

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

OneAll International Limited

ABN/ARSN

75 606 740 701

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Off-Market Equal Access Scheme Share Buy-Back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One for One
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully Paid
5	Number of shares/units in the ⁺ class on issue	130,015,920
6	Whether shareholder/unitholder approval is required for buy-back	Yes Shareholders approval is required and it is given in the Company's AGM held on 14 July 2020
7	Reason for buy-back	The Company has resolved to delist from ASX and this buy-back will give shareholders the opportunity to realise some or all of their investment in the Company.

⁺ See chapter 19 for defined terms.

- | | | |
|---|---|--|
| 8 | Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>) | An Off-Market Equal Access Scheme Share Buy-Back – Offer Booklet is attached |
|---|---|--|

On-market buy-back

- | | | |
|----|---|--|
| 9 | Name of broker who will act on the company's behalf | |
| 10 | Deleted 30/9/2001. | |
| 11 | If the company/trust intends to buy back a maximum number of shares - that number

<small>Note: This requires a figure to be included, not a percentage.</small> | |
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions | |

Employee share scheme buy-back

- | | | |
|----|---|--|
| 14 | Number of shares proposed to be bought back | |
| 15 | Price to be offered for shares | |

Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back

17 Number of shares proposed to be bought back

18 Price to be offered for shares

Equal access scheme

19 Percentage of shares proposed to be bought back 14.791%

20 Total number of shares proposed to be bought back if all offers are accepted 19,230,769

21 Price to be offered for shares \$0.26

22 ⁺Record date for participation in offer Monday 20 July 2020
Cross reference: Appendix 7A, clause 9.


Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: 
.....
(Company secretary)

Date: 20 July 2020

Print name: Bill Lee

⁺ See chapter 19 for defined terms.



ONEALL INTERNATIONAL LIMITED
ACN 606 740 701 (Company)

ASX ANNOUNCEMENT – Off Market Equal Access Scheme Share Buy-Back

Monday 20 July 2020

The Company will conduct an Off-Market Equal Access Scheme Share Buy-Back as approved and resolved in the Company's Annual General Meeting, on Tuesday 14 July 2020.

Key Dates:

EVENT	DATE
Shares quoted on an ex-entitlement basis	Friday 17 July 2020
Record Date for determining entitlement to participate ¹	Monday 20 July 2020
Dispatch of Buy-back booklet	Tuesday 21 July 2020
Buy-back Offer Period opens	Tuesday 21 July 2020
Buy-back Offer Period closes ²	Monday 10 August 2020
Share registry registration conclusion - Acceptances processed and any Scale-Back given	Tuesday 11 August 2020
Buy-back result announced on ASX – Appendix 3F	Tuesday 11 August 2020
Last day of share trading on ASX	Wednesday 12 August 2020
ASIC capital reduction application	Wednesday 12 August 2020
Bought-back Shares cancelled by ASIC	Thursday 13 August 2020
ASX delisting application	Thursday 13 August 2020
Buy-back Price Payment Date to participating Shareholders	Friday 14 August 2020
Removal from the ASX official list	Monday 17 August 2020

OneAll International Limited

ACN 606 740 701

Suite 54, Level 8, 591 George Street

Sydney NSW 2000, Australia

www.oneallinternational.com

oneall@gardenartgz.com



Share Buy-Back Offer Booklet

An Off-Market Equal Access Scheme Share Buy-Back – Offer Booklet (**Offer Booklet**) is attached to this announcement.

The Offer Booklet is prepared pursuant to and in satisfaction of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and the Listing Rules of the Australian Securities Exchange (**ASX**). Shareholders should read the Offer Booklet in full to make an informed decision regarding whether to accept, in whole or in part, the Buy-back Offer.

Acceptance Form

A tailored acceptance form, for each Eligible Shareholder, will be annexed to the Offer Booklet sent to each of the Eligible Shareholders by the Company's share registry – Boardroom Pty Limited, either by email or post, depending on the shareholder's confirmation on receiving the Company's information.

How to Return Buy-Back Acceptance Form

All Eligible Shareholders, including overseas and Australia-based shareholders, can return their completed Buy-Back Acceptance Form in **either of the following three ways**:

- (1) scan and email their completed Buy-Back Acceptance Form to the following email address corporateactions@boardroomlimited.com.au; or
- (2) forward their completed Buy-Back Acceptance Form to any office of the Company and have them scanned and emailed to the email address above; or
- (3) post or fax or email their completed Buy-Back Acceptance Form to Boardroom Pty Limited to the correspondence address, fax number or email address as listed in the Buy-Back Acceptance Form.

Should you have any query please feel free to contact Bill Lee, company secretary on +61 2 8021 6700.

By Order of the Board.

Kind regards,

Bill Lee

Company Secretary

OneAll International Limited

ACN 606 740 701

Suite 54, Level 8, 591 George Street

Sydney NSW 2000, Australia

www.oneallinternational.com

oneall@gardenartgz.com

A scenic outdoor pool area with a white oval table and chairs on a stone patio. The pool is surrounded by a wooden deck and a lush green landscape with trees and bushes. The text is overlaid on a blue semi-transparent box in the upper left corner.

OFF-MARKET EQUAL ACCESS SCHEME SHARE BUY-BACK – OFFER BOOKLET - 2020



OFF-MARKET EQUAL ACCESS SCHEME SHARE BUY-BACK – OFFER BOOKLET

Share Buy-back Offer Booklet

OneAll International Limited
ABN 75 606 740 701
C/O LWPG & PARTNERS
LEVEL 5, 115 PITT STREET
SYDNEY NSW 2000 AUSTRALIA

OFF-MARKET EQUAL ACCESS SCHEME SHARE BUY-BACK – OFFER BOOKLET

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1 BUY-BACK TIMETABLE

EVENT	DATE ¹
Lodgment of AGM resolution with ASIC and ASX	Tuesday 14 July 2020
Shares quoted on an ex-entitlement basis ²	Friday 17 July 2020
Record Date for determining entitlement to participate ³	Monday 20 July 2020
Dispatch of Buy-back booklet	Tuesday 21 July 2020
Buy-back Offer Period opens	Tuesday 21 July 2020
Buy-back Offer Period closes ⁴	Monday 10 August 2020
Share registry registration conclusion - Acceptances processed and any Scale-Back given	Tuesday 11 August 2020
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ASX delisting application	Thursday 13 August 2020
Buy-back Price Payment Date to participating Shareholders	Friday 14 August 2020
Removal from the ASX official list	Monday 17 August 2020

The information in this Offer Booklet is provided to the Shareholders of OneAll International Limited (ABN 75 606 740 701, **OneAll** or the **Company** or **1AL**) to assist them to decide whether to accept, in whole or in part, the Company's offer to buy all of their OneAll Shares (**Buy-back Offer**) under the Buy-back approved by Shareholders at the Company's Annual General Meeting held on Tuesday 14 July 2020 (**Buy-back**).

This Offer Booklet is prepared pursuant to and in satisfaction of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and the Listing Rules of the Australian Securities Exchange (**ASX**). Shareholders should read this Offer Booklet in full to make an informed decision regarding whether to accept, in whole or in part, the Buy-back Offer.

¹ Certain dates in this timetable are indicative only and may be subject to change. The Company will inform Shareholders of any changes to the above timetable by an ASX announcement.

² Shares acquired on or after this date will not be registered in the new Shareholder's name in time for the Buy Back Record Date, so will not confer an entitlement to participate in the Buy Back.

³ At this time the Company takes a "snapshot" of its Share register to determine which Shareholders, and for what number of Shares, are entitled to participate in the Buy Back.

⁴ 5:00pm AEST. The Company reserves the right to extend the Offer Period.

2 HOW TO ACCEPT

ACCEPTING THE BUY-BACK OFFER - CHESS-SPONSORED HOLDERS

Your Acceptance Form will specify whether you are a CHESS-Sponsored Holder. If you want to accept the Buy-back Offer for ALL of your Shares:

- Enter the Maximum number of Shares as listed in Section A as the total number of Shares you wish to tender for sale under this Equal Access Share Buy-back in **Section B** on the Acceptance Form accompanying this Offer Booklet and sign and **return** the completed form **to your Sponsoring Broker** (normally the stockbroker who arranged your purchase of the Shares) whose name is stated on that form, if required by that Broker.

If you want to accept the Buy-back Offer for SOME only of your Shares:

- Enter the total number of Shares you wish to tender for sale under this Equal Access Share Buy-back in **Section B** on the Acceptance Form accompanying this Offer Booklet and sign and **return** the completed form **to your Sponsoring Broker** (normally the stockbroker who arranged your purchase of the Shares) whose name is stated on that form, if required by that Broker.

To be valid, a properly completed and signed Acceptance Form must be received by your Sponsoring Broker, or you must inform your Sponsoring Broker of your acceptance by another method acceptable to it, in time for the Sponsoring Broker to process it by 5:00pm (AEST) on 10 August 2020.

NOTE: Your Sponsoring Broker may not require a completed, signed Acceptance Form. You may be able to instruct your Sponsoring Broker to accept the Buy-back Offer in the normal way that you instruct it to sell Shares, or by some other means. Contact your Sponsoring Broker for more information.

ACCEPTING THE BUY-BACK OFFER - ISSUER-SPONSORED HOLDERS

Your Acceptance Form will specify whether you are an Issuer-Sponsored Holder. If you want to accept the Buy-back Offer for ALL of your Shares:

- Enter the Maximum number of Shares as listed in Section A as the total number of Shares you wish to tender for sale under this Equal Access Share Buy-back in **Section B** on the Acceptance Form accompanying this Offer Booklet and sign and **return** the completed form **to OneAll's Share Registry** as instructed on that form.

If you want to accept the Buy-back Offer for SOME only of your Shares:

- Enter the total number of Shares you wish to tender for sale under this Equal Access Share Buy-back in **Section B** on the Acceptance Form accompanying this Offer Booklet and sign and **return** the completed form **to Boardroom Pty Limited** as instructed on that form.

To be valid, a properly completed and signed Acceptance Form must be received by OneAll's Share Registry by 5:00 pm (AEST) on 10 August 2020.

IF YOU HAVE SOME ISSUER-SPONSORED AND SOME CHESS-SPONSORED SHARES.

If you have both an Issuer-Sponsored holding and a CHESS-Sponsored holding of Shares, you will have received two Acceptance Forms: (a) one for your CHESS-Sponsored holding; and (b) one for your Issuer-Sponsored holding. You will need to complete and **return** each form **(to the**

separate destinations shown on each form) if you wish to sell some or all of the Shares in each of your separate holdings.

THE BUY-BACK IS VOLUNTARY

Shareholders are not required to accept the Buy-back Offer for all or any of their Shares. If you **do not wish to accept** the Buy-back Offer for any of your Shares simply **do nothing**; you will retain your existing OneAll Shares.

Further details of the Buy-back Offer are contained in this Offer Booklet. You should read this Offer Booklet in full before you make any decision whether to accept or reject the Buy-back Offer

3 BUY-BACK OVERVIEW

On 14 July 2020 at the Company's Annual General Meeting, Shareholders approved an off-market equal access scheme share Buy-back of up to 100% of each Shareholder's Shares in the Company (**Buy-back**), subject to a maximum cost to the Company of \$5,000,000 (**Buy-back Cap**)⁵.

This Offer Booklet sets out the terms of the Buy-back and how to accept it.

The Company is making the same offer to each Shareholder of the Company who held Shares as at 4:00pm (AEST) on Monday 20 July 2020 (the **Record Date**).

3.1 WHAT ARE YOUR OPTIONS IN RELATION TO THE BUY-BACK?

You can accept the Buy-back offer for some or all of your Shares or you may decline to sell any Shares. It is entirely your choice.

3.2 BUY-BACK PRICE

The price that the Company will pay for the Shares for which you accept the Buy-back Offer is:

- a cash payment of \$0.26 per Fully Paid Share (**Buy-back Price**)

subject to any Scale-Back. Any Scale-Back will not affect the price you receive for each of your Shares. A Scale-Back will only affect the number of Shares which you are able to sell.

3.3 TAX CONSIDERATIONS

The taxation consequences of the Buy-back will vary according to your individual circumstances. To help you calculate the amount of any income tax payable and the amount of any capital gains tax or offset, please see the "tax considerations" set out in Section 5 of this Offer Booklet. However, it is strongly recommended that you seek independent professional advice in relation to your own particular circumstances.

