

NOTICE OF 2024 ANNUAL GENERAL MEETING & COMPANY UPDATE

Carly Holdings Limited (ASX:CL8) (Carly or the Company) advises that the following documents will be sent to shareholders today in relation to the Annual General Meeting of the Company to be held on Wednesday, 16 April 2025 at 11:00am (AEST):

1. Letter to Shareholders regarding the Notice of Meeting;
2. Notice of Meeting; and
3. Proxy Form

Amongst the resolutions to be considered at the meeting is the merger of Carly Car Subscription with Carbar. On 14 February 2025, the Company announced that it had entered into a non-binding sale agreement with Carbar Holdings Pty Ltd pursuant to which Carbar has agreed to purchase, and the Company has agreed to sell 100% of the shares in Carly Car Subscription Pty Ltd, OneX Operations Pty Ltd and ElevenX Operations Pty Ltd. Carly Car Subscription is the operating entity that owns and runs the Carly car subscription business. OneX and ElevenX own vehicles that are used in the Carly car subscription business and are special purpose entities established for financing purposes.

If the disposal of the assets proceeds to completion, the Company intends to continue to hold the shares in Carbar to gain future appreciation of value, and intends to continue as an ASX listed company and seek other opportunities to deliver value to Shareholders following completion of the disposal.

The Company intends on applying the cash consideration from the disposal towards supporting operations whilst the Company seeks other opportunities. The Company intends to reduce its overheads to a level consistent with its market capitalisation and operations whilst it seeks other opportunities.

Subject to completion of the disposal, the name of the Company is proposed to be changed to become "CL8 Holdings Limited".

As a result of the proposed disposal, the Group will not have any staff. The CEO role, held by Chris Noone since 1 August 2014, has been terminated as part of the disposal, effective today, with notice as required in accordance with his contract. Following completion of the disposal, Mr Chris Noone will also resign as a Director of the Company and its subsidiaries.



Chris Noone commented “Since 2019 we have been passionate proponents of the car subscription model and the benefits and flexibility it offers consumers and businesses alike. As with many technology driven, high growth potential markets it is important to reach scale as quickly as possible to ensure success. The merger of the Carly car subscription business with Carbar will provide immediate economies of scale and access to capital to accelerate the growth for both brands. Carly’s core car subscription offering and innovative products including EV Trial, CarlyNow and salary packaged car subscription supported by an exclusive ATO Product Ruling, complement Carbar’s car subscription and other offerings.”

“I would like to express my gratitude and appreciation to the shareholders, directors, corporate partners, management and staff of Carly for the support they have shown me since 2014 while we transitioned the business from a peer-to-peer car rental service to one of the leading car subscription companies in Australia. Since its launch in 2019, Carly has helped thousands of individuals and businesses secure easy and flexible access to vehicles and forged enduring partnerships with leading automotive manufacturers, dealers and leasing companies. Now is a good time for me to step away, secure in the knowledge that the business is well positioned to continue to evolve and grow.”

Adrian Bunter, Chairman commented “On behalf of the Board, I would like to thank Chris for his dedication and efforts over many years. Chris took an embryonic peer-to-peer car rental platform, built trusted industry partners which was then transformed into one of the earliest car subscription companies in Australia. This was at a time when car subscription was new, and the category was being created. The business had launched and was gaining good momentum when Covid hit in 2020 requiring massive changes in all aspects of operations. Chris has led the business through many ups and downs, and has worked tirelessly to champion car subscription and to get to this position of merging Carly car subscription with Carbar. I wish Chris the best of luck with his future endeavours.”

The Notice of Meeting, Explanatory Memorandum and Proxy Form follow this announcement.

This announcement was authorised to be given to ASX by the Board of Directors of Carly Holdings Limited.

Authorised by:

Adrian Bunter
Chairman and Non-Executive Director
Carly Holdings Limited

Investor Relations

w: <https://investors.carly.co>

e: shareholder@carly.co



About Carly

Carly Holdings Limited (ASX:CL8) is an Australian company leading the growth of the car subscription industry in Australia & New Zealand and supporting the transition to electric vehicles. Launched in 2019, [Carly Car Subscription](#) is a flexible alternative to buying or financing a vehicle, for individuals and businesses, with insurance, registration and servicing included in one monthly payment. Average subscription period is over 5 months. Carly has secured auto industry leaders SG Fleet (ASX:SGF) and Turners Automotive (ASX:TRA) as significant shareholders, joining long-term shareholder, RACV and OEM partner, Hyundai. For more information visit: <https://investors.carly.co>

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Carly Holdings Limited
Suite 2 Level 3 189 Kent St
Sydney NSW 2000
ABN: 60 066 153 982

+61 2 9000 1215

shareholder@carly.co

www.carly.co/investors





All Registry communications to:
Automic
Group GPO
Box 5193
Sydney NSW 2001
Telephone (free call within Australia): 1300 288 664
ASX Code: CL8

18 March 2025

Carly Holdings Limited - Upcoming Annual General Meeting of Shareholders

Dear Shareholder,

Carly Holdings Limited ACN 066 153 982 (**ASX:CL8** or “the **Company**”), advises the 2024 Annual General Meeting will be held in person at Suite 2, Level 3, 189 Kent Street, Sydney, NSW 2000 on Wednesday, 16 April 2025 at 11:00am (AEST) (**Meeting**).

