



The Environmental Group Limited

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

The Environmental Group Limited (ACN 000 013 427)

Share Purchase Plan Offer Booklet

The SPP Offer closes at 5:00pm (AEST) on Monday, 15 May 2023

The SPP Offer is open to a registered holder of EGL shares at 7:00pm (AEST) on 17 April 2023 and shown on EGL's share register to have an address in Australia or New Zealand.

Key Dates:

Event	Date (and time if relevant)
Record Date	7:00pm AEST on Monday, 17 April 2023
Announcement	Tuesday, 18 April 2023
Opening Date and dispatch of SPP Booklet	Monday, 1 May 2023
Closing Date	5:00pm AEST on Monday, 15 May 2023
SPP results announcement	Wednesday, 17 May 2023
Issue Date	Friday, 19 May 2023
SPP holding statements dispatched to shareholders	Monday, 22 May 2023
SPP Shares commence trading on ASX	Monday, 22 May 2023

Note: This timetable is indicative only and subject to change. The commencement of trading and quotation of SPP Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act and the ASX Listing Rules, EGL reserves the right to amend this timetable at any time without notice.

Important Notices

This SPP Offer Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation and particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. You should seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before making any investment decision.

This SPP Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. The offer of SPP Shares under the SPP Offer is made in accordance with the Corporations Act and ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, which grants relief from the requirement for EGL to provide prospectus disclosure in relation to the SPP. You should read the entire SPP Offer Booklet and obtain your own professional investment advice from your financial adviser before deciding whether to apply for SPP Shares.

The SPP is a part of an equity raising announced by EGL on 18 April 2023, including a placement of ordinary shares to institutional investors to raise approximately \$8 million (Placement). Please refer to EGL's Investor Presentation and ASX Announcement dated 18 April 2023.

You cannot withdraw your Application once it has been submitted. By submitting your Application, you are accepting the risk that the market price of Shares may change between the date you submit your Application and the Issue Date.

No SPP Shares will be issued if the issue will contravene any law or the ASX Listing Rules.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This SPP Offer Booklet does not constitute an offer of securities in any place outside Australia or New Zealand. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares to be offered under the SPP may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

How to Apply

You may apply to participate in the SPP in the following ways:

Option 1 - Apply online or by telephone using BPAY®

You can make a payment by BPAY® in the dollar amount of the Parcel you wish to apply for using the Biller Code and unique reference number shown on your personalised Application Form.

If you make your payment with BPAY® you do not need to return the Application slip attached to your Application Form.

Option 2 - Apply by post using your enclosed personalised Application Form

You can complete the personalised Application Form and send it by post together with your payment in the dollar amount of the Parcel you wish to apply for. Cheques, bank drafts and money orders should be made payable to "The Environmental Group Limited" and crossed "Not Negotiable". EGL will not accept cash payments.

Use the reply-paid envelope enclosed addressed to:

The Environmental Group Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY, NSW 2001

Applications and payments will not be accepted at EGL's registered or corporate offices or other offices of the Share Registry.

If you wish to participate, you should ensure that your Application and your payment is received by no later than the Closing Date.

You will not be able to withdraw or modify your Application or Application payment once you have submitted it. Interest will not be paid on any Application money received.

Frequently Asked Questions

What is the SPP?

The SPP is an offer by EGL to Eligible Shareholders to apply for up to \$15,000 worth of Shares at the Issue Price without paying any brokerage or transaction costs.

Who is eligible to participate in the SPP?

An Eligible Shareholder is a registered holder of Shares at the Record Date (being 7:00pm AEST on 17 April 2023) and shown on the Register to have an address in Australia or New Zealand.

Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand, or are in the United States or are acting for the account or benefit of a person in the United States, are not eligible to participate in the SPP on behalf of those persons.

What is the Issue Price of the SPP Shares?

The Issue Price per SPP Share is \$0.20, being the same price paid by investors under the recent Placement.

How much can I invest under the SPP?

Applications are limited to a total of \$15,000 worth of SPP Shares for Eligible Shareholders across all holdings.