3.4 HOW DO YOU ACCEPT?

If you wish to Accept you may:

- accept the Buy-back Offer for all of your Shares; or
- accept the Buy-back Offer for some only of your Shares.

An Acceptance Form is accompanied in this Offer Booklet and you need to ensure whether you are an Issuer-Sponsored Holder or a CHESS-Sponsored Holder. Instructions on how each type of holder may accept the Buy-back Offer are set out in summary on Section 2 – How to Vote above, and in detail on the reverse of the Acceptance Form.

⁵ Please refer to 1AL's ASX release dated 15 June 2020 for a copy of Information Memorandum and 14 July 2020 for its Annual General Meeting result.

3.5 WITHDRAWING OR VARYING A BUY-BACK ACCEPTANCE

Your Buy-back acceptance may be withdrawn or amended, provided that you complete and sign an Amendment/Withdrawal Form and return it:

- If you are a CHESS-Sponsored Holder - to your Sponsoring Broker so that it is received in time for your Sponsoring Broker to process it; or
- If you are an Issuer-Sponsored Holder - to the Company's Share Registry at the address shown on the Amendment/Withdrawal Form,

so that it arrives before **4:00pm (AEST) on 10 August 2020**.

An Amendment/Withdrawal Form also accompanies this Offer Booklet. Instructions on completing and returning this form are set out on the reverse of the Amendment/Withdrawal Form.

3.6 OBTAINING REPLACEMENT/FURTHER FORMS

If you require replacement/further Buy-back Offer Acceptance Forms or Amendment/Withdrawal Forms you should:

- telephone 1AL's Share Registry: Boardroom Pty Limited on +61 2 9290 9600 (Sydney Office), or
- write to:

Boardroom Pty Limited

Level 12, 225 George Street

Sydney NSW 2000 Australia

3.7 WHAT IF YOU DO NOT WANT TO SELL YOUR SHARES TO THE COMPANY?

If you do not wish to accept the Buy-back Offer, simply do nothing.

If you do not sell your Shares, the number of Shares you hold will not change, but the proportion of the Company that you own will increase, depending on the level of acceptances by other Shareholders and the subsequent cancellation of their Shares that are bought back. Shareholders are strongly recommended to consider the Company's delisting proposal as disclosed in its Information Memorandum which was sent to Shareholders before and available on the Company's website: <http://www.oneallinternational.com/investor/announcements/> or the Company's announcement portal on ASX website <https://www.asx.com.au/asx/share-price-research/company/1AL/details>.

3.8 KEY DATES

Shareholders who held Shares on the Record Date are entitled to participate in the Buy-back. The right to participate in the Buy-back Offer is not transferable – if you sell your Shares during

the Buy-back Offer Period the purchaser of your Shares cannot participate in the Buy-back in relation to those Shares.

The Buy-back will be open from Tuesday 21 July 2020 to 5:00pm (AEST) on Monday 10 August 2020, unless extended. Any acceptance received before Tuesday 21 July 2020 will still be treated as valid. Any acceptance received after 5:00pm (AEST) on Monday 10 August 2020, however, **will be invalid**, unless the Company extends the Offer Period. The Company reserves the right to extend the Offer Period. If it does, it will notify Shareholders by ASX announcement.

3.9 HOW DOES THE BUY-BACK DIFFER TO SELLING SHARES ON ASX?

You will not have to pay brokerage if you sell your Shares under the Buy-back (subject to any arrangements you may have with your Sponsoring Broker). Brokerage will be payable if you sell your Shares on-market.

4 DETAILED BUY-BACK INFORMATION

4.1 WHAT IS AN EQUAL ACCESS SCHEME SHARE BUY-BACK?

The Buy-back is an “Equal Access Scheme” as defined in Section 257B(2) of the *Corporations Act*. An Equal Access Scheme is a scheme under which a company seeks to Buy-back shares, with shareholders having an equal opportunity to participate in proportion to their holdings.

Under a Buy-back a company buys back its own shares from its shareholders. Any shares bought-back are then cancelled, with the result that the total number of the company's shares on issue is reduced by the number of shares bought back.

The *Corporations Act* allows a company to conduct an Equal Access Scheme under the conditions set out below. The basis on which the Company has complied with each condition is also specified, as described in more detail in other Sections of this Offer Booklet:

- (a) the offers must be made to ordinary shareholders to Buy-back the same percentage of their ordinary shares. This Buy-back Offer is an offer to each Shareholder to Buy-back 100% of their Shares. (Note, however, that if sufficient Shareholders accept such that the total cost of the Buy-back would exceed \$5,000,000 (**Buy-back Cap**), each Shareholder's acceptance will be scaled back proportionately so that the Buy-back Cap is not exceeded - refer Section 4.3.1);
- (b) the Buy-back must not materially prejudice the Company's ability to pay its creditors. The Board is of the view that the Buy-back will not have this effect (refer Section 4.8.2);
- (c) the Company must include in its Buy-back offer document a statement setting out all information known to the Company that is material to the decision whether to accept the offer (there is no express dispensation for information previously provided). This Offer Booklet contains all required information in this regard;
- (d) the Buy-back Offer and all accompanying documents must be lodged with ASIC. The Company was lodged this Offer Booklet with ASIC by on 28 May 2020;
- (e) Shareholders must have a reasonable opportunity to accept the Buy-back offers made to them. The Buy-back Offer is open for acceptance from Tuesday 21 July 2020 to 5:00pm (AEST) on Monday 10 August 2020 - a period of three (3) weeks (**Offer Period**), unless extended by the Company. This is considered a reasonable period of time for Shareholders to consider a Buy-back offer;
- (f) a Buy-back agreement must not be entered into until a specified time for acceptance of offers has closed. The Company will only process acceptances (including the application of the Scale-Back) and enter Buy-back Agreements at the end of the Offer Period;
- (g) once the Company has entered into an agreement to Buy-back shares, all rights attaching to the shares are suspended, but the suspension is lifted if the agreement is terminated. See paragraph (h), below; and
- (h) the Company must not deal in shares it has bought back. Immediately after registration of the transfer of the Shares to the Company, the Shares will be cancelled.

The proposed Buy-back complies with these conditions.

The Company has made this offer to Shareholders through the mail and not through ASX. The Buy-back is thus an "off-market" Buy-back.

The Australian Securities and Investments Commission's (**ASIC**) Regulatory Guide on Share Buy-backs⁶ states that a company may impose a cap on the amount that it is prepared to spend buying back shares and scale back shareholders' acceptances if the amount spent would otherwise exceed that cap. The Scale-Back condition complies with ASIC's interpretation of the Corporations Act.

4.2 SHAREHOLDERS' APPROVAL

Under the *Corporations Act*, the Buy-back required Shareholders' approval by way of an ordinary resolution at a General Meeting. Shareholders passed the following resolution at the Company's Annual General Meeting held on Tuesday 14 July 2020 (**Shareholder Approval**):

"That, for the purposes of section 257C of the Corporations Act 2001 (Cth), shareholders authorise and approve the Company undertaking an off-market equal-access scheme share Buy-back, at a price \$0.26 per Share, of up to 100% of fully paid shares in the Company held by each shareholder subject to the maximum cost of the Buy-back being \$5,000,000 (paid in cash) and on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

A copy of the Information Memorandum containing the Notice of Annual General Meeting, Explanatory Statement and Independent Expert's Report dated 12 June 2020 may be viewed and downloaded from the Company's website: <http://www.oneallinternational.com/investor/announcements/> or the Company's announcement portal on ASX website <https://www.asx.com.au/asx/share-price-research/company/1AL/details> or emailed to shareholders upon request to oneall@gardenartqz.com.

The Company's ability to enter into any agreement to Buy-back its own shares and the timetable for such a Buy-back is governed by the Corporations Act and the ASX Listing Rules.

4.3 OVERVIEW OF THE BUY-BACK

4.3.1. Buy-back Summary

The Buy-back operates in the following way:

- (a) Subject to a maximum Buy-back consideration of \$5,000,000 (**Buy-back Cap**):
 - 1AL will offer to Buy-back the fully paid ordinary shares in the Company of each shareholder at a price of 26 cents per Share (**Buy-back Price**); and

⁶ ASIC Regulatory Guide 110.

- (b) If the value of Buy-back acceptances exceeds the Buy-back Cap, 1AL will scale back the number of shares to be bought back on a pro-rata basis determined by reference to the value of the Buy-back consideration in respect of acceptances received for fully paid ordinary shares (the **Scale-Back**).

4.3.2. Buy-back Process

The terms of the Buy-back are stated in this Offer Booklet. Shareholders have the following options in relation to the Buy-back:

- (a) sell all or some of their Shares, by completing the Acceptance Form which has been sent to them with this Offer Booklet. The maximum number of Shares that you can sell in the Buy-back is all Shares you are holding in the Company. You may choose to sell less than the maximum number; or
- (b) do nothing. Participation in the Buy-back is entirely voluntary. If you do not participate in the Buy- Back, the number of Shares held by you will not change. If there are acceptances by other Shareholders into the Buy-back Offer, your proportional interest in 1AL will increase.

Shareholders have three (3) weeks to respond to the Buy-back Offer, commencing on Tuesday 21 July 2020 to 5:00pm (AEST) on Monday 10 August 2020 (**Offer Period**), unless extended by the Company by an ASX announcement. Shareholders may amend or withdraw their acceptances within the Offer Period using the Amendment/Withdrawal Form, following the instructions on that Form. Acceptances, amendments and withdrawals received after the Offer Period, or which are not completed or received in accordance with the instructions on the relevant Form, **will be invalid**.

Shareholders should not attempt to sell any Shares for which they have accepted the Buy-back Offer, unless they first amend or withdraw their acceptance using the Amendment/Withdrawal Form and ensure that it is received:

- If they are a CHESS-Sponsored Holder – by their Sponsoring Broker in sufficient time for it to process the Form before the end of the Offer Period, or
- If they are an Issuer-Sponsored Holder – by the Company's Share Registry before the end of the Offer Period.

Once an Acceptance Form has been processed, Shares to which the Acceptance Form relates will be placed in a "Buy-back accepted sub-position" in the Company's Share register and it will not be possible for them to be sold.

4.3.3. Buy-back Consideration to be Paid in Cash

The maximum total Buy-back consideration has been set at \$5,000,000 (**Buy-back Cap**), comprising:

- **Cash:** up to \$0.26 per Fully Paid Share.

The Buy-back consideration will be satisfied as follows:

- **Cash:** 100% of an accepting shareholder's Buy-back consideration will be satisfied by 1AL paying cash.

4.3.4. Pro-Rata Scale-Back if Buy-back Cap is Exceeded

If the total Buy-back Consideration payable by the Company in respect of acceptances received is within the Buy-back Cap then the acceptances will be final at the end of the Offer Period. The Company will determine the amount of Buy-back Consideration due to each Accepting Shareholder and – sending out Buy-back Consideration payments by cheque or direct credit (if this facility is available) at the Accepting Shareholder's election.

If the total Buy-back Consideration that the Company would be required to pay in respect of all acceptances received exceeds the Buy-back Cap, the Company will reduce the number of Fully Paid Shares that will be bought back from each Accepting Shareholder by a proportion determined by reference to the value of the Buy-back Consideration in respect of acceptances received, to reduce the total Buy-back Consideration to the Buy-back Cap (**Scale-Back**). If a Scale-Back is required, the Company will announce it on ASX and notify each Accepting Shareholder of the actual number of Shares that will be bought back from them.

For example, assume that the Company receives acceptances from all Shareholders for all of their Shares. This would result in the total Buy-back Consideration (the money payable by the Company to Buy-back all the Shares) being \$33,804,139.20, comprised 130,015,920 Fully Paid Shares at \$0.26 each.

The Buy-back Cap of \$5,000,000 is approx. 14.791% of \$33,804,139.20. Therefore the total acceptances of each Fully Paid Shareholder would be reduced to 14.791% of the number of Shares for which they had sought to accept, so that only 19,230,769 Fully Paid Shares (in aggregate) would be bought back from them, at a cost of \$4,999,999 which is below the Buy-back Cap.

4.3.5. Which Shareholders are Eligible?

All holders of Fully Paid Shares are eligible to participate, including Shareholders who are not Australian residents.

There is no requirement under Australian law to exclude Shareholders who are not Australian residents from participating in the Buy-back. Non-resident Shareholders' participation may be affected by the laws in their own countries.

