

Via ASX Online

ASX ANNOUNCEMENT – Tuesday, 23 January 2024

ASX Market Announcements Office

ASX Limited

Scheme Meeting: Chair's address and presentation

Diverger Limited (ASX: DVR) (**Diverger** or the **Company**) refers to the Explanatory Booklet released by the Company to ASX on 14 December 2023 (**Explanatory Booklet**) and the proposed acquisition of Diverger by Count Limited (**Count**) by way of scheme of arrangement between Diverger and its shareholders (**Scheme**). Terms not otherwise defined in this announcement have the meaning given to them in the Explanatory Booklet.

In accordance with ASX Listing Rule 3.13.3, attached to this announcement is the Scheme Meeting Chair's address and presentation slides (excluding procedural content).

The Scheme Meeting will be held today at 10.00am (Sydney time) on Tuesday, 23 January 2024 as a hybrid meeting conducted in two parts simultaneously with the physical venue of the meeting at MinterEllison, Level 40 Governor Macquarie Tower, 1 Farrer Place, Sydney and on the online platform at <https://meetings.linkgroup.com/DVRSM24>.

The results of the Scheme Meeting will be announced on ASX shortly after the conclusion of the Scheme Meeting.

- ENDS -

This announcement has been authorised for release by the Board of Diverger Limited.

For all enquiries, please contact Diverger at 1300 655 695 and info@diverger.com.au

Chair's Address – Scheme Meeting

23 January 2024

INTRODUCTION

Good morning ladies and gentlemen and welcome to today's important meeting of Diverger shareholders in relation to the proposed scheme of arrangement that you as shareholders will be voting on today, which I will refer to as the Scheme.

My name is Peter Brook. I am the Non-Executive Chairman of Diverger Limited and I will be chairing today's meeting. With me today are other directors of Diverger, namely Nathan Jacobsen (Managing Director) and Non-Executive Directors, Carl Scarcella and Grahame Evans. Also present is Michael Harris (Chief Financial Officer and Joint Company Secretary) of Diverger. Representatives of Diverger's share registry, Link Market Services Limited, are also present to assist in the poll process for today's meeting.

For the purpose of today's meeting, I appoint Sumit Singh to act as Returning Officer. Sumit has agreed to act in this capacity. Also in attendance are representatives from Moelis Australia Advisory Pty Limited, the financial advisers to Diverger, and MinterEllison, the legal advisers to Diverger Limited.

Can I ask you please to turn all mobile phones off or to silent.

CHAIR'S ADDRESS

It is now slightly past 10.00am, being the scheduled commencement time for the Scheme Meeting. A quorum is present, and therefore I declare today's meeting to be open. As you know, today's meeting is being held as a hybrid meeting conducted in two parts simultaneously with Diverger shareholders participating both in person and via the online platform.

This meeting has been convened in accordance with orders made by the Federal Court of Australia on Wednesday, 13 December 2023, as well as Diverger's Constitution.

The purpose of this meeting is for Diverger shareholders to consider, and if thought fit, approve a scheme of arrangement between Diverger and the holders of its ordinary shares. If the proposed Scheme proceeds, Count Limited will acquire all of the issued shares of Diverger Limited, in exchange for the Scheme Consideration.

I refer to the Notice of Scheme Meeting contained in Appendix 4 to the Explanatory Booklet that sets out the resolution proposed for this meeting. As the Explanatory Booklet was released to the ASX on 14 December 2023 and subsequently made available to Diverger shareholders, I will take the Notice of Scheme Meeting as read.

The Explanatory Booklet, which you will have had the opportunity to review, explains the potential reasons for Diverger shareholders to vote in favour of the Scheme and potential reasons for Diverger shareholders to vote against the Scheme. The Explanatory Booklet also includes an Independent Expert's Report from Lonergan Edwards & Associates Limited.

At Diverger we have pursued, quite assertively and successfully, a dual growth strategy (little deals and a big deal) with minimal capital and resources. Today is the culmination of our efforts. At times it has been stressful and hectic. But the crew has delivered on good operating results, continued growth in dividends every year and engineered a capital transaction that is in accord with the consolidation thesis we consider beneficial to shareholders and the industry and delivered a significant premium to shareholders with the opportunity to continue participation. Since the transaction, despite employment uncertainty, the management team has stayed focused on creating value for our clients and shareholders and looking after our people and as a result we remain confident of our meeting our FY24 outlook statement of \$8m-\$9m Underlying EBITA. This is no small achievement given the significance of the transition for many of our team. On behalf of the Board, I both commend and thank our people. On my own behalf I have appreciated the sense of purpose of my co-directors and thank them for their candour, collegiality and commitment. The Diverger Board is pleased to be able to present this opportunity to its shareholders.