Notice of Meeting

The Notice of Meeting and Explanatory Memorandum (**Notice**) for the Meeting is available online and can be viewed and downloaded by shareholders of the Company (**Shareholders**) from the Company’s website at <https://investors.carly.co/>, or the Company’s ASX market announcements platform at:

<https://www.asx.com.au/markets/trade-our-cash-market/announcements.cl8>

In accordance with sections 110C-110K of the Corporations Act 2001 (Cth) (as inserted by the Treasury Laws Amendment (2021 Measures No.1) Act 2021 (Cth), Shareholders will not be sent a hard copy of the Notice or Proxy Form unless Shareholders have already notified the Company that they wish to receive documents such as the Notice and Proxy Form in hard copy.

Voting by Proxy

Online

scan the QR code below using your smartphone



Lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsah> by following the instructions:

1. Login to the Automic website using the holding details as shown on your holding statement.
2. Click on ‘View Meetings’ – ‘Vote’.

To use the online lodgment facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown at the top of your holding statement.

For further information on the online proxy lodgment process, please contact the Company’s Share Registry, Automic Registry Services (**Automic**), at hello@automicgroup.com.au or via phone on 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

Shareholder queries in relation to the Meeting

Shareholders can contact the Company Secretary with any questions prior to the meeting via email at pia.rasal@automicgroup.com.au.

Copies of all Meeting related material including the Notice and the Company’s Annual Report, are available to download from the Company’s website and the Company’s ASX market announcements platform. In the event it is necessary or appropriate for the Company to make alternative arrangements for the Meeting, information will be provided to Shareholders via the ASX and the Company’s website.

Authorised for ASX release by the Company Secretary.

Priyamvada (Pia) Rasal
Company Secretary
Carly Holdings Limited

Carly Holdings Limited

Suite 3.02, Level 3,
189 Kent Street,
Sydney, NSW 2000
ABN 60 066 153 982

shareholder@carly.co
<https://investors.carly.co/>



Carly Holdings Limited

Notice of 2024 Annual General Meeting

Explanatory Statement | Proxy Form

16 April 2025

11:00am (AEST)

Address

Suite 2, Level 3, 189 Kent Street, Sydney NSW 2000

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

For personal use only

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Important Information for Shareholders about the Company's 2024 AGM

This Notice is given based on circumstances as at 18 March 2025. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://investors.carly.co/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

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Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (AEST) on 16 April 2025 at Suite 2, Level 3, 189 Kent Street, Sydney, NSW 2000.

Your vote is important

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

Voting in person

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

Voting by proxy

To vote by proxy, please use one of the following methods:

| | |
|-----------------|--|
| Online | Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' - 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/ |
| By post | Automic, GPO Box 5193, Sydney NSW 2001 |
| By hand | Automic, Level 5, 126 Phillip Street, Sydney NSW 2000 |
| By email | Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au |

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Carly Holdings Limited ACN 066 153 982 will be held at 11:00am (AEST) on 16 April 2025 at Suite 2, Level 3, 189 Kent Street, Sydney, NSW 2000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEST) on 14 April 2025.

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

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. **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, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2024.”

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the KMP, details of whose remuneration are included in the Remuneration Report ; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - a. does not specify the way the proxy is to vote on this Resolution; and
 - b. expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Re-election of Directors

2. **Resolution 2 – Re-election of Michelle Vanzella as a Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That Michelle Vanzella, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers herself for re-election as a Director of the Company, effective immediately.”

Disposal of Main Undertaking

3. **Resolution 3 – Disposal of Main Undertaking**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, under and for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the sale by the Company of 100% of the shares in Carly Car Subscription Pty Ltd (ACN 075 505 494), OneX Operations Pty Ltd (ACN 666 515 457) and ElevenX Operations Pty Ltd (ACN 650 588 480) to Carbar Holdings Pty Ltd (ACN 612 049 260), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) Carbar Holdings Pty Ltd (ACN 612 049 260) (or any of its associates); or
- (b) any other a person who is expected to participate in, or who will obtain a material benefit as a result of, the Disposal (except a benefit solely by reason of being a Shareholder)

(each, an **Excluded Party**).