4.4 ADVANTAGES AND DISADVANTAGES TO SHAREHOLDERS

The Board believes that:

- It is in the best interests of Shareholders for the Buy-back Offer to be put to Shareholders for their consideration.
- It is appropriate to allow Shareholders an opportunity to realise their investment in the Company in an otherwise illiquid market for 1AL Shares at a price (in respect of the Fully Paid Shares) at a premium to the current and recent 1AL Share price on ASX.
- It is a cost-effective way for Shareholders to dispose of their interests as there are no brokerage costs associated with the Buy-back.
- As the Buy-back is open to all Shareholders on an equal basis, participation by Shareholders is entirely voluntary and the Buy-back Offer will be in respect of up to 100% of each Shareholder's Shares in the Company, it allows Shareholders to realise some funds by participating partially in the Buy-back (subject to the operation of the Scale-Back if the Buy-back Cap is exceeded) and retain an on-going exposure to the Company.
- The Buy-back gives all Shareholders the choice of whether or not to exit the Company or continue as Shareholders. Other methods of realising value for the Company's Shares, such as a voluntary liquidation, do not give this choice and all Shareholders are compelled to participate in the liquidation process once it has commenced.
- The Buy-back, as opposed to a voluntary liquidation and return of capital is a quicker, simpler and cheaper method of returning capital to Shareholders. Shareholders who wish to exit the Company are also likely to receive their proceeds from the Buy-back sooner than a distribution from a liquidator.

4.4.1 Potential advantages of the Buy-back

In unanimously recommending the Buy-back to Shareholders, the Directors have carefully considered the potential advantages and disadvantages for Exiting Shareholders, Continuing Shareholders and Shareholders generally. Those advantages and disadvantages are summarised below. To the extent that a Shareholder is a Partially Exiting Shareholder, all of those considerations will be relevant in relative proportion to the number of Shares bought back and the number of Shares that are retained following implementation of the Buy-back, if it is approved.

From the perspective of Exiting Shareholders

4.4.1.1 The Independent Expert has concluded that the Buy-back Price is above the fair market value of net assets of the Company

The Independent Expert has concluded that the fair value of the Company's share is estimated in the range of \$0.20 and \$0.34 per Share and the fair market value of net assets of the Company is \$0.2588 per Share.

The Buy-back Price of \$0.26 per Share is within the range of the Company Share's fair value and above the fair market value of net assets of the Company.

The Independent Expert has concluded that the Shareholders should vote in favour of the Resolution 3, including Exiting Shareholders, because it considers that the advantages of the Proposal outweigh the disadvantages of the Proposal from the perspective of both Exiting Shareholders and Continuing Shareholders.

Refer to the Independent Expert's Report in this Independent Expert's assessment of the advantages and disadvantages of the Proposal.

4.4.1.2 Exiting Shareholders will avoid ongoing exposure to the risks associated with the Company's business

There are a number of risks associated with the Company's business, including general risks and risks specific to the Company's business. These risks are set out in detail in **Appendix 1** of the Company's Information Memorandum. These risks, if they eventuate, could negatively affect the value of a continuing investment in the Company and/or reduce the Company's ability to survive in the market.

The Buy-back gives Exiting Shareholders the opportunity to realise the value of all of their Shares and, following implementation, avoid ongoing exposure to the risks associated with the Company's business.

4.4.1.3 Exiting Shareholders will be able to dispose of the Shares without incurring brokerage costs

Exiting Shareholders will have the opportunity to dispose of all of their Shares without incurring any brokerage or other transaction costs, being costs which are likely to apply to any disposal of Shares through an on-market sale.

4.4.1.4 Exiting Shareholders will be able to redeploy funds

Exiting Shareholders will have the opportunity to redeploy funds realised from the disposal of their Shares into other value-accretive and liquid investments.

From the perspective of Continuing Shareholders

4.4.1.5 Continuing Shareholders will be able to participate in any potential upside associated with an investment in the Company

For those Shareholders that wish to maintain their investment in the Company, they do not need to do anything and remain a Continuing Shareholder. Continuing Shareholders will retain the ability to participate in any potential valuation upside associated with a continued holding of Shares, as well as the benefit of any future dividends or capital returns (recognising that Continuing Shareholders will retain their investment in what would then be an unlisted entity, which will reduce Continuing Shareholders' ability to realise their investment).

4.4.1.6 Continuing Shareholders' interest in the Company will increase

The proportionate percentage shareholding of Continuing Shareholders in the Company (and hence their relative voting and economic interests) will increase as a result of the cancellation of up to 19,230,769 Shares held by Exiting Shareholders and Partially Exiting Shareholders.

4.4.1.7 The Independent Expert has concluded that Continuing Shareholders shall also vote in favour of the Buy-back

The Independent Expert has concluded that the fair value of the Company's share is estimated in the range of \$0.20 and \$0.34 per Share and the fair market value of net assets of the Company is \$0.2588 per Share.

The Buy-back Price of \$0.26 per Share is within the range of the Company Share's fair value and above the fair market value of net assets of the Company.

The Independent Expert has concluded that the Shareholders should vote in favour of the Resolution 3, including Continuing Shareholders, because it considers that the advantages of the Proposal outweigh the disadvantages of the Proposal from the perspective of both Exiting Shareholders and Continuing Shareholders.

Refer to the Independent Expert's Report in this Independent Expert's assessment of the advantages and disadvantages of the Proposal.

4.4.1.8 The Company will no longer be subject to the regulatory obligations and costs associated with being listed on ASX

If the Buy-back is approved and implemented, the Company will be Delisted. Continuing Shareholders will be able to maintain their investment in what would then be an unlisted entity that is no longer subject to the regulatory obligations and costs associated with being an ASX listed entity. This will free up time and resources for the Company's directors and management to focus on the Company's business and deliver annual cost savings. Any consequential improvement in the Company's financial performance will flow exclusively to the Continuing Shareholders.

4.4.2 Potential disadvantages of the Buy-back

The potential disadvantages of the Buy-back from the perspective of Exiting Shareholders and Continuing Shareholders are summarised below. To the extent that a Shareholder is a Partially Exiting Shareholder, all of those considerations will be relevant in relative proportion to the number of Shares bought back and the number of Shares that are retained following implementation of the Buy-back, if it is approved.

From the perspective of Exiting Shareholders

4.4.2.1 *Exiting Shareholders will have their Shares cancelled and cease to have any rights as a member of the Company*

Exiting Shareholders will have their Shares bought back and cancelled in exchange for the Buy-back Price. They will then cease to have any rights as a member of the Company, which includes losing the rights to participate in any potential valuation upside associated with a continued holding of their Shares, as well as any future dividends or capital returns.

4.4.2.2 *Exiting Shareholders may not receive best value for their Shares*

The Independent Expert has concluded that the Buy-back is fair and reasonable for Exiting Shareholders as the Buy-back Price is within the Independent Expert's assessed value range for a Share of between \$0.20 and \$0.34.

From the perspective of Continuing Shareholders

4.4.2.3 *Continuing Shareholders will have ongoing exposure to the risks associated with the Company's business*

There are a number of risks associated with the Company's business, including general risks and risks specific to the Company's business. These risks are set out in detail in Appendix 1 of this Explanatory Statement. These risks, if they eventuate, could negatively affect the value of a continuing investment in the Company and/or reduce the Company's ability to pay dividends.

4.4.2.4 *The Buy-back reduces the Company's cash levels*

As a result of the Buy-back, there will be a reduction in available cash by up to \$5,000,000 and thus the Company's ability to use that cash for other purposes, including acquisitions. The Company will also incur some expenses relating to printing, mailing and registry costs, which are not considered material.

4.4.2.5 *Effect on control of the Company*

The Buy-back would, if approved and to the extent that Shareholders participate in it, result in the cancellation of Shares and therefore impact on the control of the Company. The maximum potential effect of the Buy-back on control of the Company is set out in the table in section D.14.

Please also refer to sections C.3 (Potential disadvantages of Delisting) and C.5 (Effect of Delisting), as these are particularly relevant to Continuing Shareholders.

4.5 INDEPENDENT EXPERT'S REPORT

The Company was not required by law to obtain an independent expert's report (IER) on the proposed Buy- Back for the purposes of seeking Shareholder Approval. ASIC policy recommends obtaining an IER (on the issue of valuation) however, and the

Directors considered it appropriate to do so to enable Shareholders to make a fully informed decision on whether to accept the Buy-back Offer.

The Directors commissioned Grant Thornton Corporate Finance Pty Ltd (**GT** or the **Independent Expert**) to prepare an IER on the Buy-back for the purposes of seeking Shareholder Approval, a copy of which is also incorporated into this Offer Booklet.

The conclusions in the IER are that:

- (a) The Company's Shareholder should vote in favour of the Buy-back Resolution;
- (b) The fair value of the Company's share is estimated to be in the range of 20 to 34 cents;
- (c) The fair market value of net assets of the Company is 25.88 cents, which is in line with the Buy-back Consideration of 26 cents;

Note that the IER was prepared for the purposes of assisting Shareholders to decide how to vote in the Company's Tuesday 14 July 2020 Annual General Meeting on the question of whether the Company should conduct the Buy-back, as well as to set out the advantages and disadvantages to Shareholders of participating in the Buy-back (if approved). Statements in the IER about voting on whether to approve the Buy-back may be disregarded, as Shareholders have now approved the Company conducting the Buy-back.

The IER is dated 12 June 2020. There have not been any material changes to the facts on which the Independent Expert's opinion in the IER was based between that date and the date of this Offer Booklet.

4.6 SOURCE OF FUNDS

The maximum amount of cash required to fund the Buy-back is \$5,000,000.00 (the total Buy-back Price).

4.7 EFFECT ON SHARE CAPITAL STRUCTURE

As at the date of this Offer Booklet, the Company only has one type of securities on issue and has 130,015,920 Fully Paid Ordinary Shares on issue.

All of the Fully Paid Ordinary Shares that are bought back will be cancelled, and accordingly the Buy-back will reduce the total number of Fully Paid Ordinary Shares on issue assuming there are acceptances by Shareholders with the relevant type of Share. Upon full completion of the Buy-back, approx. 14.791% of the Company's issued capital will be cancelled.

4.8 THE FINANCIAL EFFECT OF THE BUY-BACK ON THE COMPANY

4.8.1 Share numbers and share capital

The Company has 130,015,920 Shares on issue as at the date of this Notice of Meeting. If the Buy-back is approved, the Company will, under the Buy-back, offer to Buy-back up to

19,230,769 Shares, comprising 14.791% of the Company's issued capital. Shares that are bought back will be cancelled. The Buy-back may therefore reduce the number of Shares on issue from 130,015,920 to a minimum of 110,785,151. However, the precise number of Shares which are cancelled as part of the Buy-back will depend on the extent to which Shareholders participate in the Buy-back.

4.8.2 Assets, liabilities and creditors

As at the date of the Company's Notice of Meeting, the Company has approximately \$12.3 million in available cash. If the Buy-back is approved by Shareholders, the Company will, under the Buy-back, offer to Buy-back up to 19,230,769 Shares at the Buy-back Price.

Notwithstanding the reduction in cash, the Directors do not consider the Buy-back will adversely affect the Company's capacity to meet its existing and anticipated obligations and pay its debts as and when they fall due.

4.9 THE POTENTIAL EFFECT OF THE BUY-BACK ON CONTROL OF THE COMPANY

The Company's Shareholders with beneficial interests of 5% or above, according to notices filed by them, are set out in the table below, along with their pre Buy-back shareholdings and voting power in the Company as at the date of the Notice of Meeting.

The two major Shareholders' voting power in the Company post the Buy-back will only increase where they have elected not to participate under the Buy-back and other Shareholders have, thereby resulting in a dilution of the Company's shares and an increase in their voting power post the Buy-back.

The table below shows these major Shareholders' post Buy-back shareholdings and maximum changes in voting power in the Company in one scenario where these the top two major Shareholders do not participate Buy-back:

Substantial Shareholder	Pre Buy-back		Post Buy-back		Change
	Shares	Voting Power	Shares	Voting Power	
Next Champion	49,765,045	38.276%	49,765,045	44.758%	6.482%
Simply Dynamic	31,822,849	24.476%	31,822,849	28.621%	4.145%

Notes:

- (i) Based on change of director's interest notice lodged on 22 January 2020.
- (ii) Based on change of director's interest notice lodged on 26 February 2020.

4.10 THE COMPANY'S INTENTIONS AFTER THE BUY-BACK

After the Buy-back, the Company will continue with its principal activity of manufacturing outdoors furniture and try to survive in the current COVID-19 situation.

