

19 August 2024

Extraordinary General Meeting – Letter to Shareholders

Design Milk Co Limited (**DMC** or the **Company**) advises that an Extraordinary General Meeting of Shareholders will be held at 10:00am (AEST) on 11 September 2024 at Level 5, 137-139 Bathurst Street, Sydney NSW 2000.

In accordance with Part 1.2AA of the *Corporations Act 2001* (Cth), the Company will only be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders who have elected to receive the Notice in physical form. For further information on your right to elect to receive documents from the Company electronically or physically, please see Attachment A to this letter.

The Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://designmilkcolimited.godaddysites.com/>.

This Notice is given based on circumstances as at the date of this letter. Should circumstances change, the Company will make an announcement on the Company's website above. Shareholders are urged to monitor the Company's website.

Questions must be submitted in writing to the Company Secretary at sapir@confidantpartners.com.au at least 48 hours before the AGM.

Your vote is important

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

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

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting. Shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Log into the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By Post	Completing the enclosed Proxy Form and posting it to: Automic, GPO Box 5193, Sydney NSW 2001
By Hand	Completing the enclosed Proxy Form and delivering it by hand to: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By Email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your proxy instructions must be received no later than 48 hours before the commencement of the Meeting. Proxy Forms received later than this time will be invalid.

The Chair intends to vote all open proxies in favour of the resolution.

Yours faithfully
Sapir Elias
Company Secretary

Attachment A

Your right to elect to receive documents electronically or physically

The *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) includes a requirement for public companies and listed companies to give shareholders notice of their right to elect to be sent documents electronically or physically by the company in section 110K of the *Corporations Act 2001* (Cth) (**Act**).

There are new options for how Design Milk Co Limited (**DMC** or the **Company**) shareholders receive communications.

The Company will no longer send physical meeting documents unless a shareholder requests a copy to be mailed.

Providing your email address to receive shareholder communications electronically

The Company encourages all shareholders to provide an email address so we can provide investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

By providing your email address, you will:

- Support the company by reducing the cost of mailing/postage
- Receive your investor communications faster and in a more secure way
- Help the environment through the need for less paper

How do I update my communications preferences?

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communications preferences, or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>.

If you are a shareholder and would like a physical copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

Telephone: (within Australia): 1300 288 664

Telephone: (outside Australia): +61 2 9698 5414

Email: hello@automicgroup.com.au

Website: <https://investor.automic.com.au/>

Design Milk Co Limited

Level 30, 25 Bligh Street,
Sydney NSW 2000
ACN: 006 908 701

Design Milk Co Limited

Notice of Extraordinary General Meeting

Explanatory Statement | Proxy Form

11 September 2024

10:00am AEST

Address

Level 5, 137-139 Bathurst Street, Sydney NSW 2000

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

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Venue and Voting Information

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am AEST on 11 September 2024 at Level 5, 137-139 Bathurst Street, Sydney NSW 2000.

Your vote is important

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

Voting in person

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

Voting by proxy

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

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

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

Power of Attorney

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

Corporate Representatives

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

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Design Milk Co Limited ACN 006 908 701 will be held at 10:00am AEST on 11 September 2024 at Level 5, 137-139 Bathurst Street, Sydney NSW 2000 (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those who are registered Shareholders at 7:00pm AEST on Monday, 9 September 2024.

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

Resolutions

1. Resolution 1 – Consolidation of Capital

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

“That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

(a) every ten (10) Shares be consolidated into one (1) Share;

(b) every ten (10) Options be consolidated into one (1) Option;

(c) every ten (10) Performance Rights be consolidated into one (1) Performance Right; and

(d) every ten (10) Convertible Notes be consolidated into one (1) Convertible Note,

and, where the Consolidation results in a fraction of a Share, Option, Performance Right or Convertible Note being held, the Company be authorised to round that fraction down to the nearest whole Share, Option, Performance Right or Convertible Note.”

BY ORDER OF THE BOARD

Sapir Elias
Company Secretary
19 August 2024

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 10:00am (AEST) on 11 September 2024 at Level 5, 137-139 Bathurst Street, Sydney NSW 2000.

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

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

Full details of the business to be considered at the EGM are set out below.

Acquisition of Orbx Limited

Background

The Company is an Australian public company which was previously admitted to the official list of ASX.

In June 2023, the Company disposed of its main operating business and all activities ceased. It has subsequently operated as an investment vehicle exploring future business opportunities.