However, this does not apply to a vote cast in favour of Resolution 4 by:

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

Change of Name

4. Resolution 4 – Change of Company Name

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*"That, subject to completion of the disposal the subject of Resolution 3, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to **"CL8 Holdings Limited"**."*

ASX Listing Rule 7.1A (Additional 10% Capacity)

5. Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

BY ORDER OF THE BOARD



Priyamvada (Pia) Rasal
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11:00am (AEST) on 16 April 2025 at Suite 2, Level 3, 189 Kent Street, Sydney, NSW 2000.

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

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://investors.carly.co/investor-relations/annual-report/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary Ms Pia Rasal at Pia.Rasal@automicgroup.com.au. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by 9 April 2025.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the Annual General Meeting.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://investors.carly.co/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2025 Annual General Meeting (**2025 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2025 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2025 AGM. All of the Directors who were in office when the FY25 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Re-election of Directors

Resolution 2 – Re-election of Michelle Vanzella as Director

Clause 13.2 of the Company's Constitution provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Michelle Vanzella was appointed a Director of the Company on 1 September 2018 and was last re-elected as a Director at the 2021 AGM. Under this Resolution, Michelle Vanzella has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Michelle has an extensive combination of customer, marketing, digital, data and commercial legal skills built up across multiple industries including technology, retail, property and financial services. She practiced Corporate & Commercial Law at Allens and has held senior executive positions with iconic brands including Westfield, Suncorp and AAMI.

Directors' recommendation

The Directors (excluding Ms Michelle Vanzella) recommend that Shareholders vote for this Resolution.

Disposal of Main Undertaking

Resolution 3 – Disposal of Main Undertaking

Background

The Company is an Australian public company, which was incorporated on 20 September 1995 and originally listed on the ASX on 25 September 1996 as a mining company. Since the original listing the Company has changed its operations and the Company currently provides car subscription services.

The Company was cognisant of the requirement to raise additional capital in calendar year 2024 to fund operations and sought to increase the attractiveness of the investment opportunity by a focus on increasing sales while maintaining strict control of operating expenses and also launching new product features and strategic relationships. On 5 March 2024, the Company launched EV Trial to broaden the target market and meet rapidly increasing consumer and business needs. Later, co-branded versions of EV Trial were launched with Carly's second largest shareholder, SG Fleet. On 22 July 2024 the Company announced a 69% increase in subscription revenue, 68% increase in fleet size, 6% decrease in staff costs and 7% reduction in net cash used for the June 2024 Quarter vs June 2023 Quarter, as well as the launch of the in-dealer subscription tool, CarlyNow. On 4 September 2024, the Company announced that an exclusive ATO Product Ruling had been secured to facilitate the launch of salary packaged car subscriptions in association with SG Fleet, to access SG Fleet's substantial salary packaging customer base. The Company provided details of the expected path to cash flow positivity and the strategies being implemented to achieve this aim. Ultimately, these actions were not sufficient to positively impact the Share price or secure interest from brokers and investors to facilitate a capital raise of the scale required.

On 30 August 2024, the Company released its Appendix 4E Preliminary Final Report for the year ended 30 June 2024 and disclosed that the Company was in breach of financial covenants relating

to its vehicle financing facilities. The Company has been working with its lender to consider options and alternatives available including potential refinancing or other transactions.

The Company requested a trading halt on 19 September 2024 pending the outcome of discussions in relation to its funding and financing arrangements. The Company's securities were suspended on 14 October 2024 due to the Company not lodging the Annual Report for the year ended 30 June 2024.

The Company has explored multiple financing alternatives for the business that would bring financial covenants back into compliance and provide operational funding to support the ongoing growth of the business, but has ultimately been unsuccessful in securing sufficient funds in the required time frame. The Company entered into independent detailed negotiations with two separate parties in relation to sale or merger opportunities and ultimately chose to proceed with one of those alternatives. The Company has now entered into a non-binding agreement for the sale of the operating businesses. The Directors believe that this is the optimum outcome for the Company, including Shareholders and creditors, compared to all other alternatives.

1. Proposed Disposal

On 14 February 2025, the Company announced that it had entered into a non-binding sale agreement (**Sale Agreement**) with Carbar Holdings Pty Ltd (ACN 612 049 260) (**Carbar or the Purchaser**) pursuant to which Carbar has agreed to purchase, and the Company has agreed to sell 100% of the shares in Carly Car Subscription Pty Ltd (**Carly Car Subscription**), OneX Operations Pty Ltd (**OneX**) and ElevenX Operations Pty Ltd (**ElevenX**) (**Disposal**).

Carly Car Subscription is the operating entity that owns and runs the Carly car subscription business. OneX and ElevenX own vehicles that are used in the Carly car subscription business and are special purpose entities established for financing purposes (**Assets**).

About Carbar

Carbar is a leading car subscription company offering a similar subscription service to that of Carly car subscription. Carbar was founded in 2016 and pioneered car subscription by launching Australia's first car subscription services in January 2018. Carbar has continue to innovate leading the shift towards sustainable mobility, enhancing their car subscription services with clean energy vehicle options.

