

# TRUSCREEN LIMITED



## SHARE PURCHASE PLAN BOOKLET

**28 April 2020**

**THIS IS AN IMPORTANT DOCUMENT**

You should read the whole document before deciding whether to subscribe for Shares. If you have any doubts as to what you should do, you should contact your financial advisor.

## **IMPORTANT INFORMATION**

### **General Information**

This document has been prepared by Truscreen Limited (“Truscreen”) in connection with an offer of new ordinary Shares. The offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013. This document is not a product disclosure statement and does not contain all the information which may be required in order to make an informed investment decision or about the Offer or Truscreen Limited.

### **Additional Information Available Under Continuous Disclosure Obligations**

Truscreen is subject to continuous disclosure obligations under the NZX Main Board Listing Rules. Market releases by Truscreen, including its most recent financial statements, are available at [www.nzx.com](http://www.nzx.com) under stock code “TRU”.

### **Offering Restrictions**

No action has been taken to permit a public offering of the Shares in any jurisdiction outside New Zealand and to Wholesale Shareholders in Australia. The distribution of this document in a jurisdiction outside New Zealand and Australia (to Wholesale Shareholders) may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions. No person may subscribe for, purchase, offer, sell, distribute or deliver the Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the Shares, in any jurisdiction other than in compliance with all applicable laws and regulations. Without limiting the foregoing, this document may not be sent into or distributed in the United States.

### **Eligibility**

You may participate in this Share Purchase Plan (SPP) if you are a shareholder of Truscreen Limited (Truscreen) at 5:00pm on the Record Date of 24 April 2020, with a registered address in New Zealand, or you are a Wholesale Shareholder with a registered address in Australia. You may not participate if you hold the Shares on behalf of another person who resides outside New Zealand.

### **Application Amount**

If you wish to participate in this SPP, you can apply for any \$ amount of Shares up to a maximum aggregate value of NZ\$50,000.

### **Issue Price of Shares**

The Issue Price for the Shares is \$0.05 per Share, representing a 51.22% discount to the five day VWAP during the last five trading days prior to the Record Date.

### **No Guarantee**

No person named in this document (nor any other person) guarantees the Shares to be issued pursuant to the Offer or warrants the future performance of Truscreen or any return on any investment made pursuant to this document.

### **Forward Looking Statements**

This document contains certain statements that relate to the future. Such forward looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of Truscreen and which may cause the actual results, performance or achievements of Truscreen to differ materially from those expressed or implied by such statements. Under no circumstances should you regard the inclusion of forward looking statements as a representation or warranty by Truscreen or its Directors or officers

or any other person with respect to the achievement of the results set out in any such statement, or that underlying assumptions used will in fact be realised.

#### **Decision to Participate in the Offer**

The information in this document does not constitute a recommendation to acquire Shares, or financial product advice. This document has been prepared without taking into account the investment objectives, financial, or taxation situation or particular needs of any Applicant or investor.

#### **How to Apply**

You can choose to participate in this SPP online at [www.truscreenoffer.co.nz](http://www.truscreenoffer.co.nz), or by completing an Application Form. You should read the instructions on the Application Form carefully. If you are a Custodian, you also need to complete and return a Custodian Certificate. To determine whether you are a Custodian, and how to obtain a Custodian Certificate, refer to clause 3 of the Terms and Conditions. You need to return your completed Application Form (and, if applicable, a Custodian Certificate) to the address on the Application Form. Applications MUST be received by 5:00pm on 14 May 2020 to be accepted.

#### **Dividend Policy**

Truscreen has a policy of not paying dividends and the Directors are unable to predict when any dividend may be paid in the future. This will depend on a number of factors including the future success, profitability and financial position of Truscreen.

#### **Enquiries**

Enquiries about the Offer can be directed to an NZX Primary Market Participant, or your solicitor, accountant or other professional adviser. If you have any questions about the number of Shares shown on the Offer Application Form that accompanies this document, or how to complete the Offer Application Form, please contact the Registry.

#### **Times**

All references in this document to time are to New Zealand time.