What costs are associated with the SPP?

There are no brokerage or transaction costs payable by Eligible Shareholders for the SPP Shares.

Do I have to participate in the SPP?

No. If you do not wish to participate in the SPP, no further action is required.

If you decide to participate in the SPP, EGL recommends you seek professional investment advice from your financial or other professional adviser. This SPP Offer Booklet does not purport to contain all of the information that you may need to make an investment decision.

Can my offer under the SPP be transferred?

No. You cannot transfer your offer to apply for SPP Shares to anyone else.

Can EGL scale back Applications?

Yes. If EGL scales back Applications in its absolute discretion, you may receive less SPP Shares than the Parcel of SPP Shares you applied. Should this happen, the difference between the value of SPP Shares issued to you (calculated using the Issue Price) and the Application payment you made will be refunded to you, without interest, as soon as practicable after the Issue Date.

Can Applications be withdrawn?

No. Once submitted, Applications are unconditional and may not be withdrawn. By submitting your Application, you are accepting the risk that the market price of Shares may change between the date on which you submit your Application and the Issue Date. This means that, up to or after the Issue Date, you may be able to buy Shares on market at a lower price than the Issue Price.

What rights will the SPP Shares have?

SPP Shares will rank equally with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements from the Issue Date.

SPP Terms and Conditions

1. Definitions and interpretation

1.1 In this SPP Offer Booklet:

- (a) **“Application”** means a valid and submitted Application Form with payment;
 - (b) **“Application Form”** means a form for the acceptance of offers in such form as the Board may approve from time to time;
 - (c) **“Act”** means the *Corporations Act 2001* (Cth);
 - (d) **“ASIC”** means the Australian Securities and Investments Commission;
 - (e) **“ASIC Instrument”** means the *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*;
 - (f) **“ASX”** means the ASX Limited ACN 008 624 691;
 - (g) **“Beneficiary”** either:
 - (i) one or more persons on whose behalf a Custodian holds Shares; and/or
 - (ii) a Downstream Custodian;
 - (h) **“Board”** means the board of Directors of EGL;
 - (i) **“Closing Date”** means the last day on which Applications will be accepted (expected to be 5:00pm AEST on 15 May 2023);
 - (j) **“Custodian”** means a custodian, trustee or nominee within the definition of “custodian” in the ASIC Instrument;
 - (k) **“Custodian Certificate”** has the meaning given in clause 3.8 below;
 - (l) **“Director”** means a director of EGL from time to time;
 - (m) **“Downstream Custodian”** means another Custodian on whose behalf a Custodian holds Shares, who holds the beneficial interests in Shares on behalf of one or more persons;
 - (n) **“EGL”** means The Environmental Group Limited ACN 000 013 427;
 - (o) **“Eligible Beneficiary”** means a Beneficiary of a Custodian with a registered address in Australia or New Zealand as at the Record Date, provided that such Beneficiary is in Australia or New Zealand, and not in the United States or acting for the account or benefit of a person in the United States;
 - (p) **“Eligible Shareholder”** means a registered holder of Shares at the Record Date and shown on the Register to have an address in Australia or New Zealand;
 - (q) **“Issue Date”** means the date on which SPP Shares are issued;
 - (r) **“Issue Price”** means the Issue Price per SPP Share of \$0.20;
-

- (s) “**Listing Rules**” means the Listing Rules of the ASX;
- (t) “**Opening Date**” means 1 May 2023;
- (u) “**Parcel**” means a parcel of SPP Shares with a dollar amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000 calculated at the Issue Price;
- (v) “**Placement**” means the placement of Shares announced on 18 April 2023;
- (w) “**Record Date**” means 7:00pm AEST on 17 April 2023;
- (x) “**Register**” means the register of shareholders maintained by the Registrar;
- (y) “**Registrar**” means Boardroom Pty Limited, of Level 8, 210 George Street, Sydney, NSW 2000;
- (z) “**Share**” means a fully paid ordinary share in EGL;
- (aa) “**Share Purchase Plan or SPP**” means this share purchase plan being offered to Eligible Shareholders under this SPP Offer Booklet;
- (bb) “**SPP Offer Booklet**” means this booklet;
- (cc) “**SPP Offer**” has the meaning given in clause 2.1 below;
- (dd) “**SPP Share**” means a new Share issued under the SPP;
- (ee) “**SPP Terms and Conditions**” means the terms and conditions of the SPP set out in this SPP Offer Booklet; and
- (ff) “**U.S. Securities Act**” means the United States Securities Act of 1933.