Carbar is led by a management team with proven expertise in automotive services, finance and technology and includes Desmond Hang (Co-founder and CEO) and Kenneth Teh (Co-founder and COO), Mark Stackpoole (Head of Operations), Frankie Teh (Head of Finance), and Joe Hanna (Strategic Advisor). Abe Tomas is a non-executive director, and brings years of experience from LeasePlan Corporation and McMillian Shakespeare.

Carbar has established itself as a leading car subscription provider and intends to leverage its scalable platform for growth including ongoing M&A and consolidation opportunities to deliver scale and market expansion. For FY24, Carbar achieved approximately 5 times more revenue than Carly, had average subscription tenure approximately 4 times longer and significantly higher customer lifetime value.

Carbar is well funded for continued growth with asset finance facilities and equity, holding adequate cash to fund the smooth integration and continued growth of the business. The co-founders (and their related parties) currently hold over 75% of the equity of Carbar.

Consideration for sale

The consideration payable by the Purchaser for the acquisition comprises approximately \$3.8 million (prior to working capital adjustments and other completion adjustments), consisting of \$160,000 in cash and approximately \$3.64 million in fully paid ordinary shares in the capital of the Purchaser (**Carbar Shares**).

Working capital and any other adjustments will reduce the Carbar Share component.

As part of the transaction negotiation and due diligence, the management team of Carly reviewed the financial and operational performance of Carbar, considered other potential comparable transactions in the market and the funding support that had been received by Carbar. The value of the Carbar Shares being received as consideration is based on an agreed equity value for Carbar (pre the proposed acquisition of the assets under the Disposal) considering its financial performance, vehicles under subscription, recent capital funding and available cash in the Carbar business.

The consideration is to be allocated between the Company and its financier (funds associated with iPartners Nominees Pty Ltd (ACN 619 036 663) (**iPartners**)) as follows:

- As part of the Disposal, iPartners has agreed to cancellation of the existing Convertible Note facility (a liability recorded in the Company's accounts of \$2.76 million as at 31 December 2024) (**Convertible Note**), and will receive proceeds of approximately \$2.77 million of Carbar Shares;
- Carly will receive proceeds of approximately \$160,000 in cash and approximately \$0.87 million of Carbar Shares.

Any completion adjustments will reduce or increase the Carbar Shares component (as required) and the adjustment will be allocated 50% to iPartners and 50% to the Company.

In addition to the consideration payable, the Purchaser will assume the asset finance obligations of OneX and which, as at 31 December 2024, were approximately \$6.9 million and \$1.2 million respectively, as part of the acquisition of those entities. iPartners is to provide funding to OneX on revised arrangements as agreed between iPartners and Carbar.

Adjustment to the consideration will be made based on depreciation of value of vehicles, any disposal of vehicles or changes in value of vehicles due to damage, between 31 October 2024 and the date of completion, Adjustments to the consideration will be also be made for working capital adjustments to the extent that actual working capital at the time of completion is different to the expected level of normal working capital.

Conditions Precedent

Completion of the Disposal is conditional upon the satisfaction or waiver of the following conditions precedent by 22 April 2025 (or such later date as agreed between the parties):

- (a) the Purchaser notifying the Company that it is satisfied with the outcome of its commercial, financial, legal, technical and operational due diligence investigations on the business;
- (b) entry into long form, binding transaction documents incorporating change of control consents, warranties, indemnities, restraints, limitations on the liability of the Company customary for a transaction of this type and reflective of any matters identified in due diligence;
- (c) no material adverse events have occurred prior to completion of the Disposal;

- (d) the parties obtaining all necessary and material third-party consents, authorisations and approvals (including any necessary regulatory approvals) required to give effect to the Disposal; and
- (e) the shareholders of Carly resolving to approve the Disposal in accordance with the requirements of Chapter 11 of the Listing Rules.

The key terms of the Sale Agreement are set out in Schedule 1.

2. Assets

As outlined above, the Assets being sold include 100% of the shares in Carly Car Subscription, OneX and ElevenX. These Assets encompass all the assets utilised in the Carly car subscription business.

The financial impact on the Group from the Disposal is outlined below.

For further information with respect to the Assets, please refer to the Company's previous ASX announcements (including the announcement dated 14 February 2025). The Company confirms that it is not aware of any new information or data that materially affects the information included in its previous announcement with respect to the Assets.

3. Financial effect, advantages and disadvantages of the Disposal

3.1 Financial effect and use of proceeds

The impact of the Disposal on the Company is set out in the pro forma balance sheet contained in Schedule 2.

If the Disposal proceeds to completion, the Company intends to continue to hold the shares in Carbar to gain future appreciation of value and intends to continue as an ASX listed company and seek other opportunities to deliver growth to Shareholders following completion of the Disposal.

The Company intends on applying the cash consideration from the Disposal towards supporting operations whilst the Company seeks other opportunities.