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## KEY DATES<sup>1</sup>

The key dates for the SPP offer are as follows:

Key Dates	
Record Date	Friday, 24 April 2020
SPP Offer Opens	Tuesday, 28 April 2020
SPP Offer Closes	Thursday, 14 May 2020
Allotment of Shares	Thursday, 21 May 2020
Commencement of trading of shares on NZX	Thursday, 21 May 2020

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<sup>1</sup> Truscreen reserves the right to alter the key dates (subject to NZX Listing Rules and applicable laws).

## CHAIRMAN'S LETTER

Dear fellow Shareholders

### The Offer

On behalf of the Board of Truscreen Limited (Truscreen), I am pleased to offer you an opportunity to participate in a Share Purchase Plan (SPP), under which you can apply for a maximum of \$50,000 of Shares in Truscreen at an issue price of \$0.05 per New Share.

Truscreen has made further significant progress in 2019/2020.

The roll out of TruScreen cervical cancer screening devices continues in China, our major market, supported by two successful large clinical trials. Our distributor in Russia is performing well and has strong commercial roll-out plans in place.

The Company has completed significant trials in Vietnam and India and has received excellent results from these trials. Truscreen recently received approval from the Ministry of Health of the Vietnam Government for the commercial roll out of the TruScreen cervical cancer screening device.

With the appointment of an experienced CEO, Ms Victoria Potarina (ex-Johnson & Johnson), on 1 March 2020, the Company is in the process of strengthening its quality control and operational procedures, to ensure that we have flexibility to meet customer expectations expeditiously when COVID-19 restrictions are lifted.

The funds raised from the SPP will be applied towards:

- Growing and increasing Truscreen's presence in the Chinese market;
- Developing other global markets with a focus on Vietnam, Russia and India; and
- Providing additional working capital.

Further details about the SPP and the terms and conditions are set out in this Booklet and the accompanying Application Form. You should read these documents carefully and seek professional advice if you have any queries about making an investment decision. Further information about Truscreen can be found on our web site <http://www.Truscreen.com>

**The SPP closes at 5pm on Thursday, 14 May 2020.** If you wish to participate in this SPP, please ensure that you complete an online application or return the completed application form contained in this booklet and payment to Link Market Services by the Closing Date.

On behalf of the Board, I would like to thank you for your ongoing support of Truscreen Limited.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Ho', with a horizontal line underneath the name.

Tony Ho  
**Chairman**

## QUESTIONS AND ANSWERS

### **What is the Offer?**

The Offer allows Eligible Shareholders to subscribe for additional Shares in Truscreen Limited (“Truscreen”) without incurring brokerage or other transaction costs. All Shares issued under the Offer will be of the same class and rank equally with all existing fully paid ordinary Shares, which are listed on the NZX Main Board, and, on issue, will carry the same voting rights and other entitlements.

### **Do I have to participate in the Offer?**

No - participation is entirely voluntary. Before you apply for Shares under the Offer, we recommend that you seek independent financial advice from your financial adviser.

### **Can I participate in the Offer?**

You can participate in the Offer if you are an Eligible Shareholder. An Eligible Shareholder is a person who, at 5.00pm on the Record Date, was either:

- recorded in Truscreen’s share register as being a registered holder of Shares and having a registered address in New Zealand; or
- a Wholesale Shareholder recorded in Truscreen’s share register as being a registered holder of Shares and having a registered address in Australia.

For the avoidance of doubt, no U.S. Person (as defined in Regulation S under the US Securities Act of 1993) can participate in the Offer.

Truscreen has decided that the Offer is not available to Shareholders who are not resident in New Zealand, or are not Wholesale Shareholders resident in Australia, in order to avoid the risk of breaching laws in the relevant jurisdictions. Truscreen, in making this decision, has taken into account the small number of overseas Shareholders not resident in New Zealand.

If you are a Custodian, or you hold shares through a Custodian, please read section 3 of the Offer Terms and Conditions.

### **How much can I invest under the Offer?**

The amount you may invest under the Offer is limited.

Eligible Shareholders may elect to apply for a parcel of Shares in any \$ amount up to a maximum of \$50,000. If you receive more than one copy of this booklet, or if you hold Shares in more than one capacity (e.g., because you are both a sole and joint holder of Shares), the total value of the parcels of Shares that you may apply for in all capacities is NZ\$50,000.