4.11 AUSTRALIAN TAX IMPLICATIONS OF THE BUY-BACK

Please refer to Section 5 – Australian Tax Implications for more details.

Shareholders shall seek independent professional advice in relation to their own particular circumstances.

4.12 TAX IMPLICATIONS FOR THE COMPANY

It is unlikely the Buy-back will result in any adverse income tax implications for the Company.

4.13 DIRECTORS' INTERESTS AND INTENTION TO PARTICIPATE IN THE BUY-BACK

Mr Douts Huatang Li represents Next Champion on the Board and Mr Roger Jianhui Cao represents Simply Dynamic on the Board.

No Director will receive any payment or benefit of any kind as a consequence of the Buy-back other than in their capacity as a Shareholder.

Directors who hold Shares at the Buy-back Record Date will be able to participate in the Buy-back to the same extent as all other Shareholders.

As at the date of the Notice of Meeting, the Directors have the following relevant interests in Shares. The intentions of the Directors and/or their associated entities (if any) to participate in the Buy-back are also indicated below.

Director	Number of Shares	Percentage of total Share on issue	Intention to participate in Buy-back
Douts Huatang Li	49,765,045	38.276%	Not participating
Roger Jianhui Cao	31,822,849	24.476%	Not participating
Jimmy Jia Ying Chen	5,827,179	4.482%	Not participating
Viva Weihua Quan	62,000	0.047%	Participating
Peter Neville Hogan	3,000	0.001%	Participating
Phillip Fook Weng Au	Nil	Nil	N/A

4.14 DIRECTORS' RECOMMENDATIONS

The Board unanimously recommends Shareholders to participate in the Buy-back

4.15 RELIANCE ON INFORMATION IN THIS OFFER BOOKLET

4.15.1 Forward looking statements

Certain statements contained in this Explanatory Statement may constitute 'forward looking statements' for the purposes of applicable securities laws. The Company undertakes no obligation to revise the forward-looking statements included in this Explanatory Statement to reflect any future events or circumstances. The Company's actual financial performance may differ materially from the outcomes anticipated or expressed in or implied by these forward-looking statements. Factors which could cause or contribute to such differences include the number of Shares bought back under the Buy-back and general economic and trading conditions affecting the Company. Further information relating to the Company can be found at its website www.oneallinternational.com.

4.15.2 Responsibility for Information in this Offer Booklet

The Company is responsible for the information in this Offer Booklet, except as stated below. The Company is responsible for underlying data on which the IER is based to the extent that data relates solely to the Company. To the extent that the IER contains or is based on data from other sources or the Independent Expert's own expert judgement, responsibility lies with the Independent Expert and any third parties that provided the data.

Responsibility for statements as to the intentions of Directors who are Shareholders in Section 4.13 lies with those Directors.

4.15.3 Investment decisions

The material in this Offer Booklet does not constitute investment advice and does not take into account personal circumstances and needs of any particular Shareholder. Before making any investment decision Shareholders should consider their own personal circumstances and take appropriate professional advice

4.16 NOTICE TO SHAREHOLDERS WHO RESIDE OUTSIDE AUSTRALIA

Warning: The contents of this Offer Booklet have not been submitted to any regulatory authority outside Australia. Shareholders who do not reside in Australia are advised to exercise caution in relation to any decision on whether to accept the Buy-back Offer. If Shareholders are in any doubt about any of the contents of this Offer Booklet, they should obtain independent professional advice.

4.17 ASIC LODGEMENT

In accordance with Sections 257E and 257F of the Corporations Act, a copy of this Offer Booklet will be lodged with ASIC at least 14 days before the Buy-back Agreements are entered into. ASIC does not approve documents lodged with it. ASIC may, but is not required to, notify the Company if it believes a document lodged with it does not comply with applicable laws. The Company has received no notification from ASIC concerning this Offer Booklet, or the Information Memorandum for the Company's Tuesday 14 July 2020 Annual General Meeting at which the Buy-back was approved, which contained information substantially similar to the information in this Offer Booklet.

5 AUSTRALIAN TAX IMPLICATIONS

12 June 2020

The Board of Directors
Oneall International Limited
Level 5
115 Pitt Street
Sydney NSW 2000
Australia

Dear Sir/Madam

**ONEALL INTERNATIONAL LIMITED
TAXATION IMPLICATIONS OF BUY BACK**

To assist Shareholders of Oneall International Limited in understanding the Australian taxation consequences of the proposed Buy Back, Addsum Accountants Pty Ltd has been engaged by Oneall International Limited to prepare the following general summary for Shareholders receiving the Buy Back Price under the Buy Back based on the applicable taxation laws as at the date of this letter, to be included in the Explanatory Memorandum in the Notice of Meeting.

This general summary applies only to Shareholders holding their Shares in the Company on a capital account for tax purposes and be subject to the capital gains tax (**CGT**) rules, and not on a revenue account.

The application of tax legislation can vary according to the particular circumstances of each Shareholder. The comments in this summary are of a general nature only, may not apply to your specific circumstances and cannot be relied upon for accuracy or completeness. This summary is not intended, and should not be relied upon, as specific taxation advice to any particular Shareholder.

Each Shareholder should seek and rely on its own professional taxation advice, specific to its particular circumstances, in relation to the taxation consequences of the Buy Back. Neither the Company, nor any of its officers or advisers, accepts liability or responsibility with respect to such consequences or the reliance of any Shareholder on any part of this general summary.

The Company has not received a ruling from the Australian Taxation Office (ATO) in relation to the Buy Back, nor does it intend to seek such a ruling.

Taxation Implications for Participating Shareholders

(a) Income tax implications – general

Based on the proposed Buy Back, the entirety of the Buy Back Price will be debited against the share capital of the Company, and no amount will be debited against the retained earnings of the Company.

As such, no component of the Buy Back Price received by participating Shareholders should be treated as a dividend from the Company to Shareholders. Moreover, no franking credits are to be attached to the Buy Back Price received by participating Shareholders.

(b) Income tax implications – resident Shareholders

Broadly, if the Company proceeds with the Buy Back on the basis that the Buy Back Price paid is entirely debited against the share capital of the Company, the following taxation consequences will result for participating Shareholders who are Australian residents for income tax purposes:

- As the entirety of the Buy Back Price will be debited against the Company's share capital account, no part of the Buy Back Price is expected to be a dividend.
- Provided the Shares are held on capital account, Shareholders would realise either a capital gain or loss when CGT event A1 is triggered upon disposing of their Shares.
- This capital gain or loss will arise as at the date that the contract to dispose of the Shares is entered into by each Shareholder, rather than when the Buy Back Price is actually received by the Shareholder.
- The Buy Back Price should only consist of the capital component, and the capital component of the Buy Back Price will be the proceeds for CGT purposes.
- A capital gain will be the excess of the capital proceeds received on disposal over the cost base or reduced cost base of the Shares, and a capital loss will be the excess of the cost base or reduced cost base of the Shares over the proceeds received on disposal.
- Shareholders who have a capital gain and have held their shares for a period of more than 12 months may qualify for the general 50% CGT discount (for Australian resident individuals and trusts) or 33.33% CGT discount (for complying superannuation funds and life insurance companies) concession on the capital gain.

- Shareholders who have a capital loss may offset the capital loss with the other gains arising during the year, or otherwise carry forward such capital loss to future years subject to the relevant loss carry forward requirements being satisfied.

Shareholders should obtain their own taxation advice on their residency status for tax purposes and on the amount of any capital gain that is to be included in their taxable income.

(c) Income tax implications – non-resident Shareholders

Assuming the same conditions outlined above, the following taxation consequences will result for participating Shareholders who are not Australian residents for income tax purposes:

- As the entirety of the Buy Back Price will be debited against the Company's share capital account, no part of the Buy Back Price is expected to be a dividend.
- No income tax issues should arise for non-resident Shareholders as a consequence of receiving the Buy Back Price under the Buy Back (i.e. not treated as having received a dividend), and the Buy Back Price will not be subject to dividend withholding tax in Australia.
- Non-resident Shareholders are only subject to CGT on the disposal of Taxable Australian Property (**TAP**), which includes any indirect Australian real property interest held by an entity or is associates of 10% or more. Particularly, non-resident Shareholders will not be subject to any Australian CGT consequences, unless they hold (either alone or together with their associates) 10% or more of the direct participation interests in the Company at the time of the Buy Back or for a continuous period of at least 12 months in the 24 months immediately preceding the Buy Back.
- Even in the event that the non-resident Shareholder meets the above 10% ownership condition on an associates-inclusive basis, Australian CGT will not apply on the basis that at the time of the CGT event the market value of assets in the Company that are TAP does not exceed the market value of assets that are not TAP.

Shareholders should obtain their own taxation advice in their respective jurisdictions on their residency status for tax purposes and on the amount of any capital gain that is to be included in their taxable income.

(d) Income tax anti-avoidance provision for Shareholders (resident and non-resident)

There are anti-avoidance provisions in the income tax legislation which, if applicable, allows the Commissioner to make a negative determination that all or part of a capital benefit received by Shareholders (resident and non-resident) is to be treated as an unfranked dividend. An unfranked dividend is subject to income tax in the hands of the receiving Shareholders, and such dividend is subject to Australian dividend withholding tax for the non-resident Shareholders.

Given the reasoning behind the Buy Back as outlined in this Explanatory Memorandum and the factual circumstances of the Company and its Shareholder base, the likelihood of the Commissioner making a negative determination is minimal.

The Buy Back should not be subject to the general value shifting rules in the income tax legislation as the Buy Back will be conducted at arm's length and at market values.

(e) Goods and Services Tax (GST) implications

The disposal of shares in the Company by participating Shareholders under the proposed Buy Back is considered a financial supply under GST legislation and is therefore input taxed. Consequently, the Buy Back Price received by participating Shareholders should not be subject to GST.

(f) Stamp duty implications

The disposal of Shares in the Company by participating Shareholders under the proposed Buy Back is not a dutiable transaction, and no stamp duty is payable by the participating Shareholders or the Company.

Taxation Implications for Non-Participating Shareholders

For Shareholders who are not participating in the Buy Back, there would be no disposal of Shares in the Company by the non-participating Shareholders.

On the basis that there will be no disposal of Shares, there will be no income tax, CGT, GST or stamp duty implications for non-participating Shareholders.

Taxation Implications for the Company

Given the proposed scale of the Buy Back, the Buy Back is not expected to have any material income tax implications for the Company.


The Buy Back of shares in the Company by the Company is considered a financial supply under GST legislation and is therefore input taxed. Consequently, the Buy Back Price should not be subject to GST and there is no GST credit on the Buy Back Price to be claimed by the Company.

The proposed Buy Back is not a dutiable transaction, and no stamp duty is payable by the Company.

Contact us

If you have any questions in respect of our advice, please contact us.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Sheldon Mak", with a long horizontal stroke extending to the right.

Sheldon Mak
Partner
Addsum Accountants

6 GLOSSARY

In this Offer Booklet words and expressions with capitalised first letters have the meanings given below. Where a word or expression is defined, different grammatical forms of the word or expression have corresponding meanings. In this Offer Booklet the singular includes the plural and a reference to any gender includes all other genders.

"Acceptance Form" means the personalised acceptance form sent to each Shareholder with (and which forms part of) this Offer Booklet, setting out the maximum number of Shares for which that Shareholder may accept the Buy-back Offer which will be either:

- a CHESS Acceptance Form for CHESS-Sponsored Holders; or
- an Issuer-Sponsored Acceptance Form for Issuer-Sponsored Holders.

"Accepting Shareholder" means a Shareholder who accepts the Buy-back Offer for some or all of their Shares by sending in a valid Acceptance Form in accordance with the instructions on that Form.

"AEST" means Australian Eastern Standard Time.

"AGM" or **"Annual General Meeting"** means the Company's annual general meeting held on Tuesday 14 July 2020

"Amendment/Withdrawal Form" means the form with that name sent with (and which forms part of) this Offer Booklet.

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means ASX Limited (ABN 98 008 624 691).

"Buy-back" means the equal access Buy-back of up to 100% of the Shares held by each Shareholder (subject to the Company not spending more than the Buy-back Cap on Buy-back Consideration) for the applicable Buy-back Price per Share.

"Buy-back Agreement" means the agreement that OneAll and each Accepting Shareholder will be deemed to enter into at the end of the Offer Period for OneAll to Buy-back from that Shareholder the number of Shares nominated by them in the Acceptance Form, as reduced by the Scale-Back (if applicable) and subject to any valid Amendment/Withdrawal Form received, on the terms in this Offer Booklet.