The Company's assets and liabilities proposed to be sold (based on 31 December 2024 auditor reviewed accounts) under the Sale Agreement are as follows:

| | \$ |
|-----------------------------|----------------|
| CURRENT ASSETS | |
| Cash and cash equivalents | 496,340 |
| Trade and other receivables | 4,899 |
| Other current assets | 128,980 |
| Total Current Assets | 630,219 |
| | |
| NON-CURRENT ASSETS | |
| Property, plant & equipment | 5,737,139 |

| | |
|---------------------------------|------------------|
| Right of use asset | 480,047 |
| Intangible assets | 7,967 |
| Other non-current assets | 206,752 |
| Total Non-Current Assets | 6,431,905 |
| TOTAL ASSETS | 7,062,124 |

The above assets represent 96.1% of the total assets of the Group as at 31 December 2024.

| | |
|--------------------------------------|------------------|
| | \$ |
| CURRENT LIABILITIES | |
| Trade and other payables | 1,356,819 |
| Loans payable | 7,316,651 |
| Lease liability | 400,980 |
| Other liabilities | 156,718 |
| Total Current Liabilities | 9,231,168 |
| | |
| NON-CURRENT LIABILITIES | |
| Loans payable | 534,055 |
| Lease liability | 99,337 |
| Other non-current liabilities | 17,540 |
| Total Non-Current Liabilities | 650,932 |
| TOTAL LIABILITIES | 9,882,100 |

The above liabilities represent 75.9% of the total liabilities of the Group as at 31 December 2024.

In addition to the above liabilities, as part of the Sale Agreement and the allocation of proceeds, as outlined in section 1 above, the existing Convertible Notes, recorded as approximately \$2.76 million as at 31 December 2024 will be cancelled. This represents approximately 20.3% of the total liabilities of the Group as at 31 December 2024.

3.2 Advantages

The Directors consider that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Disposal:

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- For personal use only
- a. the existing operations of the Carly car subscription business will continue as part of Carbar;
 - b. Shareholders of the Company will benefit from the Company's shareholding in Carbar;
 - c. the Company's obligations to creditors will be honoured;
 - d. staff entitlements will be honoured and a number of employees will have continuing and ongoing employment; and
 - e. closure of the business and potential liquidation of assets cost will be avoided.

3.3 Disadvantages

The Directors believe that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Disposal:

- a. the Company will be disposing of its main undertaking in the Carly car subscription business, which may not be consistent with the investment objectives of all Shareholders;
- b. the size of the Company's tangible asset base and operating activities will be reduced significantly as a result of the Disposal;
- c. potential operating revenue attributable to the car subscription operations will not be able to be realised by the Company if the Disposal occurs (notwithstanding that significant ongoing capital expenditure would be required to reach profitability); and
- d. the Company will not be able to realise any other potential competing bid for the car subscription operations in the event such an offer was to arise following completion of the Disposal.

4. The Company's intentions post-completion of the Disposal

4.1 Direction and business model

If the Disposal proceeds to completion, the Company intends to continue to hold the shares in Carbar to gain future appreciation of value, and intends to continue as an ASX listed company and seek other opportunities to deliver growth to Shareholders following completion of the Disposal.

The Company intends on applying the cash consideration from the Disposal towards supporting operations whilst the Company seeks other opportunities. The Company intends to reduce its overheads to a level consistent with its market capitalisation and operations whilst it seeks other opportunities.

4.2 Group structure

Upon completion of the Disposal, the corporate structure of the Company is intended to be as follows:

- Carly Holdings Limited (proposed to be renamed as "CL8 Holdings Limited" pursuant to Resolution 4).
- Drive My Fleet Pty Ltd (100% owned by the Company).

4.3 Proposed changes to the Company's board and management

As a result of the Disposal, the Group will not have any staff. The CEO role has been terminated with notice as part of the Disposal. Following completion of the Disposal, Mr Chris Noone will resign as a Director of the Company.

Following completion of the Disposal, the Board will be as follows:

- Mr Adrian Bunter – Non-Executive Chair;
- Mr Stephen Abolakian – Non-Executive Director; and
- Ms Michelle Vanzella – Non-Executive Director.

5. Indicative timetable

Subject to the ASX Listing Rules and Corporations Act requirements, the Company anticipates completion of the Disposal will be in accordance with the following timetable:

| EVENT | DATE* |
|---|---------------|
| Notice of Meeting for the Disposal sent to Shareholders | 18 March 2025 |
| Execution of binding Sale Agreement | 28 March 2025 |
| Shareholder Meeting to approve the Disposal | 16 April 2025 |
| Satisfaction/waiver of all conditions in Sale Agreement | 17 April 2025 |
| Settlement of Disposal | 17 April 2025 |

*Please note this timetable is indicative only and the Directors reserve the right to amend the timetable as required.