On 2 August 2024, the Company was removed from the official list of ASX.

Proposed Acquisition

On 19 August 2024, the Company announced that it had entered into a conditional agreement with Orbx to acquire all of the fully paid ordinary shares in Orbx by way of a conditional, off-market takeover bid (**Takeover Offer**).

The Takeover Offer will be subject to several defeating conditions, including but not limited to:

- (a) 90% minimum acceptance by Orbx Shareholders under the Takeover Offer;
- (b) no material adverse change, prescribed occurrence or regulated event in relation to Orbx having occurred;
- (c) completion of due diligence to the satisfaction of both parties;
- (d) obtaining all regulatory approvals, if and to the extent required to give effect to the Takeover Offer; and
- (e) entry into new employment contracts with DMC by key Orbx personnel.

In circumstances where the conditions to the Takeover Offer are not satisfied or waived before the end of the offer period under the Takeover Offer, the Proposed Acquisition will not complete.

The material terms of the Takeover Offer are summarised in the Announcement, a copy of which can be accessed here: <https://designmilkcolimited.godaddysites.com/>.

Indicative Timetable*

The indicative timetable for Completion of the Takeover Offer is outlined below:

Event	Date*
Date that the Bidder's Statement is lodged with ASIC	16 September 2024
Takeover Offer opens	18 September 2024
Takeover Offer closes (unless otherwise extended or withdrawn)	23 October 2024
Completion of the Takeover Offer and issue of Consideration under the Takeover Offer	30 October 2024
Annual General Meeting of the Company	November 2024

* Please note that the dates are indicative only and may be subject to change without further notice to Shareholders.

Resolution

Resolution 1 – Consolidation of Capital

Background

Resolution 1 seeks Shareholder approval to consolidate the total number of existing Securities on issue on a 10 for 1 basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward.

The Directors intend to implement the Consolidation prior to the commencement of the Takeover Offer.

Effect of Resolution 1 on Capital Structure

A summary of the projected effect of the Consolidation on the Company's capital structure as at the date of this Notice of Meeting is as follows:

Existing Securities	Pre-Consolidation	Post-Consolidation (approximate, subject to rounding)
Existing Shares	36,292,792	3,629,279
Existing Options	2,289,844	228,984
Existing Performance Rights	861,090	86,109
Existing Convertible Notes	5,328	532

Effect of Resolution 1 to Shareholders

As at the date of this Notice of Meeting, the Company has 36,292,792 Shares on issue.

The Consolidation proposed by Resolution 1 will have the effect of reducing the number of Shares on issue to approximately 3,629,279 Shares (subject to rounding). Individual holdings will be reduced in accordance with the Consolidation Ratio.

As the Consolidation applies equally to all Shareholders of the Company (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each Shareholder in the Company. Further, the aggregate value of each Shareholder's proportional interest in the Company will not materially change solely as a result of the Consolidation as the

only anticipated changes, which will be a result of rounding, will be immaterial.

Effect of Resolution 1 to Optionholders

As of the date on which this Notice of Meeting is dispatched to Shareholders, the Company has 2,272,170 Options on issue in aggregate. In accordance with the terms of the Options currently on issue, the Consolidation will involve a corresponding adjustment to Options, having the effect that the number of Options will reduce in proportion to the ordinary share capital and the exercise price will increase in inverse proportion to the Consolidation Ratio. The projected impact of the Consolidation on the terms of the Options on issue is set out in the table below:

Effect of Consolidation on existing Options

Pre-Consolidation Option terms	Pre-Consolidation numbers	Post-Consolidation Option terms	Post-Consolidation numbers
Exercise Price US\$20.00 Expire 27/07/25	318	Exercise Price US\$200 Expire 27/07/25	31
Exercise Price A\$0.65 Expire 27/11/24	565,320	Exercise Price A\$6.50 Expire 27/11/24	56,532
Exercise Price A\$0.40 Expire 30/11/25	500,000	Exercise Price A\$4.00 Expire 30/11/25	50,000
Exercise Price A\$0.50 23/11/24	1,200,000	Exercise Price A\$5.00 Expire 23/11/24	120,000
Exercise Price US\$4.75 Expire 19/08/24*	6,532	Exercise Price US\$47.50 Expire 19/08/24	653

*These Options will expire before the date of the EGM.