"Buy-back Cap" means \$5,000,000 (five million dollars).

"Buy-back Consideration" means the total amount payable by OneAll to an Accepting Shareholder for the Buy-back of its Shares upon entry into a Buy-back Agreement; being the Buy-back Price for each Share bought back from that Shareholder multiplied by the number of Shares bought back.

"Buy-back Offer" means the offer by the Company made in this Offer Booklet to each Shareholder to enter into the Buy-back with that Shareholder.

"Buy-back Price" means the \$0.26 per Fully Paid Share.

"Company" and **"OneAll"** and **"1AL"** means OneAll International Limited ACN 606 740 701.

"Continuing Shareholders" means those Shareholders who select to not to participate in the Buy-back or select to sell some of its holding Shares but not all its holding Shares by participating in the Buy-back.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"CHESS Acceptance Form" means the personalised acceptance form accompanying this Buy-back Offer for CHESS-Sponsored Holders.

"CHESS-Sponsored Holder" means a person who holds Fully Paid Shares on 1AL's CHESS sub-register. **"Corporations Act"** means the *Corporations Act (Cth) 2001*.

"Existing Shareholders" means those Shareholders who select to participate in the Buy-back and sell all its holding Shares and are no longer Shareholder of the Company upon completion of the Buy-back.

"Grant Thornton" or **"Independent Expert"** means Grant Thornton Corporate Finance Pty Limited ABN 59 003 265 987.

"Fully Paid Shareholder" means a holder of Fully Paid Shares at the Record Date.

"Fully Paid Shares" means the fully paid ordinary shares in the capital of the Company.

"GST" means goods and services tax.

"IER" means the independent expert's report prepared by Grant Thornton which forms part of the Information Memorandum and also this Offer Booklet.

"Information Memorandum" means the information memorandum, dated 15 June 2020, including notice of its 2020 annual general meeting, explanatory statement and IER, the Company sent to each of its Shareholders which is also available on the Company's website and ASX announcement platform.

"Issuer-Sponsored Acceptance Form" means the personalised acceptance form accompanying this Buy- Back Offer for Issuer-Sponsored Holders.

"Issuer-Sponsored Holder" means a person who holds Fully Paid Shares on 1AL's Issuer-Sponsored sub-register.

"Offer Booklet" means this document and includes the IER, the personalised Acceptance Form and the personalised Amendment/Withdrawal Form.

"Offer Period" means the period from and including Tuesday 21 July 2020 to 5:00pm (AEST) on Monday 10 August 2020, or such later date as the Company may specify by ASX announcement.

"Record Date" means the record date in relation to the Buy-back Offer, being 4:00pm (AEST) on Monday 20 July 2020.

"Scale-Back" means a reduction in the number of Shares to be bought back from each Shareholder below the number of Shares for which they have accepted the Buy-back Offer, to avoid the Buy-back Cap being exceeded

"Shares" means Fully Paid Shares of the Company.

"Shareholder" means holders of Fully Paid Shares.

"Sponsoring Broker" means, for CHESS-Sponsored Holders, their controlling participant or sponsoring broker.

7 INDEPENDENT EXPERT'S REPORT



Grant Thornton
An instinct for growth™

OneAll International Limited

Independent Expert's Report and Financial Services Guide

12 June 2020

Directors
OneAll International Limited
Suite 54, Level 8, 591 George Street
Sydney NSW 2000

**Grant Thornton Corporate
Finance Pty Ltd**
Level 17
383 Kent Street
Sydney NSW 2000
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12 June 2020

Dear Directors

INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE

Introduction

OneAll International Limited ("1AL" or "OneAll" or "the Company") is an ASX-listed designer, manufacturer and distributor of outdoor furniture products with a market capitalisation of approximately A\$110.5¹ million as at the date of this Independent Expert's Report ("IER"). OneAll manufactures furniture at its factory in China's Guangdong province and distributes the same through a network of retailers in Europe, USA and Australia.

On 30 March 2020, OneAll announced that it had lodged a formal request to the Australian Securities Exchange ("ASX") for removal from the ASX official list, in view of OneAll's low trading levels, costs related to listing and inability to raise more funds. On 6 April 2020, the Company announced that the ASX had approved the delisting request subject to certain conditions ("Proposed Delisting").

In light of the low liquidity of its shares and the low level of free float², the Company now intends to undertake an off-market buyback of up to 19,230,769 shares (i.e. up to 14.791% of the Company's issued share capital) in order to provide investors a liquidity opportunity ("the Proposed Buyback") before the Proposed Delisting. The buyback price is a cash consideration of 26 cents per share ("Buyback Consideration"), and will offer all investors who are shareholders of OneAll as at 10 July 2020 the opportunity to sell their shares back to the Company.

If OneAll Shareholders participate in the Proposed Buyback in respect of a total number of shares which exceeds the limit, then the number of shares bought back from each shareholder will be reduced on a pro-rate basis.

¹ Calculated as 130,015,920 ordinary shares outstanding multiplied by the last traded share price of A\$0.85 per share as at 30 January 2020.

² Historically, the free float shares have represented c.8% of the issued share capital.

We note that the Company's major shareholders, Mr Huatang Li and Mr Jianhui Cao³, who own 38.28% and 24.48% of the issued share capital respectively, have stated that they intend to vote in favour of both the Proposed Delisting as well as the Proposed Buyback, but that they both will not participate in the Proposed Buyback.

The Proposed Buyback is subject to approval being obtained from OneAll shareholders ("OneAll Shareholders" or "Shareholders") by ordinary resolution. We note that Shareholders' decision regarding whether to approve the Proposed Buyback is independent from the decision to participate in the Proposed Buyback. In other words, OneAll Shareholders who vote in favour of the Proposed Buyback may decide not to participate in the Proposed Buyback and vice versa. Further, the Proposed Buyback is conditional on the approval of Proposed Delisting i.e. the Proposed Buyback will only be voted on if OneAll Shareholders pass a special resolution approving the Proposed Delisting.

The Proposed Buyback is available to all OneAll Shareholders who are on the register as at 10 July 2020 ("the Record Date"). Refer Section 1 for further details.

The Australian Securities and Investments Commission ("ASIC"), through ASIC Regulatory Guide 110 *Share buy-backs* ("RG 110") recommends that if a company proposes to buy-back a significant percentage of issued shares, shareholders should be provided with an IER containing a valuation of the shares. ASIC Regulatory Guide 111 *Content of Expert's Reports* ("RG111") also provide some high level guide in relation to IER prepared for the purpose of buy-backs.

The directors of OneAll ("Directors") have engaged Grant Thornton Corporate Finance Pty Limited ("Grant Thornton Corporate Finance") to prepare an IER valuing the ordinary shares of OneAll ("OneAll Share" or "Share") on a minority basis, and setting out the other relevant factors that OneAll Shareholders should consider regarding the Proposed Buyback.

Purpose of the report and approach

Whilst there is no legal requirement for the preparation of the IER, the Directors have requested Grant Thornton Corporate Finance to prepare an IER to assist OneAll Shareholders in their consideration of whether to approve and participate in the Proposed Buyback.

Our report is to be included with the notice of meeting ("Notice of Meeting") and explanatory memorandum ("Explanatory Memorandum") to be provided to OneAll Shareholders for the purposes of the Company's annual general meeting to consider the Proposed Buyback.

When preparing this IER, Grant Thornton Corporate Finance has had regard to RG 111 and RG 110. Our valuation has been prepared on a minority basis to provide Shareholders with an estimate of the fair market value of a OneAll Share which can currently be realised. Our valuation has been undertaken without reflecting the impact of the Proposed Buyback on the value of the OneAll Shares as there is no way of knowing the number of OneAll Shares that will be acquired pursuant to the Proposed Buyback.

In addition to our valuation of OneAll Shares, our report also contains an analysis of other factors relevant to Shareholders' decision as to whether to approve and/or participate in the Proposed Buyback.

Summary of opinion

After considering the quantitative and qualitative factors discussed below, Grant Thornton Corporate Finance has concluded that in our opinion OneAll Shareholders should vote in favour of the Proposed Buyback as it provides them with the option, but not the obligation, to sell their shares at the Buyback Consideration and potentially achieve cost savings (i.e. brokerage costs) as well as the benefit of liquidity in an uncertain economic environment which may

³ Mr Li and Mr Cao are also the Executive Chairman and CEO, and Non-Executive Director of the Company respectively.

otherwise not be available under an on-market sale of their shares.

While we do not make any recommendations as to whether Shareholders should participate in the Proposed Buyback, we note that given the approval received from ASX for the Proposed Delisting, OneAll Shareholders who do not participate in the Proposed Buyback will become shareholders in a private company. Notwithstanding the extremely low liquidity in OneAll's shares on the ASX that make the share price vulnerable to fluctuation in the event of a large trade, we consider shares in a private company in general to be inherently less liquid than shares in a public company. Consequently, minority shareholders who retain their shares in a privatised OneAll may face the risk of not being able to obtain fair market value for their shareholding or not being able to sell their shares at all.

Valuation of OneAll Shares

Grant Thornton Corporate Finance has estimated the fair value of a OneAll Share to be in the range of 20 cents to 34 cents, on a minority basis. We have assessed the fair market value of a OneAll Share based on the EBITDA Multiple Method, in conjunction with the market value of net assets method.

We note that the trading price of OneAll shares on the ASX has ranged between 80 and 86 cents per share since May 2019, which is materially higher than both the Buyback Consideration as well as our assessed valuation of a OneAll Share. However, as noted in Section 4.4.1, we do not believe that OneAll's trading prices are representative of the fair market value of the Company, on account of the low liquidity in OneAll shares, as outlined below:

- The Company's shares are not frequently traded, with several months in the trading history not having recorded any trading activity.
- OneAll Shares on the ASX have not traded since 30 January 2020.
- Despite the outbreak of COVID-19, an impending recession and volatility on the equity markets, the share price of the Company has not moved.
- The bid-ask spread of the Company's shares on the ASX has been historically high, indicating that there is a sizeable difference in the value of shares perceived by buyers and sellers of the Company's shares.

Given the above factors, we have not placed any reliance on the quoted security price of OneAll Shares.

Key factors to consider when deciding whether or not to vote in favour of the Proposed Buyback and whether or not to participate in the Proposed Buyback

The Proposed Buy-Back provides an opportunity to OneAll Shareholders to realise their investment in OneAll Shares before the Proposed Delisting

OneAll has received an approval from the ASX for the Proposed Delisting on 6 April 2020, which is an in-principle approval for the delisting of OneAll's shares subject to approval of the same by a special resolution, among other conditions. As a result, upon completion of the Proposed Delisting, if Shareholders do not have the opportunity to participate into the Proposed Buyback, they will be left holding shares in a private company. Typically, shares in a private company are illiquid relative to shares in a public company, and a minority shareholder may find it difficult to obtain fair market value for their shares⁴ or being able to sell their shares at all.

⁴ This may not always hold true; the exception to the norm could be when the company's shares are highly sought after, particularly by institutional shareholders with a long-term investment horizon or governance rights. However we do not consider this to be the case for OneAll's shares.

The Proposed Buy-Back provides a window to minority shareholders to liquidate their shareholding in line with our assessment of fair market value before the Company is taken private.

Impact on the Company from COVID-19

The ongoing economic and health crisis following the outbreak of COVID-19 is expected to push the global economy into recession. While most governments have released significant stimulus packages, the restrictions imposed on movement of goods and labour have led several business around the world into financial difficulties. In such a situation, businesses like OneAll which are dependent on consumer discretionary spending have been hit hard. The Management of OneAll has observed that many customers are requesting higher discounts or are delaying their purchases. Based on the same, Management expects a significant reduction in revenue and profitability in FY20. The Company's continued profitability in the future depends not only on Management's response to the current crisis, but also on the timing of relaxation of restrictions and uptake of the Company's products. Minority shareholders who do not participate in the Proposed Buyback will continue to be exposed to this uncertainty.

In this regard, we note that the Company's auditors, in their audit report for FY19, have highlighted a material uncertainty on the Company's ability to continue as a going concern, following the outbreak of COVID-19 and the associated economic crisis. While Management consider there to be sufficient liquidity, we consider that a material uncertainty on the going concern status of a company is a red flag for any investor, and any investment in such a company carries with it substantially higher risk.

In addition to the above, the US-China trade dispute, which disrupted the Company's performance in FY19 leading to reduced US sales and profitability, has reignited following the outbreak of COVID-19. We consider this to be a significant source of uncertainty for the Company's future performance, since c.19% of the Company's sales come from North America.

