which form part of the NXS Group. The further EGM will seek Shareholder approval to pass the following resolutions:

- (a) to be passed as a special resolution, the voluntary winding up of the Company;
- (b) to be passed as an ordinary resolution, the appointment of a liquidator; and
- (c) to be passed as an ordinary resolution, approval of the remuneration of the liquidator.

If the resolutions above are passed, from the close of the further EGM at which the resolutions are passed, the liquidator will be responsible for winding up the affairs of the Company and making a final distribution of any remaining funds of the Company to Shareholders at the end of the winding up process.

The Company anticipates that the further EGM will take place prior to 31 March 2026. Once the liquidator has concluded the winding up process in relation to the Company and its subsidiaries which form part of the NXS Group, ASIC will deregister the companies within 3 months of the liquidator's cessation date.

## **2.6 ASSETS, LIABILITIES AND CREDITORS**

The Directors consider that the Delisting will not have an adverse effect on the Company's capacity to meet its existing and any anticipated obligations and will be able to pay its debts as and when they fall due. As set out above, the Directors also note that the Delisting will result in considerable cost savings for the Company. However, it should be noted, that if Resolution 1 is passed, that the net cash position of the Company will be reduced by the Capital Return.

## **2.7 SHARE TRADING**

The Company is not proposing to put in place any buy-back or other sale or redemption facility in light of the proposed Capital Return to Shareholders and intention to commence a process to wind up the NXS Group post-Delisting.

If Shareholders wish to sell their Shares on the ASX, they will need to do so before the Company is removed from the Official List (noting that the Company will be suspended on 2 January 2026 following

which Shareholders will not be able to sell their Shares on-market from 2 January 2026 onwards and will only be able to sell their Shares off-market).

Following the Delisting Date, any Shareholder wishing to sell their Shares can transfer their Shares off-market to a willing third-party purchaser in accordance with the Company's Constitution, however, such market may not be liquid, and Shareholders will be personally responsible for sourcing any potential purchaser for their Shares.

As indicated above, whole of company transactions where an offer is made to all Shareholders, (e.g. a takeover bid or a scheme of arrangement), would still be undertaken pursuant to the requirements in the Corporations Act. In the event of such a proposal, in accordance with regulatory requirements, Shareholders will be provided with all relevant information in order to assess such proposal.

## 2.8 REMEDIES AVAILABLE TO SHAREHOLDERS

If a Shareholder considers the Delisting to be contrary to the interests of the Shareholders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a Shareholder or Shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act.

Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

If a Shareholder considers that the Delisting involves "unacceptable circumstances", it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

## 2.9 INDICATIVE TIMETABLE

The proposed timetable for the Capital Return and the Delisting (assuming Resolutions 1 and 2 are passed) is set out below. The timetable is indicative only and subject to change by the Company or ASX.

EVENT	INDICATIVE DATE
Completion of the Transaction	Monday, 15 September 2025
Despatch of this Notice of Meeting to Shareholders	Wednesday, 24 December 2025
Provision of transition services to Buyer ends	Wednesday, 31 December 2025
Suspension of the Shares of the Company (following which Shareholders will not be able to sell their Shares on-market from 2 January 2026 onwards and will only be able to sell their Shares off-market)*	Friday, 2 January 2026
Holding of the Extraordinary General Meeting	Wednesday, 28 January 2026
Announcement of Capital Return and effective date	Thursday, 29 January 2026
Last day for trading in "cum return of capital" (noting the Shares of the Company will be suspended from 2 January 2026, therefore trading will not be possible)	Friday, 30 January 2026
Ex-Entitlement Date for Capital Return (noting the Shares of the Company will be suspended from 2 January 2026, therefore trading will not be possible)	Monday, 2 February 2026
Record Date for Capital Return	Tuesday, 3 February 2026
Payment Date for Capital Return	Thursday, 12 February 2026
Anticipated Date for Delisting subject to ASX approval**	Friday, 13 February 2026

*\* As disclosed in the previous Notice of Meeting released on 28 July 2025, the Company was granted a six-month period from the date on which the sale of its main undertaking was announced to the market (being 1 July 2025) to demonstrate a sufficient level of operations in accordance with ASX Listing Rule 12.1. Where the Company is unable to demonstrate compliance with ASX Listing Rule 12.1 within that six-month period, its securities will be suspended on 2 January 2026 (given that 1 January 2026 is a public holiday).*

*\*\* Delisting may not take place prior to the date of completion of payment of the Capital Return to Shareholders.*

## **2.10 DIRECTORS' INTERESTS**

No Director will receive a payment or benefit of any kind as a result of the Delisting.

Refer to section 1.9 of this Explanatory Memorandum dealing with Resolution 1 for information about the number of Shares which each Director holds as at the date of this Notice of Meeting.

## **2.11 DIRECTORS' RECOMMENDATIONS**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2. Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote all Shares which they control in favour of Resolution 2.

## **2.12 NO OTHER MATERIAL INFORMATION**

Other than as set out in this Notice of Meeting, and information previously disclosed to Shareholders, there is no information known to the Directors which might reasonably be expected to be material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 2.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 2.