1.2 In this SPP Offer Booklet unless the context clearly indicates otherwise:

- (a) the singular includes the plural and *vice versa*;
 - (b) a reference to any gender includes all genders;
 - (c) a reference to a time is to that time in Victoria;
 - (d) monetary amounts are expressed in Australian dollars;
 - (e) a reference to an individual person includes a corporation, partnership, firm, joint venture, association, authority, trust, State or government;
 - (f) a reference to a recital, clause, schedule or annexure is a reference to a recital, clause, schedule or annexure of or to these SPP Terms and Conditions;
 - (g) a reference to any legislation, subordinate legislation, regulation or statutory rule is a reference to that piece of legislation, subordinate legislation, regulation or statutory rule as amended, updated or replaced from time to time;
 - (h) a reference to any person under these SPP Terms and Conditions includes that person’s executors, administrators, substitutes, successors and permitted assigns; and
 - (i) if any person under these SPP Terms and Conditions consists of more than one person then the liability of those persons in all respects under these SPP Terms and Conditions is a joint liability of all those persons and a several liabilities of each of those persons.
-

- 1.3 These SPP Terms and Conditions are subject to EGL's constitution, the Act and the Listing Rules.
- 1.4 In the event of inconsistency between these SPP Terms and Conditions and the Listing Rules then the Listing Rules will prevail.

2. Offer

- 2.1 EGL offers each Eligible Shareholder the opportunity to apply for specific Parcels of Shares up to \$15,000 worth of Shares under the SPP subject to and in accordance with these SPP Terms and Conditions (the “**SPP Offer**”).
- 2.2 The SPP Offer opens on the Opening Date and closes on the Closing Date.
- 2.3 The SPP Offer is made in Australia in accordance with the ASIC Instrument.
- 2.4 The SPP will not be underwritten.
- 2.5 EGL may, at its absolute discretion, waive compliance with any provision of these SPP Terms and Conditions, amend or vary these SPP Terms and Conditions, and suspend or withdraw the SPP Offer at any time.

3. Eligibility

- 3.1 Subject to clauses 3.3 to 3.10 below, all persons who are Eligible Shareholders may participate in the SPP.
 - 3.2 Directors and employees of EGL are entitled to participate in the SPP if they are Eligible Shareholders.
 - 3.3 Shareholders who hold Shares on behalf of persons who:
 - (a) reside outside Australia or New Zealand;
 - (b) are in the United States; or
 - (c) are acting for the account or benefit of a person in the United States—are not entitled to participate in the SPP on behalf of those persons.
 - 3.4 The Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States.
 - 3.5 Shareholders located in the United States or acting for the account or benefit of a person in the United States are not Eligible Shareholders and are not entitled to participate in the SPP.
 - 3.6 A Custodian must not participate in the SPP on behalf of any person in the United States or distribute this SPP Offer Booklet or any other document relating to the SPP to any person in the United States.
 - 3.7 Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification under clause 5.1(h) below by one joint holder will be effective in respect of the other joint holder(s).
 - 3.8 If you are a Custodian, you may apply for up to \$15,000 worth of SPP Shares for each Eligible Beneficiary subject to you annexing to your Application Form a certificate ("Custodian Certificate") addressed to EGL with the following information as required by the ASIC:
-