6. ASX Listing Rules 12.1 and 12.2

A disposal by a listed entity of its main undertaking can raise issues under ASX Listing Rule 12.1 and 12.2, which oblige a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities.

Paragraph 4.7 of ASX Guidance Note 12: Significant Changes to Activities (**Guidance Note 12**) notes that a company disposing of its main undertaking will generally be afforded a period of 6 months from the date of the agreement to dispose of its main undertaking to demonstrate to the ASX that it is compliant with Listing Rule 12.1 and ASX will suspend trading in the company's securities at the end of that 6 month period if it has not demonstrated compliance with Listing Rule 12.1 to ASX's satisfaction.

ASX has indicated it will need to be satisfied with the Company's compliance with the Listing Rules generally, including LR 12.1 & 12.2 in order to consider reinstating the Company's securities to trading.

The consequences of a disposal of the main undertaking are that any transaction the Company proposes to enter into may, if required by ASX, attract the application of Listing Rule 11.1.3 and as a result the Company may, if required by ASX, be required to re-comply with Chapters 1 and 2 of the Listing Rules.

Please refer to Guidance Note 12 which provides further information on significant changes to activities and how the Listing Rules apply to those changes.

7. ASX Listing Rule 11.2

This Notice of Meeting has been prepared, amongst other things, to seek Shareholder

approval for the matters required to complete the Disposal for the purposes of ASX Listing Rule 11.2.

The ASX takes no responsibility for the contents of the Notice.

Subject to Resolution 3 passing, the Company is proposing to proceed with the Disposal.

ASX Listing Rule 11.2 requires a listed company to obtain the approval of its shareholders to a disposal of its main undertaking. The Disposal is a disposal of the Company's main undertaking for these purposes.

Resolution 3 seeks the required Shareholder approval to the Disposal on the terms of the Sale Agreement under, and for the purposes of, ASX Listing Rule 11.2.

If Resolution 3 is passed, the Company will be able to proceed with the Disposal, following which, the Company will look to review and identify new opportunities which the Directors believe will have the potential to create value for Shareholders.

If Resolution 3 is not passed, the Company will not be able to proceed with the Disposal which may result in the Company being in breach of its financial covenants and being required to dispose of assets and shut down the business without any return to shareholders, in which case the Company would not be in a position to seek other opportunities or to seek the reinstatement of its Shares to official quotation on ASX.

All items required to be disclosed to Shareholders to obtain approval under ASX Listing Rule 11.2 are set out in this Notice. The Directors are not aware of any other commercial information that is material to the question of whether Shareholders should approve the Resolution.

Carbar is not a related party of the Company, and Shareholder approval for the Disposal is not required for the purposes of ASX Listing Rule 10.1.

8. Directors' interests and recommendations

None of the Directors have a material interest in the outcome of Resolution 3 other than as a result of their interest, if any, arising solely in the capacity as Shareholders.

The Directors have a relevant interest in the securities of the Company as set out in the following table:

| DIRECTOR | SHARES | % |
|-----------------------------------|------------|--------|
| Mr Stephen Abolakian ¹ | 53,984,772 | 20.12% |
| Mr Adrian Bunter | 1,900,000 | 0.71% |
| Mr Chris Noone | 3,503,750 | 1.31% |
| Ms Michelle Vanzella | NIL | NIL |

Notes: ¹ MNA Family Holdings Pty Ltd as the trustee for Hishenk Pty Ltd Superannuation Fund held 612,500 Shares (0.23%). Mr Abolakian's parents are directors and shareholders of the trustee and are beneficiaries of the superannuation fund.

Each of the Directors intends to vote all of their Shares in favour of Resolution 3.

9. Directors' recommendation

Based on the information available, the Directors consider that the proposed Disposal is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution

4 in the absence of a superior proposal.

Change of Name

Resolution 4 – Change of Company Name

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

This Resolution seeks the approval of Shareholders for the Company to change its name to “CL8 Holdings Limited”.

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if this Resolution is passed, the Company will lodge a copy of the special resolution with ASIC on completion of the Disposal the subject of Resolution 3 in order to effect the change. If this Resolution is passed the change of name will take effect when ASIC alters the details of the Company's registration.

ASX Listing Rule 7.1A

Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$3.48 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholders for the purposes of Listing Rule 7.3A.

Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; or
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used to fund exploration of or creation of new business activities and other opportunities, to acquire new business activities and/or other opportunities and for general working capital.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

| Variable "A" ASX Listing Rule 7.1A.2 | | Potential Dilution and Funds Raised | | |
|--|------------------------------------|-------------------------------------|----------------------------|------------------------------|
| | | \$0.0065 | \$0.013 | \$0.026 |
| | | 50% decrease in issue price | issue price ^(b) | 100% increase in issue price |
| "A" is the number of shares on issue, ^(a) being | 10% voting dilution ^(c) | 26,837,039 | 26,837,039 | 26,837,039 |
| 268,370,391 Shares | Funds raised | \$174,441 | \$348,882 | \$697,763 |
| "A" is a 50% increase in shares on issue, being | 10% voting dilution ^(c) | 40,255,558 | 40,255,558 | 40,255,558 |
| 402,555,586 Shares | Funds raised | \$261,661 | \$523,322 | \$1,046,645 |
| "A" is a 100% increase in shares on issue, being | 10% voting dilution ^(c) | 53,674,078 | 53,674,078 | 53,674,078 |
| 536,740,782 Shares | Funds raised | \$348,882 | \$697,763 | \$1,395,526 |

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 18 September 2024. No Shares have been issued since this date.
- (b) Based on the closing price of the Company's Shares on ASX as at 18 September 2024.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (f) The issue of equity securities under Listing Rule 7.1A consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the equity securities. If the issue of equity securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (g) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been

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formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

Issue of equity securities under Listing Rule 7.1A in the 12 months prior to AGM

The Company has not issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Enquiries

Shareholders are asked to contact the Company Secretary Ms Pia Rasal at Pia.Rasal@automicgroup.com.au if they have any queries in respect of the matters set out in these documents.

Glossary

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2024 Annual Report to Shareholders for the period ended 30 June 2024 as lodged by the Company with ASX on 28 February 2025.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of HLB Mann Judd (WA Partnership) dated 28 February 2025 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Carbar or **the Purchaser** means Carbar Holdings Pty Ltd (ACN 612 049 260).

Carly Car Subscription means Carly Car Subscription Pty Ltd (ACN 075 505 494).

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Carly Holdings Limited ACN 066 153 982

Constitution means the Company's constitution.

Convertible Note has the meaning given to that term in the Explanatory Statement to Resolution 3.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Directors means a current directors of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Disposal means the Company's sale of 100% of the shares in Carly Car Subscription, OneX and

ElevenX.

Dollar or “\$” means Australian dollars.

ElevenX means ElevenX Operations Pty Ltd (ACN 650 588 480).

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Group means Carly and its subsidiaries.

iPartners means iPartners Nominees Pty Ltd (ACN 619 036 663).

KMP 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 of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 18 March 2025 including the Explanatory Statement.

OneX means OneX Operations Pty Ltd (ACN 666 515 457).

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automic Pty Ltd.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the FY25 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the FY25 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the FY25 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the FY25 AGM.

Sale Agreement has the meaning given in the Explanatory Statement to Resolution 3.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

Schedule 1 - Key Terms of Sale Agreement

The key terms of the Sale Agreement are set out below.

Vendor or Carly

Carly Holdings Limited (ACN 066 153 982).

Purchaser

Carbar Holdings Pty Ltd (ACN 612 049 260) (or its wholly owned subsidiary).

iPartners

iPartners Nominees Pty Ltd (ACN 619 036 663)

Assets Being Sold

100% of the issued capital of Carly Car Subscription, OneX and ElevenX.

Consideration

The consideration payable by the Purchaser for the acquisition comprises approximately \$3.8 million (prior to working capital adjustments and other completion adjustments) consisting of approximately \$160,000 in cash and approximately \$3.64 million worth of fully paid ordinary shares in the capital of the Purchaser (**Purchaser Shares**).

The consideration is to be allocated between the Vendor and iPartners as follows:

- (a) As part of the transaction, iPartners has agreed to cancellation of the existing Convertible Note facility (a liability of \$2.76 million recorded in Carly's accounts as at 31 December 2024), and will receive proceeds of approximately \$2.77 million worth of Purchaser Shares;
- (b) Carly will receive proceeds of approximately \$160,000 in cash and approximately \$0.87 million worth of Purchaser Shares.

Any completion adjustments will reduce or increase the Purchaser Shares component (as required) and the adjustment will be allocated 50% to iPartners and 50% to the Vendor.

Adjustment to the consideration will be made based on depreciation of value of vehicles, any disposal of vehicles or changes in value of vehicles due to damage, between 31 October 2024 and the date of completion, Adjustments to the consideration will be also be made for working capital adjustments to the extent that actual working capital at the time of completion is different to the expected level of normal working capital.

In addition to the consideration payable, the Purchaser will assume the asset finance obligations of OneX and ElevenX which, at 31 December 2024, were approximately \$6.9 million and \$1.2 million respectively, as part of the acquisition of those entities. iPartners is to provide funding to OneX on revised arrangements as agreed between iPartners and Carbar.

Issuance of Purchaser Shares consideration and lock up

85% of the Purchaser Shares to be issued as consideration will be issued at completion of the Disposal (**Completion**), with the remaining 15% to be issued approximately one month after Completion following the finalisation of completion accounts and the calculation of any necessary adjustments.

The Purchaser Shares will be subject to a lock-up period of 24 months from Completion, preventing their transfer without approval of Carbar.