I will now go through a few administrative matters before turning to the substantive part of this meeting. If at any stage you have difficulties with the online platform, there is a helpline number displayed at the top of the page which you can call. That number is 1800 990 363.

QUESTIONS

As this is a meeting of Diverger shareholders, and therefore only Diverger shareholders or persons attending as a proxy for a Diverger shareholder or a properly appointed attorney or corporate representative of a Diverger shareholder or proxy are entitled to ask questions. Shareholders and proxyholders present in the room will be holding a yellow card (if voting) or blue card (if non-voting). If you need assistance, please ask one of the Link Market Services staff in the foyer.

Visitors holding a red card are reminded that, as this is a shareholders' meeting, they are not entitled to ask questions or vote at this meeting.

Diverger shareholders will have the opportunity to ask any questions relating to the Scheme Resolution later in the meeting. In the interests of all participants, please ensure that your questions are relevant to all Diverger shareholders and to the Scheme itself.

If you are in the room:

- When I call for questions, please give your name or the name of the Diverger Shareholder or proxy you represent.

- If you are representing an organisation, please state the name of that organisation.
- In order to enable all shareholders a reasonable opportunity to be heard, if you have a number of questions, please ask them together when you come forward.

If you are attending the meeting online:

- I encourage you to submit any written questions as early as possible during the meeting.
- To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage and type your question(s) into the text box.
- In the 'Regarding' section click on the drop down arrow and select the category for your question.
- Once you have finished typing, please hit the "Submit Question" button to submit your question(s).

If you are attending the meeting online you may also ask an audio question. To do this you will need to:

- click on the 'Go to Web Phone' button.
- type in your name and hit the green call button.
- a box will pop up with a microphone test. Select 'Start Call'. You will be in the meeting, however your line will be muted.
- when I call for questions or comments, press *1 on the keypad on your screen.
- if at any time you no longer wish to ask a question you can press *2 on the keypad.
- when it is time to ask your question, the moderator will introduce you to the meeting, your line will be unmuted and you will be prompted to speak.
- please mute your laptop, desktop, tablet or mobile device before you speak to avoid technical difficulties for you and other shareholders.
- your line will be muted once your question or comment has been asked and responded to.
- you can hang up and resume watching the meeting via the online platform.

Please note that while you can submit online questions from now on, I will not address them until the relevant time in the meeting. This will include any questions that we have received ahead of the meeting.

I also advise that questions may be moderated or, if we receive multiple questions on the same topic, questions may be amalgamated together.

DETAILS OF THE PROPOSED SCHEME

Before commencing the formal business, I would like to say a few words about the proposed Scheme.

Scheme Consideration

If the Scheme proceeds, each holder of Diverger shares as at the Scheme Record Date (currently proposed to be 7.00pm on Friday, 23 February 2024) will have all of their Diverger shares transferred to Count Limited on the Implementation Date (currently proposed to be Friday, 1 March 2024). This includes shareholders who did not vote for the Scheme. Diverger shareholders who did not make a consideration Election on or before the Election Date will receive the Default Scheme Consideration of \$0.40 cash per Diverger Share (less the amount of the Permitted Dividend), and 1.44 Count Shares for each Diverger Share held.

The implied value of the Default Scheme Consideration based on closing price of Count shares last Friday, 19 January 2024 of \$0.69 per Count share is \$1.39 per Diverger Share.

The Independent expert, Lonergan Edwards & Associates Limited, has concluded that the Scheme is fair and reasonable and therefore in the best interests of Diverger shareholders, in the absence of a superior proposal. The Independent Expert has assessed the value of Diverger on a 100% controlling interest basis at between \$1.19 and \$1.39 per Diverger Share.

Alternatively, Diverger Shareholders (other than Foreign Scheme Shareholders or Small Shareholders) had the option to make an Election to receive the Scheme Consideration in one of the following alternatives, subject to scale back limitations based on cap limitations which I will discuss shortly:

- **Maximum Cash Consideration** comprising \$1.20 cash per Diverger Share, less the Permitted Dividend, for 100% of the Diverger Shares held at the Scheme Record Date, subject to an aggregate cap of \$15,907,873 (less the aggregate amount of the Permitted Dividend), which excludes payments made to Ineligible Shareholders; or
- **Maximum Scrip Consideration** comprising 2.16 Count Shares per Diverger Share, reduced by the Permitted Dividend, for 100% of the Diverger Shares held at the Scheme Record Date, subject to an aggregate cap of 57,268,344 Count Consideration Shares. The implied value of the Maximum Scrip Consideration based on closing price of Count shares last Friday, 19 January 2024 of \$0.69 per Count share is \$1.42 per Diverger Share.