By applying to purchase Shares under the Offer, you give the certification set out in the terms and conditions of the Offer and the Application Form.

The Offer is non-renounceable, so you cannot transfer your right to purchase Shares under the Offer to anyone else.

### **What can I do if I own Shares through a trustee or custodian or own Shares in more than one capacity?**

Custodians that hold Shares on behalf of one or more beneficial owners may apply for Shares to the value of up to \$50,000 on behalf of beneficial owners who are New Zealand residents, provided that they comply with certain certification requirements and other conditions set out in the terms and conditions of the Offer. For this purpose, in summary, a Custodian is a trustee company, nominee, or

bare trustee that is permitted to act as custodian under applicable laws. The offer set out under the Offer is made to the Custodian as the registered holder (not the beneficiary directly). This means it is at the discretion of the Custodian whether to extend the offer to their beneficiaries.

Joint holders are treated as a single Shareholder under the Offer and together can only make one application up to a maximum of \$50,000. If you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf, up to a maximum of \$50,000. You may not do both.

#### **What is the Issue Price of the Shares under the Offer?**

The Issue Price is \$0.05 per Share. The number of Shares to be issued will be the subscription amount divided by the Issue Price, subject to any rounding as described in the Terms and Conditions.

#### **What are the risks of investing in the Offer?**

The market price of Shares may rise or fall between the date of this Offer and the date when the Shares issued under the Offer are allotted to you. As a result, the Issue Price you pay for Shares issued to you under the Offer may exceed the price of Shares trading on the NZX Main Board. In other words, the value of the Shares issued to you under the Offer may be, at the time of issue, lower than the Issue Price. There can be no certainty that Truscreen's Shares will trade on the NZX Main Board at or above the Issue Price following the issue of the Shares under the Offer. Accordingly, you should seek your own financial advice in relation to this offer and your participation in the Offer.

#### **How do I apply for Shares under the Offer?**

If you wish to participate in the Offer, you can do so online at [www.truscreenoffer.co.nz](http://www.truscreenoffer.co.nz). Alternatively, please follow the step-by-step instructions set out in the enclosed personalised Application Form. If you are not applying online, you must return your completed Application Form (and, if applicable, your Custodian Certificate) with your payment to the designated address.

If the exact amount of money is not tendered, Truscreen reserves the right not to accept all or part of your payment. In those circumstances, Truscreen will return your Application Form (and, if applicable, your Custodian Certificate) and refund all or part of your payment without interest.

If an Application Form is rejected or, scaled back, the Applicant will receive the number of Shares at the Issue Price accepted by Truscreen following scaling and a refund of the balance of the relevant payment amount. All refunds will be made without interest. Refunds will be issued within five Business Days following the Allotment Date.

You will not be able to withdraw or revoke your Application Form once you have sent it in.

If you do not wish to participate in the Offer you do not have to take any action.

#### **How long is the Offer open?**

The Offer opens on 28 April 2020 and is expected to close at 5.00 pm on 14 May 2020, unless extended. Please allow adequate time for mail deliveries. Applications received after this time may not be accepted.

#### **When will I receive my Shares?**

You will receive Shares issued to you under the Offer on the Allotment Date, which is currently expected to be by 21 May 2020. A statement confirming the number of Shares issued to you under the Offer will be sent to you on or about 21 May 2020.

## About TruScreen

TruScreen is a cervical cancer screening device which offers the latest technology in cervical screening, providing non-invasive, real-time, accurate detection of pre-cancerous and cancerous cervical cells to help reduce cervical cancer to improve the health and well-being of women around the world.

TruScreen utilises a digital wand which is placed on the surface of the cervix to measure low level electrical and optical signals from the surrounding tissues. A sophisticated proprietary algorithm framework is utilised to detect pre-cancerous change, or cervical intra-epithelial neoplasia (CIN), by optical and electrical measurement of cervical tissue.

TruScreen offers an alternative approach to cervical cancer screening, resolving many of the ongoing issues with pap tests, including failed samples, poor patient follow-up, patient pain and discomfort and the need for supporting laboratory infrastructures to process the tissue samples. As such, TruScreen's target market is low-and middle-income countries where no large-scale cervical cancer screening programmes and laboratory infrastructure are in place, such as China, Vietnam, Mexico, Africa, Russia and India.