Effect of the Proposed Buyback on control of the Company and intentions of majority shareholders

The effect of the Proposed Buyback on the controlling interests of shareholder in the Company will not be fully known until it has been completed, as the extent to which individual shareholders will participate in the Proposed Buyback is not yet known. However, we note that the Company's major shareholders, Huatang Li and Jianhui Cao, who collectively control 62.752% of the issued share capital⁵, have indicated that they will vote in favour of both the Proposed Delisting and Proposed Buyback, and will not participate in the Proposed Buyback. Accordingly, assuming that all the other shareholders participate in the Proposed Buyback, the shareholding of the major shareholders will increase to 44.76% and 28.62% from 38.28% and 24.48% at present respectively.

Under these circumstances, non-participating shareholders should be aware that the takeover contestability of the Company and the likelihood of receiving a control premium in the future may further decrease. However, in our opinion, this is not materially different from the current circumstances of OneAll.

⁵ Mr Li and Mr Cao control 38.28% and 24.48% of the issued share capital respectively.

Effect of the Proposed Buyback on the Company's financial position

The Company proposes to fund the Proposed Buyback from its existing cash balance, which can potentially reduce the cash balance by A\$5 million. While this is a significant portion of the Company's existing cash, Management has stated that they do not foresee a threat to the Company's capacity to meet its obligations including debt servicing.

Following completion of the Proposed Buyback and assuming the maximum amount is bought back, the net asset balance of OneAll will be lower and the debt gearing will be higher as outlined in the table below:

OneAll - Net Debt and Net Assets after the Proposed Buyback A\$ '000s	31-Mar-20 Unaudited	Proposed Buyback	31-Mar-20 Pro-Forma
Net Assets	30,343	(5,000)	25,343
Total assets	56,038	(5,000)	51,038
Total borrowings	13,077		13,077
Cash and cash equivalents	15,685	(5,000)	10,685
Net debt/ (Net cash)	(2,608)	5,000	2,392
<i>Total debt to equity</i>	<i>43.1%</i>		<i>51.6%</i>
<i>Total debt to assets</i>	<i>23.3%</i>		<i>25.6%</i>
<i>Gearing (%) (Refer Note 1)</i>	<i>(6.5)%</i>		<i>5.9%</i>

Source: GTCF analysis

Note 1: Gearing is calculated as $Gearing = \frac{(\text{Interest bearing liabilities} - \text{cash})}{(\text{total assets} - \text{cash})}$.

Note 2: Pro-forma based on the assumption that 15% of OneAll shares are bought back.

In our opinion, while there will be no immediate liquidity concern as a result of the implementation of the Proposed Buyback, in the medium term, the material reduction in the Company's cash position will need to be accompanied by a reduction in expenses and conservatism in spending (if the current economic crisis is extended for a longer period of time) or alternatively, a capital raising may be required. In this regard, we note that the Company's auditors, in their audit report for FY19, have highlighted a material uncertainty on the Company's ability to continue as a going concern, following the outbreak of COVID-19 and the associated economic crisis.

No brokerage costs

If the Proposed Buyback is approved, OneAll Shareholders electing to participate into the Proposed Buyback will be able to realise their investment in OneAll without incurring any brokerage costs.

No participation in future potential upside of OneAll

Shareholders who elect to participate fully in the Proposed Buyback will give up the right to participate in the future potential upside and growth opportunities of OneAll. The track record of OneAll in delivering profitable growth through expansion of target markets may continue depending on the recovery from the COVID-19 crisis as well as the cessation of the US-China trade war, and may consequently generate potential upside for OneAll Shareholders. However, this is subject to the response of the Company to the current crisis, its management of cash flows and whether or not OneAll's products can generate the same prices and margins as before.

Tax losses

Shareholders who have purchased shares at a price higher than the Buyback Consideration may incur a capital loss by participating in the Proposed Buyback. However, this capital loss may be available to shareholders to offset against other capital gains, thereby presenting a potential tax saving. We note that shareholders' tax consequences may vary based on individual circumstances.

Future dividend

OneAll has historically been a dividend-paying stock, and has paid dividends in 3 out of the last 4 years. The Company did not pay dividends for FY19 on account of the lower profitability, with a view to conserve its cash position. Management has not provided guidance on dividends for FY20, however we note that several listed companies have suspended/ reduced dividend payout in view of the ongoing economic crisis, with a view to conserve their cash position. If the Company emerges from the current economic crisis, it may potentially pay dividends to shareholders in the future. Shareholders who participate in the Proposed Buyback would be foregoing their proportionate share of such future dividends. However we note that the payout of future dividends is highly uncertain as at the date of this Report.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to vote in favour of the Proposed Buyback and whether or not to participate in the Proposed Buyback is a matter for each OneAll Share to decide based on their own views of value of OneAll and expectations about future market conditions, OneAll's performance, risk profile and investment strategy. If OneAll Shareholders are in doubt about the action they should take in relation to the Proposed Buyback, they should seek their own professional advice.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



ANDREA DE CIAN
Director



JANNAYA JAMES
Authorised Representative

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by OneAll to provide general financial product advice in the form of an independent expert's report in relation to the Proposed Buyback. This report is included in the Company's Notice of Meeting and Explanatory Memorandum.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from OneAll a fixed fee of approximately \$40,000 plus GST, which is based on commercial rate plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of OneAll in order to provide this report. The guidelines for independence in the preparation of independent expert's reports are set out in Regulatory Guide 112 *Independence of expert* issued by the Australian Securities and Investments Commission ("ASIC"). The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

“Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with OneAll (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Buyback.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Proposed Buyback, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance’s out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 “Independence of expert” issued by the ASIC.”

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

PO Box 579 – Collins Street West
Melbourne, VIC 8007
Telephone: 1800 335 405

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the Shareholders Meetings should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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1 Overview of the Buyback

We have set out below a summary of the key terms of the Proposed Buyback:

- *Type of buyback and number of shares to be bought back* – Subject to OneAll Shareholders' approval, OneAll will undertake an equal access off-market buyback up to a maximum number of shares equivalent to 14.791% of the issued capital being circa 19,230,769 ("Limit") OneAll Shares. If OneAll Shareholders participate in the Proposed Buyback in respect of a total number of shares which exceeds the Limit, then the number of shares bought back from each shareholder will be reduced on a pro-rate basis.
- *Buyback price* – The Buyback Consideration has been fixed at A\$0.26 per OneAll share. The Buyback Consideration will be paid wholly in cash, and funded from the existing cash reserves of the Company. The Buyback Consideration does not include any dividend component.
- *Intentions of major shareholder* – Mr Huatang Li and Mr Jianhui Cao have both indicated that they intend to vote in favour of the Proposed Delisting as well as Proposed Buyback through the associated entities under their respective control (Next Champion Ltd and Simply Dynamic Ltd respectively). Both the shareholders have also indicated that they do not intend to participate in the Proposed Buyback. At present, Mr Li and Mr Cao collectively control 62.75% of the issued share capital. As a result, assuming that the Limit is reached, and that Mr Li and Mr. Cao and entities associated with them choose not to participate, their combined interest in the Company will increase to 73.38%.
- *Conditions precedent* – The Proposed Delisting is subject to a special resolution by OneAll Shareholders (i.e. 75% of all OneAll Shareholders entitled to vote, either in person or through proxy). The Proposed Buyback is subject to an ordinary resolution (i.e. more than 50% of the votes cast at the annual general meeting) and is dependent on the approval of Proposed Delisting.

2 Purpose and scope of the report

2.1 Purpose

An equal access buyback, such as the Proposed Buyback, is regulated by the provisions of Part 2J.1 Division 2 of the Corporations Act which requires the Proposed Buyback to be approved by OneAll Shareholders by ordinary resolution.

Section 257D(2) of the Corporations Act requires OneAll to include in the notice of meeting a statement setting out all information known to the company that is material to the decision on how to vote on the resolution.

In addition to the Corporations Act, we note that RG 110 sets out what ASIC expects a company to provide when disclosing information to shareholders with a notice of meeting for the purposes of a buyback offer.

RG 110.18 states:

If a company proposes to buy back a significant percentage of shares or the holdings of a major shareholder, it should consider providing:

- *a report by its independent directors about whether shareholders should vote in favour of the buy-back, particularly regarding how much the company is paying for the shares; and*
- *an independent expert's report with a valuation of the shares.*

Further, RG 110.20 states:

- *It is usually appropriate for shareholders to have the benefit of independent advice on whether to vote for a buy-back.*

Accordingly, the OneAll Directors have appointed Grant Thornton Corporate Finance to prepare an independent expert's report to assist OneAll Shareholders in their consideration of the Proposed Buyback setting out the following:

- The fair market value of OneAll before the Proposed Buyback.
- The advantages and disadvantages of the Proposed Buyback for participating and non-participating shareholders.

We note that we do not make any recommendation as to whether Shareholders should participate in the Proposed Buyback. This is a decision for individual Shareholders having regard to their views on the Company's prospects and market conditions and their individual circumstances, including their tax and risk profile.

2.2 Basis of assessment

In preparing our report, Grant Thornton Corporate Finance has had regard to the Regulatory Guides issued by ASIC, RG 111 and RG 110.

RG 111 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG 111 is framed largely in relation to reports prepared pursuant to

Section 640 of the Corporations Act and comments on the meaning of “fair and reasonable” in the context of a takeover offer. In addition, RG 111 refers to the disclosure in RG 110 whereby a company which proposes to acquire a significant percentage of the securities should consider providing an independent expert’s report with a valuation of the shares.

RG 110 paragraph 58 states that:

“A buy-back will not breach the takeovers prohibition in s606 if it is carried out in accordance with the buy-back provisions: s611, item 19. However, we ASIC may apply to the Takeovers Panel for a declaration of unacceptable circumstances if we consider the buy-back is unreasonable having regard to:

- a) its effect on the control of the company or another company;
- b) whether there was equal opportunity for shareholders to participate in the benefits; and
- c) whether the disclosure and other procedural aspects of the buy-back would have substantially satisfied the requirements for a takeover in Ch 6 (regardless of whether they satisfy the requirements of the buy-back provisions).

RG 111 also states that an expert should focus on the substance of the transaction, rather than the legal mechanism to consider what level of analysis of the transaction is required.

We note that ASIC RG110 and RG111 provide limited guidance on the approach that should be adopted in the preparation of the IER.

Based on a review of the regulatory environment and common market practice, we have adopted the following approach with respect to the evaluation of the Proposed Buyback:

- The fair market value of OneAll Shares before the Proposed Buyback on a minority basis.
- Analyse factors that OneAll Shareholders should take into account in their consideration of how to vote on the Proposed Buyback.
- Analyse factors that OneAll Shareholders should take into account in their consideration if participate or otherwise in the Proposed Buyback.

2.3 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to the Proposed Buyback with reference to RG 112.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Proposed Buyback other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the approval of the Proposed Buyback.

2.4 Consent and other matters

Our report is to be read in conjunction with the Notice of Meeting and Explanatory Memorandum dated on or around 15 June 2020 in which this report is included, and is prepared for the exclusive purpose of assisting the OneAll Shareholders in their consideration of the Proposed Buyback. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Notice of Meeting and Explanatory Memorandum as well as the relevant Buyback Offer Booklet in the event One All's Proposed Buyback is resolved and approved in and by the 2020 Annual General Meeting.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Buyback on the OneAll Shareholders as a whole. We have not considered the potential impact of the Proposed Buyback on individual OneAll Shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Buyback on individual shareholders.

The decision of whether or not to approve the Proposed Buyback is a matter for each OneAll Shareholder based on their own views of value of OneAll and expectations about future market conditions, OneAll's performance, risk profile and investment strategy. If OneAll Shareholders are in doubt about the action they should take in relation to the Proposed Buyback, they should seek their own professional advice.

2.5 Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services ("APES 225") as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

"An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3 Profile of the industry

OneAll operates in the furniture industry, focussing on the manufacture and distribution of outdoor furniture. Operators in the furniture manufacturing industry produce furniture for households, hotels/ hospitality industry, medical industry, offices/ general business furniture, or specialist institutional furniture. Furniture may be made on a stock or custom basis and may be sold in an assembled or unassembled form. Industry operators may also provide manufacturing or retailing of spare parts.