ELECTION RESULTS

As stated in the ASX announcement on Monday, 15 January 2024 and based on the Elections received, Diverger expects that scale back arrangements will apply to the Scheme Shareholders who have elected to receive the Maximum Scrip Consideration, with a portion of their Scheme Consideration being in the form of Maximum Scrip Consideration and the remainder being in the form of Default Scheme Consideration.

Please refer to the slide which summarises the indicative election outcomes after the operation of scale back. Note that these election outcomes are indicative only and will be affected by trading in Diverger shares in the period up to 4.00pm on the Effective Date of the Scheme.

PERMITTED DIVIDEND

On 18 January 2023 the Diverger Board declared and announced to ASX a Permitted Dividend of \$0.10 per Diverger share, subject to the Scheme becoming Effective. If the Scheme does become Effective, Diverger Shareholders who hold Diverger Shares on the Permitted Dividend Record Date (which is currently expected to be 7.00pm (Sydney time) on Tuesday, 20 February 2024) will receive the Permitted Dividend on implementation of the Scheme (which is expected to occur on Friday, 1 March 2024).

If the Scheme is implemented, Diverger shareholders receiving the Default Scheme Consideration will receive:

- The Permitted Dividend of \$0.10 for each Diverger Share you hold as at the Permitted Dividend Record Date; and
- The Scheme Consideration of \$0.30 cash and 1.44 Count Shares for each Diverger Share you hold as at the Scheme Record Date, (which is expected to be 7.00pm on Friday, 23 February 2024).

In addition, those Diverger Shareholders who are entitled to the franking credits attached to the Permitted Dividend may be entitled to an Australian tax offset of up to a maximum of \$0.043 of additional value per Diverger Share.

Full details on what you will receive, including for those Diverger Shareholders who have elected to receive Maximum Cash Consideration or Maximum Scrip Consideration are set out in more detail in the Explanatory Booklet.

CURRENT STATUS

Your Diverger Directors continue to believe that the potential reasons set out in the Explanatory Booklet to vote in favour of the Scheme outweigh the potential reasons to vote against the Scheme. Accordingly, we maintain our previously stated recommendation that Diverger shareholders should vote in favour of the Scheme in the absence of a superior proposal. I confirm that no superior proposal has been received.

STATUS OF CONDITIONS

In addition to the passing of the resolution to be considered at today's meeting, the Scheme remains subject to a number of customary conditions which are set out in the Explanatory Booklet. We are not aware of any reason which would cause any of the outstanding conditions precedent not to be satisfied or waived by 8.15am on the day of the Second Court Hearing, which is scheduled for 10.15am (Sydney time) on Thursday, 15 February 2024.

Accordingly, Implementation of the Scheme remains primarily subject to the following conditions precedent:

1. passing of the Scheme Resolution by Diverger shareholders at the Scheme Meeting by the requisite majorities- determined today; and
2. approval of the Scheme by the Federal Court of Australia at the Second Court Hearing, which is scheduled to be held at 10.15am (Sydney time) on Thursday, 15 February 2024.

If all of the conditions precedent are satisfied or (if capable of waiver) waived, the Scheme will become legally effective and will bind all Diverger shareholders holding Diverger shares as at 7.00pm (Sydney time) on Friday, 23 February 2024 (being the proposed Record Date for the Scheme).

SCHEME RESOLUTION

I would now like to proceed to the formal business of this meeting. The sole item of business for this meeting is to consider, and if thought fit, pass the resolution set out in full in the Notice of this Meeting in Appendix 4 to the Explanatory Booklet which you will all have had the opportunity to read. It is also displayed on your screens now.

I refer to this resolution as the Scheme Resolution. Consistently with the disclosures in the Explanatory Booklet and the orders of the Court, I declare that the voting on the Scheme Resolution will be by way of poll. In a few moments, I will display the proxy results and then allow questions from Diverger shareholders and their proxies on the Scheme Resolution. After any questions, we will move to a vote on the Scheme Resolution by poll.

The results of the poll on the Scheme Resolution will be released to the ASX after the conclusion of the meeting.