The TruScreen cervical cancer screening device is CE-marked and certified for use throughout Europe and CFDA approved for sale in China. The global market potential for TruScreen is significant.

More information about the Company can be found at [www.truscreen.com](http://www.truscreen.com) and <http://truscreen.com/truscreen-the-company/truscreen-ultravideo/>

## Highlights for past 12 months

- Continued commercial roll-out in China (from 40 to 49 hospitals) supported by two major clinical trials;
- Technical support centre established in China (first one outside Australia);
- Large clinical trial finalised, with a very positive outcome in India;
- Russia launched clinical trials in a few key regional hospitals with a further roll-out plan in place once the COVID-19-related travel ban is lifted;
- A successful clinical trial in Vietnam with promising results for future roll-out;
- CEO experienced in medical devices joined the Company in March 2020;
- Office consolidated in CSIRO (Commonwealth Scientific and Industrial Research Organisation) so that the commercial office and in-house manufacturing facility are combined for greater efficiency;
- COVID-19 continuity plan put in place with remote working mode activated to ensure team safety and on-going business support.

## Current Activities

### China:

COVID-19 has resulted in a temporary halt to the roll-out of TruScreen cervical cancer screening devices in China. All key projects were put on hold in Q1' 2020 because of travel restrictions and limited availability at in-patient clinics in China.

China is now on a progressive lifting of restrictions and is on a gradual reinstatement of gynaecological clinics, with sales volumes expected to recover by June 2020. The Company is using the hiatus to improve and strengthen supply chain and quality assurance processes.

The Coronavirus pandemic also is likely to intensify efforts in China to improve management and development of public health, with local authorities calling for a greater issuance of local government bonds to support and fund a variety of projects, including those in public health.

#### **Australia:**

The safety and welfare of Truscreen's team is a top priority. The Company has activated a business continuity programme enabling team members to work remotely from home. This enables the Company to remain operational and stay within the COVID-19 regulatory guidelines.

Truscreen is currently able to ship products and meet customer demand as and when required and has a contingency plan to deal with further restrictions if necessary.

Given the COVID-19-related slowdown, Truscreen has taken steps to reduce its cost base to conserve cash and will apply for Government support where appropriate. The Company also has consolidated its commercial activities with its in-house manufacturing activities at West Lindfield in northern Sydney, to generate greater efficiency.

#### **Other Countries:**

Operations in Russia have been developing in line with the Company's plans. However, a recently introduced lock down in this key market has put all major projects on hold. Truscreen's distributor IMSystems has been performing well and has strong commercial rollout plans in place. Again, commercial activities are expected to recommence by June 2020.

Truscreen recently received approval from the Ministry of Health (MOH) of the Vietnam Government for the commercial roll out of the TruScreen cervical cancer screening device. This landmark approval is granted initially for the Hanoi Obstetrics and Gynaecology Hospital (HOGH). It is anticipated that further roll-outs across other public and private hospitals in Vietnam will occur this year.

The commercial roll-out in Zimbabwe started in April. Truscreen has a comprehensive plan in place for this market for the next 12 months.

Truscreen and its distributor continue to work on introducing the TruScreen cervical cancer screening device into India where the Company has conducted a significant clinical trial.

Due to the COVID-19 impact in the above countries Truscreen will provide a more detailed update on a commercial roll-out by the end of June.

#### **Corporate**

From April 1, the Board was reduced to four Directors and the Medical Advisory Committee to two members. To conserve cash Directors have elected to receive their Directors' fees - from April 1 - in shares in the Company.

#### **Research and Development Tax Loss Offset Funding**

Truscreen continues to receive Australian Research and Development tax offsets for its research and development expenditure. The Company received a loan against a portion of the expected Research & Development (R&D) tax loss offset for the year ended 31 March 2020 in the amount of A\$400,000.

It is expected that the R&D tax loss offset amounting to ~A\$850,000 will be received in August 2020 at which time the loan will be repaid.

## **Forecast for financial year ended 31 March 2020 (FY20)**

The impact of COVID-19 has resulted in a decline in product revenue for the year ended March 31, 2020 (FY20) to ~ NZ\$1.38 million (FY19; NZ\$1.86m).