Conditions Precedent

Completion of the Disposal is conditional upon the satisfaction or waiver of the following conditions precedent, including the following, by 22 April 2025 (or such later date as agreed between the parties):

- (a) the Purchaser notifying the Vendor that it is satisfied with the outcome of its commercial, financial, legal, technical and operational due diligence investigations on the business;
- (b) entry into long form, binding transaction documents incorporating change of control consents, warranties, indemnities, restraints, limitations on the liability of the Purchaser customary for a transaction of this type and reflective of any matters identified in due diligence;
- (c) no material adverse events have occurred prior to Completion;
- (d) the parties obtaining all necessary and material third-party consents, authorisations and approvals (including any necessary regulatory approvals) required to give effect to the Disposal; and
- (e) the shareholders of the Vendor resolving to approve the Disposal in accordance with the requirements of Chapter 11 of the Listing Rules.

Pre-Completion Operations

Until Completion, Carly must continue to operate the Carly car subscription business in the usual and ordinary course and in line with its recent operations.

Exclusivity

The initial period of exclusivity is 45 days from 14 February 2025 or as otherwise agreed between the Vendor and the Purchaser.

Completion

Completion will take place following satisfaction or waiver of the Conditions Precedent and the parties completing standard completion procedures. The Parties have agreed to proceed in a timely manner and will use their best endeavours to enable Completion to occur by no later than 22 April 2025 (or such later date as agreed between the parties).

Termination

Subject to satisfaction of Conditions Precedent and the long stop date of 22 April 2025 (or such later date as agreed between the parties).

Other Terms

The Sale Agreement otherwise contains terms and conditions typical for a transaction of this nature and scale, including contemplation of warranties and indemnities and restraints and confidentiality provisions.

Schedule 2 - Pro Forma Balance Sheet

| | Carly Holdings Ltd Auditor Reviewed 31 December 2024 (\$) | Transaction Adjustments (\$) | Unaudited Proforma Post Transaction (\$) |
|--------------------------------------|--|------------------------------------|--|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 500,010 | (331,340) ¹ | 168,670 |
| Trade and other receivables | 15,789 | (4,899) ² | 10,890 |
| Other current assets | 193,679 | (128,980) ² | 64,699 |
| Total Current Assets | 709,478 | (465,219) | 244,259 |
| NON-CURRENT ASSETS | | | |
| Property, plant & equipment | 5,737,139 | (5,737,139) ² | - |
| Right of use asset | 689,962 | (480,047) ² | 209,915 |
| Intangible assets | 7,967 | (7,967) ² | - |
| Other non-current assets | 206,752 | (206,752) ² | - |
| Financial Assets - Carbar investment | 0 | 870,000 ³ | 870,000 |
| Total Non-Current Assets | 6,641,820 | (5,561,905) | 1,079,915 |
| TOTAL ASSETS | 7,351,298 | (6,027,124) | 1,324,174 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 1,609,714 | (1,356,819) ² | 252,895 |
| Loans payable | 9,931,221 | (9,931,221) ⁴ | - |
| Lease liability | 400,980 | (266,813) ² | 134,167 |
| Derivative liability | 30,452 | (30,452) ⁴ | - |
| Other liabilities | 156,718 | (156,718) ² | - |
| Total Current Liabilities | 12,129,085 | (11,742,023) | 387,062 |
| NON-CURRENT LIABILITIES | | | |
| Loans payable | 534,055 | (534,055) ² | - |
| Lease liability | 331,760 | (233,504) ² | 98,256 |
| Other non-current liabilities | 17,540 | (17,540) ² | - |
| Total Non-Current Liabilities | 883,355 | (785,099) | 98,256 |
| TOTAL LIABILITIES | 13,012,440 | (12,527,122) | 485,318 |
| NET ASSETS/(LIABILITIES) | (5,661,142) | 6,499,998 | 838,856 |
| EQUITY | | | |
| Issued capital | 26,845,904 | - | 26,845,904 |
| Reserves | 922,398 | - | 922,398 |
| Accumulated losses | (33,429,444) | 6,499,998 | (26,929,446) |
| TOTAL EQUITY | (5,661,142) | 6,499,998 | 838,856 |

Notes:

- 1 Represents the reduction in cash in the subsidiaries as part of the Disposal, plus the benefit of the cash consideration of \$160,000 to be received from the Disposal.
- 2 Represents the assets and liabilities of the subsidiaries being sold as part of the Disposal.
- 3 Represents the value of shares in Carbar to be received by the Company (prior to any increase of decrease due to completion adjustments) as part of the Disposal.
- 4 Represents the asset finance facilities in the subsidiaries being sold as part of the Disposal, the cancellation of the existing Convertible Note facility, and the derecognition of the associated derivative liability of the Convertible Note.

Your proxy voting instruction must be received by **11.00am (AEST) on Monday, 14 April 2025**, 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

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 Key Management Personnel.

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://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

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