VOTING REQUIREMENTS

In order for the Scheme Resolution to be passed, it needs to be approved by:

- a majority in number (more than 50%) of the Diverger shareholders present and voting at this meeting, whether in person or by proxy, attorney or corporate representative (unless the Federal Court of Australia orders otherwise); and
- at least 75% of the total votes cast on the Scheme Resolution by Diverger shareholders present and voting at this meeting, whether in person or by proxy, attorney or corporate representative.

Your Diverger Directors hold or control in aggregate 2.2% of the Diverger shares on issue and will be exercising their voting rights in favour of the Scheme Resolution.

PROXIES

As stated in the Explanatory Booklet, the deadline for lodgement of proxy forms was 10.00am (Sydney time) on Sunday, 21 January 2024. Before commencing the poll, I note that valid proxies on the Scheme have been received as displayed in the table appearing on your screen.

As stated in the Scheme Meeting Proxy Form, as the Chair, I intend to vote all valid undirected proxies given to me in favour of the Scheme Resolution.

QUESTIONS

I would now like to open the meeting to questions from Diverger shareholders on the Scheme Resolution.

As noted earlier, as this is a meeting of Diverger shareholders, only Diverger shareholders or persons attending as a proxy for a Diverger shareholder or a properly appointed attorney or corporate representative of a Diverger shareholder or proxy are entitled to ask questions.

In terms of process:

- If there are any verbal comments or questions from those present today, I will invite you to make your comments or ask your questions.
- I will then respond or designate someone to respond to these comments and questions.
- In order to ensure that all Diverger shareholders and proxyholders have a reasonable opportunity to make comments and ask questions, I request that Diverger shareholders and proxyholders do not ask more than 2 questions at a time.
- I ask that you make your comments and questions as concise as possible. I also ask that questions be confined to the business of the meeting.
- Finally, due to time constraints we may run out of time to answer all your questions.

I now invite Diverger shareholders and proxyholders who wish to make a comment or ask a question to do so. Are there any questions from Diverger shareholders or proxyholders in the room? Are there any questions from Diverger shareholders or proxyholders online? If there are no further questions or comments, I will now explain the procedure for the poll.

POLL PROCEDURE

First, this is a meeting of holders of Diverger shares. Each person registered in the Diverger Share Register as the holder of Diverger shares as at 10.00am on Sunday, 21 January 2024 is entitled to attend and vote at this Scheme Meeting, either in person or through the online portal, by proxy or attorney or, in the case of a corporate holder of Diverger shares or corporate proxy of a Diverger shareholder, by a corporate representative.

COMPLETING VOTING

I will now go through the procedures for voting on this poll.

- If you are voting on the Scheme Meeting in person today, please see the reverse side of your yellow admission Card which is your voting paper which details the resolution that is being put to this poll.
- If you are voting on the Scheme Meeting online today, once you have registered, your voting card will appear on your screen. Your voting card will present you with voting options. To cast your vote simply select one of the options and then select the 'Submit Vote' button.
- You do have the ability to change your vote at any time while voting is open, by clicking on the 'Edit Card' button and selecting a different voting option.
- If you are a proxy and you have been instructed to vote in favour of the Scheme Resolution and you vote, you must direct your votes in favour of the Scheme Resolution by submitting your vote accordingly.
- If you are a proxy and you have been instructed to vote against the Scheme Resolution and you vote, you must direct your votes against the Scheme Resolution by submitting your vote accordingly.
- In each case, if you are a proxy, you may choose not to vote. However in this case, I as Chair will be taken to have been appointed as your proxy and must vote as directed.

- If you are a proxy and you have not been instructed to vote in a particular manner in respect of the Scheme Resolution, you may vote in favour of, against, or abstain from voting on the Scheme Resolution as you see fit by submitting your vote.

I now declare voting open on the Scheme Resolution. As voting is now open please submit your vote on the Scheme Resolution.

If you have any problems, or if there is any aspect regarding voting on which you are uncertain, representatives from Link Mark Services are here to assist you. Please call 1800 990 363 – Link to confirm if you require assistance.

I now declare the poll closed.

CLOSE OF MEETING

Ladies and Gentlemen, the business of the Scheme Meeting has concluded so I declare this Meeting closed, subject to the votes of the poll being tallied by Link Market Services. The results of the poll will also be announced to ASX later today. Thank you for your attendance today.

Thank you.



Scheme Meeting

23 JANUARY 2024

This release has been authorised by the Diverger Board.