The operational loss after tax for FY20 is forecast to reduce to ~NZ\$2.5m (FY 2019 : loss NZ\$3.4m). This is subject to audit and review of the Company's carrying value of its non-current assets.

The Accounting Standard NZ IAS36 requires the Company to assess at the end of each reporting period whether there is an indication of impairment to non-current assets, including Intellectual Property and Development Costs. The carrying value at the interim reporting date, 30 September 2019, of the non-current assets was approximately \$8.4 million.

Truscreen's roll-out plans in China have been adversely impacted by COVID-19, identified recently as the March 2020 monthly accounts were closed. The Directors are currently undertaking a comprehensive Impairment Review of the carrying value of non-current assets and will be assisted by an independent consultant for the purposes of finalising the 31 March 2020 Annual Report.

As at the reporting date of 31 March 2020, fourteen years and eight months useful life remains on the intellectual property assets and sixteen years useful life remains on the capitalised development costs. The intangible assets are currently being amortised over their useful lives, approximating \$500,000 per annum.

The Directors have determined, based on Truscreen's internal modelling, that a preliminary non-cash impairment charge of NZ\$2 million to NZ\$2.5 million may be required as a result of the impairment review currently being undertaken. This estimate is based on preliminary analysis which the independent consultant has not yet reviewed and will then be subject to further consideration by the Company's auditors prior to finalising the 31 March 2020 financial statements. Any non-cash impairment charge taken up for the year ended 31 March 2020 has no impact on the Company's cash position and would reduce the non-cash amortisation charge for future years.

## **Focus for next 12 months**

- Further expansion of our presence in China to reach an installed device base of a minimum of 70 hospitals (+43% from FY20);
- Commence local device assembly in China which will provide access to a greater share of the public health market where preference is given to locally manufactured products;
- Reduce Single Use Sensor (SUS)<sup>2</sup> costs to boost gross profit margins;
- Continue with the roll-out in Russia and initiate the roll-out in Vietnam and India;
- Accelerate research and continue development of the next generation device incorporating improved accuracy, algorithms and product design in line with customer feedback;
- Implementation of a real time comprehensive device traceability Question & Answer (Q&A) system;
- Broaden management and staff to ensure Truscreen has critical capabilities to grow the business.

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<sup>2</sup> A Single Use Sensor or SUS is a disposal single-use consumable item used once on each patient during the cervical cancer screening process. Once a cervical screening device is in use at hospital clinics, each screening device uses an average of 150 SUS per device per month. This provides an ongoing revenue stream for Truscreen.

## **Application of Funds Raised through the SPP**

The funds raised through the SPP will be applied towards:

- Growing and increasing Truscreen's presence in the Chinese market;
- Developing other global markets, with a focus on Vietnam, Russia and India; and
- Providing additional working capital.

## TERMS AND CONDITIONS

Capitalised terms have the meaning attributed to them in the Glossary at the end of this Booklet.

### 1. Eligible Shareholders

- 1.1 You may participate in this SPP only if you are an Eligible Shareholder. An Eligible Shareholder is a person who, at 5.00pm on the Record Date, was either:
  - (a) recorded in Truscreen's share register as being a registered holder of Shares and having a registered address in New Zealand; or
  - (b) a Wholesale Shareholder recorded in Truscreen's share register as being a registered holder of Shares and having a registered address in Australia.
- 1.2 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 on the Application Form is taken to have been given by all of them.
- 1.3 If you are an Eligible Shareholder, your right to participate in this SPP is personal to you and is non-renounceable.
- 1.4 Truscreen reserves the right not to extend the Offer in this SPP to Eligible Shareholders in a jurisdiction outside New Zealand in circumstances where it considers that so extending the Offer may breach the legal requirements of that jurisdiction.