- (a) confirmation that:
 - (i) you hold Shares on behalf of one or more other persons (each a "participating beneficiary") that are not Custodians; and/or
 - (ii) a Downstream Custodian holds beneficial interests in Shares on behalf of one or more other persons (each a "participating beneficiary"), and you hold the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian;
- (b) confirmation that each participating beneficiary has subsequently instructed the following persons:
 - (i) where clause 3.8(a)(i) above applies: you; or
 - (ii) where clause 3.7(a)(ii) above applies: the Downstream Custodian, to apply for SPP Shares on their behalf under the SPP;
- (c) the number of participating beneficiaries and their names and addresses;
- (d) in respect of each participating beneficiary:
 - (i) where clause 3.7(a)(i) above applies: the number of Shares that you hold on their behalf; or
 - (ii) where clause 3.7(a)(ii) above applies: the number of Shares to which the beneficial interests relate;
- (e) in respect of each participating beneficiary:
 - (i) where clause 3.7(a)(i) above applies: the number or the dollar amount of Shares they have instructed you to apply for on their behalf; or
 - (ii) where clause 3.7(a)(ii) above applies: the number or the dollar amount of Shares they have instructed the Downstream Custodian to apply for on their behalf;
- (f) confirmation that there are no participating beneficiaries in respect of which the total application price for the following exceeds \$15,000:
 - (i) the Shares applied by you under the SPP in accordance with the instructions referred to in clause 3.7(e) above; and
 - (ii) any other Shares issued to you in the 12 months before the Application because of an instruction given by them to you or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP;
- (g) confirmation that a copy of this SPP Booklet was given to each participating beneficiary; and
- (h) where clause 3.7(a)(ii) above applies: the name and address of each Custodian who holds beneficial interests in the Shares held by you in relation to each participating beneficiary.

3.9 If you hold Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described above.

3.10 If you are an Eligible Shareholder, your rights under the SPP Offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

4. Acceptance

- 4.1 Eligible Shareholders may apply to purchase SPP Shares in a Parcel with a dollar amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000.
- 4.2 Eligible Shareholder wishing to participate in the SPP must follow the instructions on the Application Form and:
- (a) make payment online or by telephone using BPAY equivalent to the dollar amount of the Parcel you wish to apply for (including providing the Biller Code and unique reference number provided to you on your Application Form for purposes of the SPP only) ("Online/Telephone Application"); or
 - (b) complete the Application Form and provide a cheque, bank draft or money order made payable to "The Environmental Group Limited" and crossed "Not Negotiable" ("Written Application")—
- so that it is received by the Registrar by 5:00pm AEST on the Closing Date.

- 4.3 EGL will not accept payment by cash.
- 4.4 If EGL receives an amount that is not equal to \$1,000, \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000, the Application will be rounded down to the next lowest Parcel amount or refund the Application.
- 4.5 Eligible Shareholders (other than Custodians) who receive more than one offer under the SPP via post or email may not apply for SPP Shares with a total dollar amount of more than \$15,000.
- 4.6 EGL may accept or reject any Application for SPP Shares at its absolute discretion.
- 4.7 If the value of the Parcel you have applied for cannot be divided by the Issue Price to give a whole number of SPP Shares, there will be a rounding up to the nearest whole number of SPP Shares.

5. Issue Price

- 5.1 The Issue Price per SPP Share is \$0.20, being the same price paid by investors under the Placement.
- 5.2 You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under clauses 4.1 above or 8 below.
- 5.3 You acknowledge the risk that the market price of Shares may change (ie, rise or fall) between the date you submit your Application and the Issue Date, which may mean that the Issue Price you pay for the SPP Shares may exceed or be less than the market price of Shares on the Issue Date.
- 5.4 EGL will apply to ASX for quotation of the SPP Shares.
- 5.5 SPP Shares will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements.
- 5.6 No brokerage or transaction costs will be payable by Eligible Shareholders in respect of the application for, and the issue of, SPP Shares.

6. Scale back

- 6.1 EGL may in its absolute discretion:
-

- (a) allocate to you less SPP Shares than the value of the Parcel you have applied for; or
- (b) determine to apply any scale-back to the extent and in the manner it sees fit.