Board of Diverger



PETER BROOK
Non-Executive Chairman



NATHAN JACOBSEN
Managing Director



ANTHONY MCDONALD
Non-Executive Director



CARL SCARCELLA
Non-Executive Director



GRAHAME EVANS
Non-Executive Director

How to ask a question

HELP NUMBER
1800 990 363

In the room:

- Provide your name or the name of the shareholder or proxy you represent
- If you are representing an organisation, state the name of the organisation
- Ask all questions together

Online via portal:

- Submit questions as early as possible during the meeting
- Click on the 'Ask a Question' button at the top or bottom of the webpage and type your question into the box
- Click the 'Submit Question' button to submit your question

Online via Webphone:

- Click on the 'Ask a Question' button
- Select 'Go to Webphone'
- Click on the green phone button
- You will be connected to the meeting. Press *1 to ask a question when prompted.

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the SM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding: Scheme Resolution

Question

Type your question here...

Characters left: 532

Characters : 0

Submit Question

Audio Question

Please mute the webcast meeting before you use the Web Phone. You will be directed to a new screen.

Enter your name and select the Call button and follow instructions from there.

Go to Web Phone

Details of the proposed Scheme

If the Scheme proceeds:

- Count Limited will acquire 100% of Diverger Limited
- Diverger shareholders who did not make an Election will receive the **Default Scheme Consideration**, comprising \$0.40 cash per Diverger Share (less the amount of any Permitted Dividend) and 1.44 Count Shares for each Diverger Share Held
- Diverger Shareholders had the option to make an Election to receive the Scheme Consideration in one of the following alternatives:
 - **Maximum Cash Consideration** comprising \$1.20 cash per Diverger Share, less the Permitted Dividend and subject to an aggregate cap of \$15,907,873 (less the aggregate amount of any Permitted Dividend); or
 - **Maximum Scrip Consideration** comprising 2.16 Count Shares per Diverger Share, reduced by the Permitted Dividend, subject to an aggregate cap of 57,268,344 Count Consideration Shares

Indicative Election results

	Diverger Shares	Diverger Shareholders
Maximum Cash Elections	1,856,303	22
Maximum Scrip Elections	13,964,151	26
Total Elections	15,820,454	48

	% shares held to receive...			Equates to the following for each Diverger Share
	Maximum Cash Consideration	Maximum Scrip Consideration	Default Consideration	
Indicative outcome for shareholders who made Maximum Cash Elections, after scale back	100%	N/A	0%	Maximum Cash Consideration for 100% of your Diverger shares
Indicative outcome for shareholders who made Maximum Scrip Elections, after scale back	N/A	26.6%	73.4%	Maximum Scrip Consideration for 26.6% of your Diverger shares and Default Scheme Consideration for the remaining 73.4%
Outcome for shareholders who did not make an Election – not subject to any scale back	N/A	N/A	100%	Default Scheme Consideration for 100% of your Diverger shares

Scheme Resolution

“That under and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the members agree to the arrangement proposed between Diverger and the holders of its fully paid ordinary shares, designated the Scheme, as contained in and more particularly described in the Explanatory Booklet accompanying the notice convening this meeting (with any alterations or conditions agreed or any alterations or conditions required by the Court) and the Board of Directors of Diverger is authorised to implement the Scheme with any such alterations or conditions.”

Table of Proxy Votes

Proxy Vote	No. of shareholders	% of shareholders
IN FAVOUR	78	79.6%
UNDIRECTED	3	3.1%
AGAINST	17	17.3%
ABSTAIN	0	0.0%

Proxy Vote	No. of shares	% of Votes cast
IN FAVOUR	12,648,619	49.4%
UNDIRECTED	12,964,271	50.6%
AGAINST	8,931	0.03%
ABSTAIN	0	0.0%

Questions?

How to vote

HELP NUMBER
1800 990 363

In the room:

- See reverse side of yellow admission card which is your voting paper

Online:

- Once you have registered, your voting card will appear on your screen
- Your voting card will present you with voting options
- To cast your vote simply select one of the options and then select the 'Submit Vote' button
- You can change your vote while voting is open by clicking on the 'Edit Card' button and selecting a different voting option

Get a Voting Card

Voting Card
Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number Post Code

SUBMIT DETAILS AND VOTE

OR

PROXY DETAILS

Proxy Number

SUBMIT DETAILS AND VOTE

Voting Card
Please complete your vote by selecting the required voting instruction (For, Against, Abstain or No Instruction) for each resolution. If you would like to complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the shareholder's voting instructions.

Full Vote Partial Vote

REMUNERATION REPORT

Resolution 6 ☒ For ☐ Against ☐ Abstain

SUBMIT VOTE

Closure