### 2. Issue Price and Number of Shares

- 2.1 The Issue Price for New Shares under this SPP is \$0.05 per New Share.
- 2.2 If you are an Eligible Shareholder you may elect to purchase parcels of Shares in multiples of \$100 up to a maximum of \$50,000, subject to scaling, by filling in the appropriate box on the Application Form. Any fractional Shares allocated under the SPP will be rounded down to the nearest whole number of Shares.
- 2.3 The maximum number of Shares that can be subscribed for under this Offer in aggregate is \$2.0m.
- 2.4 Eligible Shareholders may only make a single application for Shares under the SPP. This applies to all Eligible Shareholders, including those who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) and including whether the Eligible Shareholder is applying through a Custodian or on his or her own behalf. Accordingly, if you own Shares through a trustee or Custodian and own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf. You may not do both.
- 2.5 If Truscreen receives applications in excess of \$2.0 million, it will scale back all applications on a proportionate basis in accordance with the number of Truscreen Shares held by the Applicant (or, in the case of an application made by a Custodian, the relevant beneficial owner(s) named in the schedule submitted with the Application Form) on the Record Date. The board of Truscreen believes this is the most equitable manner in which to deal with applications in excess of the funds required under the SPP.

### **3. Custodians**

- 3.1 Under the SPP, a Custodian is any Eligible Shareholder having a registered address in New Zealand, that:
- (a) is a trustee corporation or a nominee company and holds Shares in Truscreen by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
  - (b) holds Shares in Truscreen by reason only of being a bare trustee of a trust to which the Shares are subject.
- 3.2 Custodians may apply to purchase Shares for an amount greater than \$50,000, provided that the Custodian only applies for no more Shares than collectively have an aggregate application price of \$50,000 for each beneficial owner for whom the Custodian acts as a Custodian. Each beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for a single share parcel.
- 3.3 Custodians must confirm to Truscreen that they are holding Shares as a Custodian for one or more beneficial owners and certify the matters described in clause 3.4 below by providing a Custodian Certificate together with the Custodian's Application Form. To request a Custodian Certificate, or if you would like further information on how to apply for Shares as a Custodian, you should contact Truscreen's Share Registrar, Link Market Services Limited, at any time from 8:30am to 5:00pm (Monday to Friday) prior to the Closing Date, on (09) 375 5998.
- 3.4. If a Custodian applies to purchase Shares on behalf of one or more beneficial owners, the Custodian must certify to Truscreen in writing the following matters in the form and manner set out in the Custodian Certificate (available on request from the Share Registrar):
- (a) that the Custodian held Shares on behalf of:
    - (i) one or more other persons that are not Custodians; and /or
    - (ii) another Custodian (Downstream Custodian) that holds beneficial interests in Shares on behalf of one or more other persons to which those interests relate, on 24 April 2020 at 5.00pm (each, a Participating Beneficiary) who have subsequently instructed the Custodian, and/or the Downstream Custodian, to apply for Shares under the SPP on their behalf;
  - (b) the number of Participating Beneficiaries and their names and addresses;
  - (c) the number of Shares that the Custodian holds on behalf of each Participating Beneficiary;
  - (d) the dollar amount of Shares that each Participating Beneficiary has instructed the Custodian, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;
  - (e) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$50,000:
    - (i) the application price for new Shares applied for on their behalf under the SPP; and

- (ii) the application price for any other Shares issued to the Custodian (as a result of an instruction given to the Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the SPP in the 12 months prior to the application for new Shares under the SPP;
- (f) that a copy of this document was given to each Participating Beneficiary;
- (g) where the Custodian holds Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian; and
- (h) that the beneficial owner on whose behalf the Custodian is submitting an Application Form is not making an application as an Eligible Shareholder for Shares under the SPP, and no other Custodian is submitting an Application Form under the SPP for that beneficial owner.

#### **4. Completing the Application Form and Paying for Shares**

4.1 If you wish to participate in this SPP, you must complete the online Application Form at [www.truscreenoffer.co.nz](http://www.truscreenoffer.co.nz). Alternatively, complete and return by mail a printed Application Form and provide payment in accordance with the instructions on the Application Form. If you are a Custodian, you must also complete a Custodian Certificate which may be obtained from Truscreen’s Share Registrar, Link Market Services Limited.