Competition in the furniture manufacturing industry is subject to the type of furniture being manufactured. Generally, the barriers to entry are low, however it is being observed that new entrants and existing players are now challenged by competition from low-cost imports and substitute furniture products. Competition is being established mainly on price or design (in case of customised products). For example, global retailers like IKEA offer an enhanced shopping experience and offer low-cost imported products that are made from inexpensive materials like plywood or plastics.

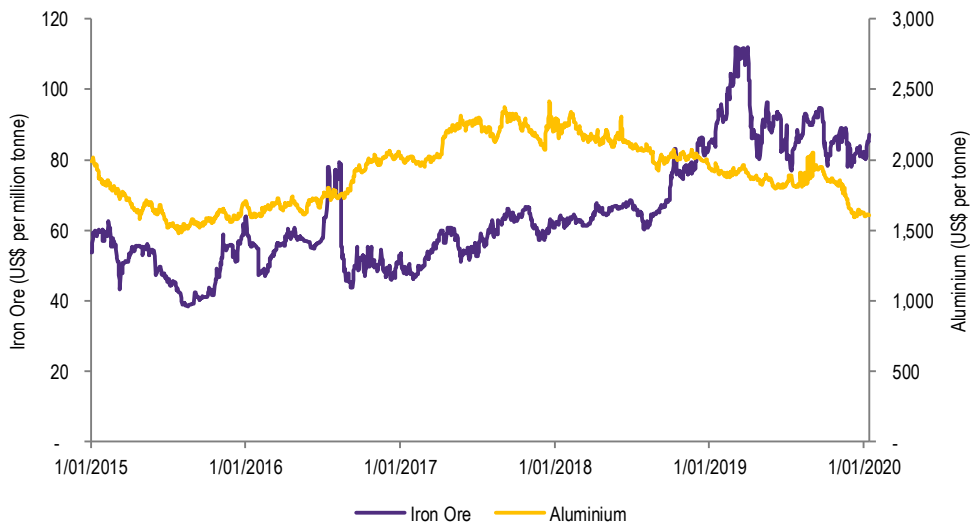
Some of the large brands furniture manufacturing and retailing in Australia include IKEA, Temple & Webster, Nick Scali, A-Mart Furniture and The Outdoor Furniture Specialists.

3.1 Key value drivers of the industry

The key drivers of demand in the industry as well as the impact of fluctuations therein are outlined below:

- *Construction activity:* Construction of commercial and industrial buildings/ complexes, apartment buildings (including hotels/ serviced apartments), households, institutional buildings (like hospitals, educational facilities, correctional facilities, or storage facilities), drives the demand for metal furniture as well as wicker/ fibreglass furniture. Demand for furniture is typically at the time that constructions are coming to a close. In the past few years, an increase in construction activity around Australia (driven by increased demand and low borrowing rates) has caused an increase in the demand for furniture manufacturers.
- *Household discretionary income:* Expenditure on household furniture is inherently a discretionary expenditure. In particular, demand for outdoor furniture is cyclical and reduces upon a reduction in affordability. Given that most of OneAll's products can be used both indoors and outdoors, this cyclicity is slightly reduced but does not get completely eliminated. Demand in the short term is expected particularly soft as a result of the socio-economic consequences of the outbreak of COVID-19 with unemployment and a large proportion of the population, both in Australia and globally, dependent on government stimulus cheques. OneAll stated that it expects a significant reduction in revenue and profitability in FY20 due to the cancellation of orders and extension of credit terms to customers. Other market participants are also facing similar circumstances, although the full impact of the reduction in economic activity is yet to be seen.
- *Commodity prices and exchange rates:* Raw material prices are a major input costs for companies like OneAll, who use an aluminium frame in most of their products. Accordingly, their profitability is subject to volatility in the aluminium price. Other market participants who use steel or iron for manufacturing furniture also face volatility in commodity prices. This may or may not be passed on to customers, since customers in this industry tend to be price-sensitive (owing to the level of competition). As a result, the profitability of market participants fluctuates. Further, since most commodity prices are benchmarked to the US\$, the industry is also exposed to fluctuations in the exchange rates.

Since 2016, the iron ore price has been increasing, which has caused an increase in the price of stainless steel thereby affecting industry firms as steel is one of the major raw material for manufacture of furniture. With the increase in price of raw material, companies have the option of either taking a hit on their margins or passing it on to consumers by raising prices. The US\$ has also been strengthening against various currencies due to the prolonged trade war with China, which has adversely affected many firms including OneAll due to weakening purchasing power of customers.



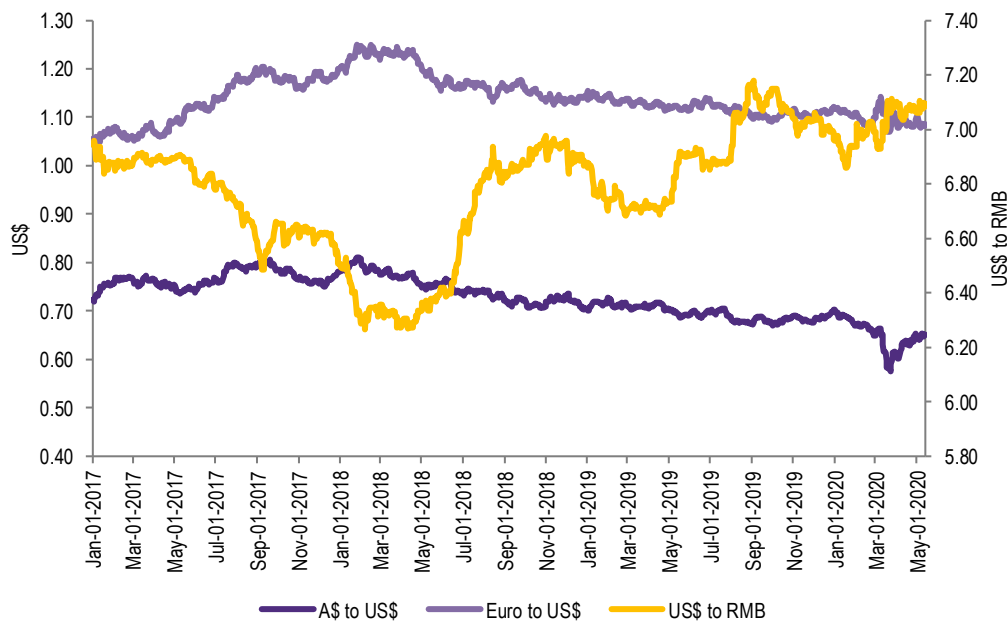
Source: Capital IQ, GTCF analysis

Note (1): Iron ore prices are reflected on the primary axis (left) and aluminium prices are reflected on the secondary axis (right)

- **Imports and exports:** Various industry firms, particularly retailers like IKEA or Temple & Webster source furniture from suppliers. The high cost of labour makes manufacturing in Australia uncompetitive; accordingly, these suppliers are often located overseas in low-cost manufacturing hubs like China, India or South-East Asia. As a result, the furniture is subject to import regulations, which can often play a significant role in how the company operates. Imports of metal furniture from China accounted for 60.5⁶% of demand in Australia in 2019-20. In addition, market participants in Australia also export their products to other jurisdictions.

In particular, OneAll faced adverse circumstances including a reduction in revenue and profitability in FY19, due to the US-China trade war and imposition of tariffs by either side. The Company's customers in the US are cancelling or delaying several orders, despite a large investment by the Company in the US to promote its products. The chart below shows the fluctuations in exchange rates in the last 3 years.

⁶ IbisWorld - Metal Furniture Manufacturing in Australia – July 2019



Source: Capital IQ, GTCF analysis

Note (1): A\$ to US\$ and Euro to US\$ are shown on the primary vertical axis (left), US\$ to Chinese Yuan is shown on the secondary vertical axis (right).

- Furniture rentals:** The growth in the number of businesses as well as households has contributed to an increase in the demand for furniture. Contemporaneously, an increase in the need for mobility, particularly among the younger sections of the population, has given rise to furniture rental firms. These firms provide furniture on rent to businesses or households on a weekly/ monthly/ annual basis. This is particularly useful in cases of short-term occupancy, and helps users manage their cash flow better since it converts a large upfront cost to a smaller recurring payment. While the furniture renting trend is not yet popular in Australia, it is common in a number of other countries including developing and developed markets.
- Online furniture stores:** Online retailers like Temple & Webster have taken the market shares from brick-and-mortar stores. These companies not only save on storefront costs but also enable quicker and easier purchases for customers. Online penetration rates in the furniture and homewares market in Australia is low relative to the US and UK (4% v/s 13% and 14% respectively⁷). Several companies, like for example IKEA, now have both an online and a physical presence, which allows customers to browse for furniture online before visiting the store, or comparing various items of furniture and placing a combined order after visiting the store. OneAll at present is distributing 85% of its products to retailers directly and doesn't have facilities to directly sell its products online. However, it realises franchising and online stores as an important step to be taken in the future.
- COVID-19:** As at the date of this Report, the global economy is affected by significant uncertainty caused due to the rapid spread of COVID-19. Many countries such as United States and Canada have reported their highest or close-to-highest unemployment levels in recorded history, as employers have been forced to lay off large segments of the workforce. Owing to lockdown measures imposed by governments and consequent work-from-home measures adopted by employers, these segments of the workforce cannot be employed elsewhere. As a result, several households now face a lower discretionary income until the containment of the crisis. In addition, several businesses have witnessed a severe reduction in patronage, with the result that the number of bankruptcies has

⁷ RBC broker report dated 9 May 2019 on Temple & Webster

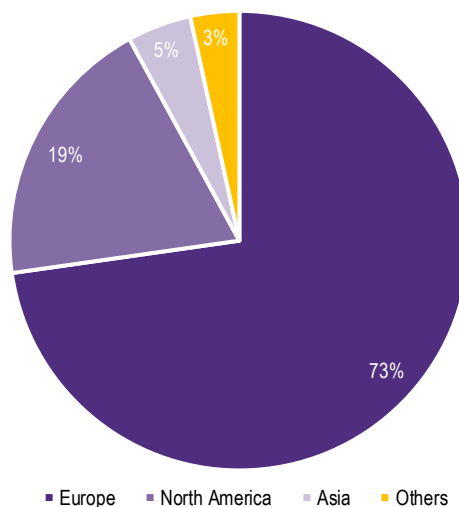
increased significantly. As a result of the lower discretionary income, people are postponing discretionary spending which affects the industry. It is widely expected that the global economy will witness a recession in the near-term, due to which there is significant uncertainty in relation to the long-term impact on income, inflation and employment levels. As a result, it is possible that in the short-term, the outlook for the industry may be negative before turning positive in the long-term which is dependent on the success of containing the virus to limiting its spread and the development of successful treatments.

4 Profile of OneAll

4.1 Overview

OneAll is an ASX-listed company that engages in designing, manufacturing and distributing outdoor furniture to retailers. The Company distributes its products in Europe, Australia, US and other markets around the world, under the GardenArt brand name. Its network of retailers operate in more than 42 countries. OneAll was established in 2001 and is headquartered in Sydney, with a manufacturing base in Zhaoqing, China and a warehouse in Spain.

OneAll has a diverse product range as well as a diverse geographical reach, as set out below:



Source: OneAll Annual Report 2019, GTCF analysis

The Company has a wide range of outdoor furniture products, covering the following:

- **Chairs:** Dining chairs, bar stools and conversation chairs made with an aluminium frame, teakwood and mesh fabrics.
- **Tables:** Dining tables, extendables, bar tables, coffee tables, side tables, folding tables and picnic tables, which are made using aluminium frames with tops made from glass, aluminium or teakwood.
- **Lounges:** Armchairs and sofa lounges/ modular sofas, which can be used indoor and outdoor, made with an aluminium frame along with combinations of resin wicker, mesh, teakwood, honeycomb aluminium, belt, rope or tempered glass.
- **Sunbeds:** Reclinable sunbeds made with aluminium frames and sling mesh.
- **Accessories:** Decoratory and functional accessories including service trays, magazine shelves, serving trolleys, table linen, flower pots and side tables.

4.2 Business model

OneAll commenced operations as a furniture trading company and is now an Original Design Manufacturer (“ODM”) with its own manufacturing facilities and distribution model. The key features of OneAll’s business model are described below:

- **Manufacturing:** OneAll’s production base commenced operations in 2008 in the Zhaoqing High-Tech Industry Development Zone in China’s Guangdong province. The factory is spread out over an area of 74,000 m² and has workshops, dormitories and other facilities. This factory manufactures c. 58.8%, and exports them to various regions. The balance of the products are outsourced by the Company to third-party manufacturers. OneAll’s production management system involves manufacturing the high-demand products in advance to reduce production during peak-seasons.

