



ONEMARKET™

2 December 2019

The Manager
Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**ONEMARKET LIMITED (ASX:OMN)
EXTRAORDINARY GENERAL MEETING ADDRESS**

Attached is a copy of the address to be given by the Chairman at OneMarket Limited's Extraordinary General Meeting today.

Yours faithfully

ONEMARKET LIMITED

**Simon Tuxen
Company Secretary**

Extraordinary General Meeting of Members of OneMarket Limited

to be held at 9am (AEST) on
Monday 2nd December 2019

at King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW,
Australia.

Thank you Simon and good morning ladies and gentlemen.

Welcome to this extraordinary general meeting of OneMarket Ltd.

I have been informed by the Company Secretary that a quorum for the meeting is present and I formally declare the meeting open.

I now move each of the 3 resolutions in the notice of meeting.

With me today are the Sydney based directors of OneMarket - Mark Johnson, Ilana Atlas and Brian Long and Company Secretary, Simon Tuxen.

From the US we are joined on the phone by the CEO of OneMarket, Joe Polverari, and by Todd Suko, CFO and general counsel of OneMarket.

The resolutions before the meeting today will effect the delisting and voluntary winding up of the OneMarket group.

OneMarket was listed in 2018 as an early stage technology start-up with the higher risk profile typically associated with such ventures. We spelt this out in some detail in the listing documents and have made reference to it many times since then.

OneMarket evolved from a vision that in order to increase consumer engagement and sales, bricks and mortar retailers need to find ways to connect more effectively with consumers. The goal of OneMarket is to help retailers compete more effectively in the face of industry wide disruption driven by advances in digital technologies, shifting consumer mindsets and emerging non-traditional retail models.

Although significant progress has been made towards achieving these goals in the period since listing, the fact remains that OneMarket is still some way from generating substantial revenue and in the meantime is incurring significant operating losses on a monthly basis. Those operating losses have materially reduced the cash reserves which were available to OneMarket at the time of listing.

Since listing, OneMarket's shares have consistently traded at a material discount to the Company's net asset backing, reflecting the early-stage nature of OneMarkets' business. The board and management of OneMarket have been very active in their efforts to bridge this gap and create a company with a market valuation which reflects the technology and momentum that OneMarket has been building.

These efforts have not been successful and the shares were trading at 67 cents per share immediately prior to the announcement at the AGM that the Board was in the process of conducting a strategic review. Following that announcement, the share price increased and maintained a level above 80 cents per share. Following the announcement of the Board's recommendation to wind up the Company, that price has increased to well over 90 cents.

As part of its strategic review, the board explored many options to realise value for shareholders including

- canvassing third-party interest in all, or parts, of OneMarket,
- a potential merger of OneMarket with another business, and
- the introduction of significant new business partners or equity investors.

Rothschild & Co was appointed to assist the process and provide advice to the board. Although a number of parties expressed interest in pursuing a transaction, none of those expressions of interest have resulted in a firm proposal which compares favourably with the value achievable on an orderly winding up and distribution of the assets of the OneMarket group.

Having regard to this, the directors consider that it is in the best interests of the shareholders to return capital to investors through an orderly winding up of the Company to be commenced immediately following this meeting. As a board, we are conscious of our obligations to act in a way that maximises value for shareholders. That has always been our primary concern. We cannot allow the continued depletion of OneMarket's reserves and value in the absence of a reasonable expectation that the growth of the business over the next 12 months will generate higher returns to shareholders than the proposed winding up.

The notice of meeting includes an overview of the board's decision making process and the various options considered in making the recommendations which are before the meeting today. I propose to take that notice as read for the purposes of today's meeting.

If shareholders approve the resolutions before the meeting today, we will shortly delist OneMarket from the ASX and commence the process of voluntary liquidation. That process, and the indicative timetable, is explained in some detail in the notice of meeting.

To be absolutely clear, the creditors of the OneMarket group will be paid in full and the surplus funds available will be distributed to shareholders over time.

We expect that the bulk of the cash reserves of OneMarket will be distributed to shareholders in 3 to 4 months as an interim distribution. As set out in the notice of meeting, we expect the interim distribution will be in the range of 88 to 94 cents per share. However, ultimately this is a matter for the liquidator and much will depend on the quantification and satisfaction of any claims against OneMarket in the coming months.

In relation to the liquidation process, I am pleased to advise shareholders that Todd Suko and a small team of OneMarket executives have agreed to remain with the Company for a period of up to 6 months to expedite the process of winding up the Company. This team will provide the liquidator with significant corporate knowledge and additional resources.

As announced last week, OneMarket has sold the UK business which was not a core business and was not financially material to the OneMarket Group. As such the sale did not have a meaningful impact on the estimated interim distribution. Importantly, in the event of shareholder approval to progress with the liquidation, the sale materially simplifies the OneMarket corporate structure and would assist in expediting the liquidation process.

A final distribution of any surplus assets will be made by the liquidator at the conclusion of the process, expected to be in 2 to 3 years.

Reaching this recommendation has been anything but easy. The Board and management, together with our advisors, have worked tirelessly to restructure the company, refine its objectives and reduce costs. As I have said, for most of this year we have attempted to find an alternative solution to the one put to this meeting today. Having been through that process, we are absolutely confident that our recommendation is the best course to deliver value back to shareholders.

The Board would like to express its gratitude to the staff of OneMarket, led by Joe Polverari and Todd Suko, who have worked very hard to achieve a different outcome and in more recent weeks have attempted to put OneMarket in the best possible position if the liquidation proceeds following the vote today.

And my thanks go to our Board which has done an incredible job in difficult circumstances. I doubt there is a Board on the ASX which has met more frequently over the past 18 months. The collective experience and wisdom of our Directors should give shareholders great confidence in the steps we have taken and the robust process we have run to find the most appropriate way forward. On your behalf, I would like to express our gratitude to Mark Johnson, Ilana Atlas, Brian Long and Don Kingsborough. I would also like to acknowledge the efforts of Jeffrey Goldstein and Jaap Tonckens as directors on the Board of our principal subsidiary.