Effect of Resolution 1 to Performance Rights holders

As of the date on which this Notice of Meeting is dispatched to Shareholders, the Company has 861,090 Performance Rights on issue. In accordance with the terms of the Performance Rights currently on issue, the Consolidation will involve a corresponding adjustment to Performance Rights, having the effect that the number of Performance Rights will reduce in proportion to the ordinary share capital. The projected impact of the Consolidation on the terms of the Performance Rights on issue is set out in the table below:

Effect of Consolidation on existing Performance Rights

Pre-Consolidation numbers	Post-Consolidation numbers
861,090	86,109

Effect of Resolution 1 to Convertible Note holders

As of the date on which this Notice of Meeting is dispatched to Shareholders, the Company has 5,328 Convertible Notes on issue. In accordance with the terms of the Convertible Notes currently on issue, the Consolidation will involve a corresponding adjustment to Convertible Notes, having the effect that the number of Convertible Notes will reduce in proportion to the ordinary share capital and the conversion price will increase in inverse proportion to the Consolidation Ratio. The

projected impact of the Consolidation on the terms of the Convertible Notes on issue is set out in the table below:

Effect of Consolidation on existing Convertible Notes

Pre-Consolidation numbers	Post-Consolidation numbers
5,328	532

Legal Requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

Fractional Entitlements

Not all securityholders of the Company will hold a number of Shares, Options, Performance Rights or Convertible Notes (as the case may be) that can be evenly divided by the Consolidation Ratio. Where a fractional entitlement occurs, the Company will round that fraction down to the nearest whole Security.

Taxation

It is not considered that any taxation implications will exist for securityholders that will arise directly from the Consolidation. However, securityholders of the Company are advised to seek their own tax advice on the effect of the Consolidation and the Company does not accept any responsibility for the individual or collective taxation implications arising from the Consolidation.

Holding Statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to securityholders. It is the responsibility of each and every affected securityholder to check the number of Securities held prior to disposal or exercise (as the case may be).

Indicative Timetable

If Resolution 1 is approved by Shareholders, the Consolidation is proposed to take effect in accordance with the indicative timetable set out below:

Event	Date*
Shareholders pass Resolution 1 to approve the Consolidation	11 September 2024
Effective Date of Consolidation	11 September 2024
Record Date	12 September 2024
Company to update its register	13 September 2024

Directors' Recommendation

The Board recommends that Shareholders vote in favour of this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Enquiries

Shareholders are asked to contact the Company Secretary on sapir@confidantpartners.com.au if they have any queries in respect of the matters set out in these documents.

Glossary

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

Announcement means the announcement by the Company to Shareholders dated 19 August 2024 in respect of the Proposed Acquisition.

ASIC means Australian Securities and Investment Commission.

Board or **Board of Directors** means the current board of Directors of the Company.

Chair means the person chairing the Meeting.

Company or **Design Milk Co Limited** means Design Milk Co Limited ACN 006 908 701.

Completion means completion of the Takeover Offer.

Consolidation means consolidation of the existing issued capital of the Company at the Consolidation Ratio, which will be implemented in accordance with Resolution 1 of this Notice of Meeting.

Consolidation Ratio means the ten for one ratio of the Consolidation (10 securities being consolidated to 1 security).

Convertible Note means a convertible note issued by the Company which is evidence of a debt owed by the Company to a holder of a Convertible Note, which may be redeemed or converted in accordance with its terms.

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

Director means a current director of the Company.

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

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

Notice of Meeting or **Notice of Extraordinary General Meeting** means this notice of extraordinary general meeting dated 19 August 2024 including the Explanatory Statement.

Option means an option to subscribe for a Share.

Orbx means Orbx Limited ACN 631 760 088.

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

Orbx Shareholder means a holder of an Orbx Share.

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

Performance Right means an equity security issued by the Company which gives the holder a right to acquire a Share, subject to the satisfaction of certain vesting conditions.

Proposed Acquisition means the proposed acquisition of 100% of the issued share capital in Orbx, as set out in the Announcement.

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

Resolution means a resolution set out in this Notice of Meeting, or any one of them, as the context requires.

Securities mean Shares, Options, Performance Rights and/or Convertible Notes (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automic Pty Ltd.

Takeover Offer has the meaning given to that term on page 5 of this Notice of Meeting.

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Design Milk Co Ltd | ABN 15 006 908 701

Your proxy voting instruction must be received by **10.00am (AEST) on Monday, 09 September 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

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

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

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meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

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<https://automicgroup.com.au/>

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