6.2 If there is a scale-back:

- (a) you may receive less SPP Shares than the Parcel you applied for;
- (b) and the scale-back produces a fractional number of SPP Shares when applied to your Parcel, the number of SPP Shares you will be allocated will be rounded up to the nearest whole number of SPP Shares; and
- (c) the difference between the value of SPP Shares issued to you (calculated using the Issue Price) and the Application payment will be refunded to you, without interest.

7. Acknowledgements

7.1 If you make an Application, you:

- (a) acknowledge that you have read and accepted these SPP Terms and Conditions in full and you declare that all details and statements in your Application Form are true and complete and not misleading;
 - (b) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Application Form as being held by you on the Record Date;
 - (c) acknowledge that you are an Eligible Shareholder using the unique reference number provided to you on the Application Form;
 - (d) irrevocably and unconditionally agree to these SPP Terms and Conditions, including the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
 - (e) agree to be bound by the terms of EGL's Constitution (as may be amended from time to time);
 - (f) declare you are over 18 years of age (if you are an individual) and have full legal capacity and power to exercise and perform all of your rights and obligations under the SPP Offer;
 - (g) acknowledge that your Application is irrevocable and unconditional and cannot be varied by you;
 - (h) if you are applying on your own behalf (and not as a Custodian), certify that the total of the Application price for the following does not exceed \$15,000:
 - (i) the Shares the subject of your Application;
 - (ii) any other Shares in the class you applied for under the SPP; and
 - (iii) any other Shares in the class which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Application;
 - (i) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, certify that:
-

- (i) you are a Custodian;
 - (ii) you held Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this SPP Offer Booklet;
 - (iii) you are not applying for SPP Shares on behalf of any Eligible Beneficiary with a total Application price of more than \$15,000; and
 - (iv) the information in the Custodian Certificate submitted with your Application Form is true and correct and not misleading;
 - (j) accept the risk associated with any refund that may be dispatched to your address or to your nominated bank account as shown on the Register;
 - (k) are responsible for any dishonour fees or other costs EGL may incur in presenting a cheque for payment that is dishonoured;
 - (l) acknowledge that no interest will be paid on any Application payment held pending the issue of the SPP Shares or subsequently returned to you for any reason;
 - (m) authorise EGL and the Registrar and their respective officers or agents to do anything on your behalf necessary for SPP Shares to be issued to you, including to act on instructions of the Registrar upon using the contact details set out in your Application Form;
 - (n) acknowledge that the information contained in this SPP Offer Booklet (including these SPP Terms and Conditions and your Application Form) is not financial product or investment advice nor a recommendation that SPP Shares are suitable for you and have been prepared without considering your investment objectives, financial situation or particular needs;
 - (o) acknowledge that this SPP Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in EGL and is given in the context of EGL's past and announcements to the ASX;
 - (p) acknowledge that neither EGL nor its subsidiaries and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantees the performance of EGL;
 - (q) acknowledge that, to the extent permitted by any applicable law, EGL is not liable for any exercise of its discretions referred to in this SPP Offer Booklet;
 - (r) represent and warrant that the law of any place does not prohibit you from being given this SPP Offer Booklet and the Application Form, nor does it prohibit you from making an Application for the SPP Shares and that you are otherwise eligible to participate in the SPP;
 - (s) represent that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (t) acknowledge that the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the Shares may not be offered, sold or resold, directly or indirectly, in the United States;
 - (u) represent that you have not, and you agree that you will not, send this SPP Offer Booklet or any other materials relating to the SPP to any person in the United States or to any person acting for the account or benefit of a person in the United States; and
-

- (v) acknowledge and agree that if in the future you decide to sell or otherwise transfer the Shares, you will only do so in standard brokered transactions on the ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or the purchaser is, a person in the United States.

8. Governing Law

- 8.1 These SPP Terms and Conditions are governed by the laws in force in Victoria.

9. Taxation

- 9.1 Eligible Shareholders should consult their own taxation advisor about the tax status of their investment in SPP Shares.
-