4.2 To be valid, your application (and, if applicable, Custodian Certificates) must be received by Link Market Services Limited by 5.00pm on 13 May 2020. Application Forms (and, if applicable, Custodian Certificates) received after that date will only be accepted at Truscreen’s discretion. Application Forms (and, if applicable Custodian Certificates) should be returned in the following manners:

**ONLINE:** By completing the online application and payment at [www.truscreenoffer.co.nz](http://www.truscreenoffer.co.nz)

**BY EMAIL:** [applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)  
(please use “Truscreen SPP” as the subject of the email)

**BY HAND:** Truscreen Limited Share Purchase Plan  
C/- Link Market Services Limited  
Level 11, Deloitte Centre  
80 Queen Street  
Auckland 1010 New Zealand

**BY MAIL:** Truscreen Limited Share Purchase Plan  
C/- Link Market Services Limited  
P.O. Box 91976  
Auckland 1142

#### **5. Truscreen’s Discretion to Accept or Reject Applications**

5.1 Truscreen has discretion to accept or reject your application to purchase New Shares under this SPP, including (without limitation) if:

- your Application Form is incorrectly completed, incomplete or otherwise determined by Truscreen to be invalid;
- your cheque or direct debit is dishonoured or has not been completed correctly;
- the cheque that you enclose with your Application Form or your bank deposit is not in New Zealand dollars for the exact amount of the parcel that you have selected on the Application Form;
- your Application Form is received after the Closing Date. While Truscreen has discretion to accept late Application Forms and payment, there is no assurance that it will do so;
- Truscreen believes that you are not an Eligible Shareholder or Custodian; or
- Truscreen considers that your application does not comply with these terms and conditions.

5.2 Where Truscreen rejects an application under the terms and conditions of this SPP, any application monies received in respect of the rejected application will be refunded to the affected applicants within five Business Days of the Allotment Date. No interest will be paid on any such refunded monies.

## **6. Significance of Sending in an Application**

6.1 If you apply to participate in the SPP by completing an online application, or completing and returning the Application Form:

- your application, on these terms and conditions, will be irrevocable and unconditional (i.e. cannot be withdrawn);
- you certify to Truscreen that you are an Eligible Shareholder entitled to apply for New Shares under these terms and conditions;
- you agree to be bound by the constitution of Truscreen. A copy of the constitution is available from the Company, free of charge, by emailing our chief financial officer Guy Robertson at [guyrobertson@truscreen.com](mailto:guyrobertson@truscreen.com);
- you authorise Truscreen (and its officers or agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details;
- you acknowledge that Truscreen may at any time irrevocably determine that your Application Form is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- you accept the risk associated with any refund that may be despatched to you by cheque to your address shown on Truscreen's share register;
- you agree to indemnify Truscreen for, and to pay to Truscreen within five (5) Business Days of demand, any dishonour fees or other costs Truscreen may incur in presenting a cheque or direct debit for payment which is dishonoured;
- you acknowledge that none of Truscreen, its advisers or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase New Shares under this SPP;
- you acknowledge the risk that the market price for the Shares may change between the Record Date, the date that you apply for New Shares under this SPP and the

Allotment Date. A change in market price during this period will not affect the Issue Price but may affect the value of the New Shares you receive under this SPP;

- you acknowledge that Truscreen is not liable for any exercise of its discretions referred to in these terms and conditions; and
- you irrevocably and unconditionally agree to these terms and conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of this SPP.

6.2 If a Custodian applies to purchase New Shares under this SPP for a beneficial owner pursuant to clause 3.2, the matters referred to in clause 6.1 will be taken to be given by each beneficial owner on whose behalf the Custodian is applying to purchase New Shares.

## **7. The Shares**

7.1 New Shares issued under this SPP will rank equally with each other and will have the same voting rights, dividend rights and other entitlements as existing fully paid Shares in Truscreen.

## **8. Financial Statements**

8.1 You may obtain free of charge the most recent annual report and financial statements of Truscreen by contacting Truscreen (see the Company Directory for details), or you may download these reports from the Truscreen website at [www.Truscreen.com](http://www.Truscreen.com).

## **9. Amendments to the SPP and Waiver of Compliance**

9.1 Notwithstanding any other term or condition of this SPP and/or the Application Form, Truscreen may, at its discretion:

- (a) make non-material modifications to this SPP or such terms and conditions (in which applications for New Shares under this SPP will remain binding on the applicant notwithstanding such modification and irrespective of whether an Application Form was received by Link Market Services Limited before or after such modification is made); and/or
- (b) suspend or terminate this SPP at any time prior to the allotment of the New Shares under this SPP. If this SPP is terminated, application monies will be refunded to applicants within 10 Business Days of the Offer being withdrawn. No interest will be paid on refunded monies.

9.2 Subject to law and the Listing Rules, Truscreen reserves the right to waive compliance with any provision of these terms and conditions. If Truscreen waives compliance with any provision of these terms and conditions, such waiver will apply to all Eligible Shareholders.

## **10. Governing Law**

10.1 These terms and conditions shall be governed by and construed in accordance with the laws of New Zealand.

**11. Dispute Resolution**

- 11.1 If any dispute arises in connection with this SPP, Truscreen may settle it in any manner it thinks fit. It may do so generally or in relation to any particular participant, application or Share. Truscreen's decision will be final and binding.

**12. Inconsistency**

- 12.1 Unless otherwise determined by the Directors, in the event of any inconsistency between the terms and conditions of this SPP and Truscreen's constitution, Truscreen's constitution shall prevail.

## GLOSSARY

<b>Allotment Date</b>	By 21 May 2020
<b>Applicant</b>	An investor whose application for New Shares (and payment of the corresponding Issue Price in respect of each New Share subscribed for) has been received by the Registry prior to the Closing Date.
<b>Application Form</b>	The personalised application form relating to this SPP that you received with this SPP Booklet, including the instructions on the reverse of that form.
<b>Board</b>	The Board of Directors of Truscreen.
<b>Booklet</b>	This booklet containing the SPP offer to Eligible Shareholders.
<b>Business Day</b>	Has the meaning given to it in the Listing Rules.
<b>Truscreen</b>	Truscreen Limited.
<b>Closing Date</b>	5pm, 14 May 2020.
<b>Custodian</b>	See clause 3.1 of the Terms and Conditions for the definition of “Custodian”.
<b>Directors</b>	The Directors of Truscreen.
<b>Eligible Shareholder</b>	A person who, at 5.00pm on the Record Date, was either: <ul style="list-style-type: none"><li>• recorded in Truscreen’s share register as being a registered holder of Shares, and having a registered address in New Zealand; or</li><li>• a Wholesale Shareholder recorded in Truscreen’s share register as being a registered holder of Shares and having a registered address in Australia.</li></ul>
<b>FMCA</b>	Financial Markets Conduct Act 2013.
<b>Issue Price</b>	The price at which the New Shares will be issued pursuant to this SPP, being \$0.05 per Share.
<b>Listing Rules</b>	The NZX Listing Rules applying to the NZX Main Board, as amended from time to time.
<b>New Shares</b>	New fully paid ordinary shares in Truscreen that are the subject of this Offer and will rank equally in all respects with existing shares when issued.
<b>NZX Main Board</b>	The NZX Main Board operated by NZX.
<b>NZX</b>	NZX Limited.
<b>Offer</b>	The offer to Eligible Shareholders to subscribe for New Shares, pursuant to the SPP.
<b>Opening Date</b>	28 April 2020.

<b>Primary Market Participant</b>	Has the meaning given to it in the Listing Rules.
<b>Record Date</b>	24 April 2020.
<b>Shares</b>	Ordinary shares of Truscreen which are, or once allotted under this SPP will be, quoted on NZX under the code “TRU”.
<b>SPP</b>	The Share Purchase Plan detailed in this Booklet whereby Eligible Shareholders may subscribe for New Shares at the Issue Price.
<b>Wholesale Shareholder</b>	A shareholder in Truscreen who has a registered address in Australia, and who Truscreen considers is a person to whom an offer of shares for issue may lawfully be made without disclosure under Part 6D.2 of the Corporations Act 2001 (Australia) (as modified by any applicable regulatory instrument).

## **COMPANY DIRECTORY**

### **Directors**

Tony Ho  
Kelly (Con) Hickey  
Christopher Lawrence  
Christopher Horn

### **Share Registrar**

Link Market Services  
Level 11, Deloitte Centre  
80 Queen Street  
Auckland 1010  
PO Box 91976  
Auckland 1142  
Telephone: 09 375 5998  
Email: [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)

### **Legal Adviser**

Sean Joyce – Corporate Counsel  
PO Box 105-745  
Auckland 1143