The outbreak of COVID-19 in China has impacted OneAll’s manufacturing facilities, as the extension of the Lunar New Year holiday and plant shutdowns in industrial centres had caused closure of the factory with the production facility in Zhaoqing resuming its operations back in March 2020. We understand that Management has been monitoring the situation and has been updating customers of delayed delivery.

- **Distribution:** OneAll’s sales strategy involves shortening the delivery chain by eliminating the need for importers/ wholesalers, through the establishment of direct relationships with retailers. As a result, 85% of the Company’s clients are retailers. This allows for competitive pricing to increase the profit margin.

The Company distributes its products in 42 countries, in various regions like Europe, North and South America, Australia and the Middle East, through large furniture chain stores and exclusive outdoor furniture stores. The Company distribution network is located in various countries, mainly Australia, Canada, Germany, Hungary, Italy, Norway, Poland, Spain and USA.

In May 2017, OneAll acquired 2 Spanish companies, Iniciativa Exterior 3i SA and Cia Gral. Indo Ampurdanesa De Maderas Nobles S.L. (together known as “ie3i”), with a view to create synergies from vertical integration. The target companies, together known as ie3i were an importer and distributor of furniture through a network of around 200 retail stores. As a result of the acquisition, the Company integrated its transport, warehouse and logistics operations.

- **Customers:** OneAll’s customer base, while spread out over various geographies, is relatively concentrated in terms of value. The Company’s largest customer contributes 18-20% of sales⁸, while the top 10 customers contributed 55.8% of sales. The Company’s sales are also driven by European markets.
- **Suppliers:** OneAll’s raw materials comprise of aluminium, fabrics (mesh), glass and resin wicker. These comprise 80.2% of the Company’s total cost of production. OneAll sources materials from various suppliers, and hedges the price of aluminium, its largest raw material, to reduce volatility in prices.

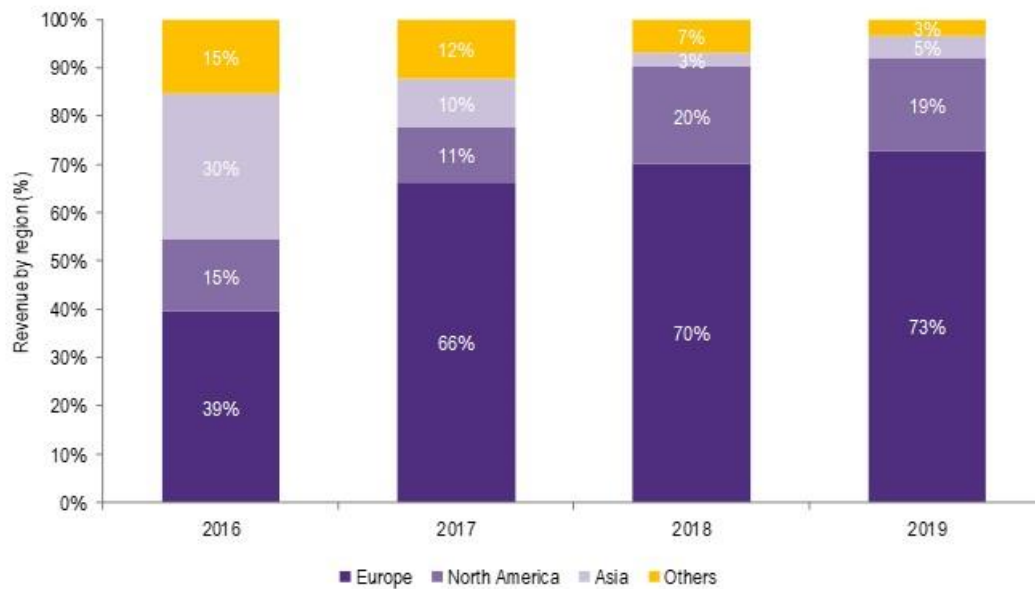
OneAll has invested in the expansion of operations in the US, in the form of marketing activities and sales and R&D teams and in China, to tap the vast Chinese market. This also includes expansion works on the

⁸ In FY18 and FY19.



manufacturing, warehouse and office facilities in China. However, due to the combined adverse effect on the Company's financial performance of the US-China trade war as well as the outbreak of COVID-19, Management has decided to delay their expansion activities in the Chinese market with a view to reduce costs as well as short-term debt.

Company revenue by geography



Source: OneAll Annual Reports, GTCF analysis

4.3 Financial information

4.3.1 Consolidated statement of comprehensive income

The table below illustrates the Company's audited consolidated statements of comprehensive income for the last 2 financial years and the three months ended 31 March 2020.

Consolidated statements of financial performance	31-Dec-18	31-Dec-19	YTD 31-Mar-20
A\$ '000	Audited	Audited	Unaudited
Revenue	54,162	48,256	9,349
Cost of sales	(32,686)	(29,955)	(6,212)
Gross profit	21,476	18,301	3,137
<i>Gross margin</i>	<i>39.7%</i>	<i>37.9%</i>	<i>33.6%</i>
Other revenue	735	130	3.6
Other income	1,177	154	2
Sales expenses	(4,041)	(3,544)	(419)
Administration expenses	(7,496)	(7,219)	(1,148)
R&D expenses	(45)	(30)	-
Other expenses	(249)	(2,790)	17
Changes in fair value	-	(567)	-
EBIT	11,557	4,434	1,593
<i>EBIT margin</i>	<i>21.3%</i>	<i>9.2%</i>	<i>17.0%</i>
Finance costs	(219)	(558)	(88)
Earnings before tax	11,338	3,876	1,504
<i>EBT margin</i>	<i>20.9%</i>	<i>8.0%</i>	<i>16.1%</i>
Tax expense	(2,141)	(1,786)	(384)
Net profit / (loss)	9,198	2,090	1,121
Foreign currency translation	1,345	(113)	1,359
Total comprehensive income for the year	10,542	1,977	2,480
<i>Net profit margin</i>	<i>19.5%</i>	<i>4.1%</i>	<i>26.5%</i>
Key operational metrics:			
<i>EBITDA (In A\$ '000's)</i>	<i>12,061</i>	<i>5,261</i>	<i>1,714</i>
<i>EBITDA margin (%)</i>	<i>22.3%</i>	<i>10.9%</i>	<i>18.3%</i>
<i>Interest coverage ratio (Times)</i>	<i>52.9</i>	<i>7.9</i>	<i>18.0</i>

Source: OneAll Annual Report 2019, GTCF analysis

Note (1): YTD FY20 figures reflect OneAll's performance for the months January, February and March 2020.

With regard to the financial performance, we note the following:

- The Company's revenue has been increasing at a CAGR⁹ of c.5.4%¹⁰ during the 4 years up to FY19. This has been the result of both organic and inorganic growth. The Company's revenue growth in FY17 and FY18 was aided by the ie3i and Cia. Gral. Indo-Ampurdanesa de Maderas Nobles acquisition, which was completed in June 2017. However, revenue has declined in FY19 due to the US-China trade war (described further below).

⁹ Compound Annual Growth Rate

¹⁰ Revenue for FY16 was \$20,104,462 and FY17 was \$47,806,907.

- The Company's profit margins have been reducing during this time period, which was mainly due to the adverse impact of the US-China trade war, along with other factors like adverse foreign exchange movements and cyclicalities in the Spanish operations.
 - In 2018, the Company took a strategic decision to focus on growing its presence in the US given the high demand of premium products. The Company created products specifically for the US market and made investments in sales, marketing and supply chains in the US. However, the US-China trade dispute had a negative impact on the Company due to cancellation of orders from US customers and reduced margins in some cases.
 - As a result, the Company wrote off stock of c.A\$2.34 million in FY19, since these pertained to product specifically designed for the US market and not suitable for sale in other markets.
 - Subsequently, the Company has taken steps to mitigate the impact of the trade war, which include investing in product R&D for a Belgian customers, expanding sales in France, assessing potential manufacturing facilities in Vietnam through a joint venture with a US-based furniture retailer, and pursuing sales in the Chinese market.
- As of April 2020, the company had received over US\$8.5 million (equivalent to over A\$13 million) sales order, however, we note the following:
 - circa US\$4.1 million (equivalent to A\$6.5 million) deliveries have been requested to be postponed from May to December due to lock-down rules of different countries.
 - circa US\$3.4 million (equivalent to A\$5.4 million) are in relation to orders for which customers were not able to provide a confirmed delivery date thus, a risk that these orders might be cancelled.
- There are also cases where customers are not able to pay outstanding amounts due when the goods arrive at the port and have asked for higher discounts or prolonged payment terms. Given the current situation, the company has agreed to such requests thus, putting more pressure on the Company's cash flows.

4.3.2 Statement of financial position

The consolidated statement of financial position of OneAll as at 31 December 2018, 31 December 2019 and 31 March 2020 is summarised in the table below:

Consolidated statements of financial position A\$ '000	31-Dec-18 Audited	31-Dec-19 Audited	YTD 31-March-20 Unaudited
Assets			
Cash and cash equivalents	3,875	11,391	15,685
Trade and other receivables	3,057	3,281	4,251
Inventories	21,900	19,469	21,283
Other assets	1,965	1,479	3,045
Total current assets	30,796	35,620	44,265
Property, plant and equipment	9,876	10,143	10,754
Intangible assets	32	21	6
Right-of-use assets	-	1,633	-
Prepaid lease assets	690	-	783
Deferred tax assets	755	159	-
Financial asset	567	-	-
Other non-current assets	-	-	230
Total non-current assets	11,921	11,956	11,774
Total assets	42,717	47,577	56,038
Liabilities			
Trade and other payables	4,281	4,606	7,911
Borrowings	7,360	5,740	5,512
Customer advance	-	-	4,130
Lease liability - short term	-	350	-
Other liability	2,542	3,663	8
Income tax	392	982	570
Total current liabilities	14,574	15,342	18,132
Borrowings	3,460	6,015	7,564
Lease liability - long term	-	790	-
Total non-current liabilities	3,460	6,805	7,564
Total liabilities	18,034	22,147	25,696
Net assets	24,683	25,430	30,343
Key operational metrics:			
<i>Working capital as a % of Sales</i>	30.0%	42.0%	279.5%
<i>Days Inventory Outstanding</i>	237.50	252.04	na
<i>Days Payable Outstanding</i>	53.86	54.14	na
<i>Days Sales Outstanding</i>	22.06	23.97	na
<i>Cash conversion cycle</i>	205.70	221.87	na

Source: OneAll Annual Report 2019, GTCF analysis

We note the following in relation to OneAll's financial position:

- OneAll has a strong cash position, which is underpinned by positive operating cash flows. These depend on the Company's wide geographical reach. Moreover, the increase in cash position from FY18 to FY19 is a combination of various things including cut back on dividends due to lower financial

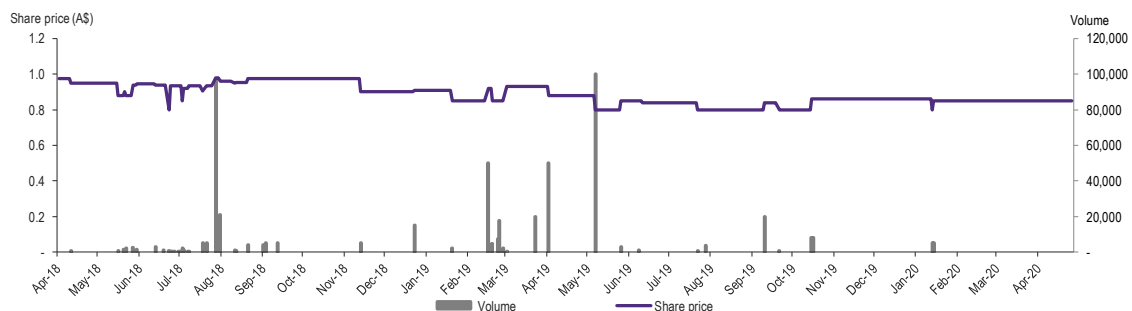
performance and not investing in property, plant and equipment (“PPE”) in FY19 as compared to FY18.

- The Company’s inventory balance reduced in FY19, which was largely a result of the impairment of US inventory due to the US-China trade war.
- OneAll’s fixed asset balance increased due to the acquisition of a warehouse in Spain as well as expansion works in relation to the manufacturing facility in China.
- Long-term investments (Financial assets) comprise of the fair value of the Company’s investment in Brosa Design Pty Ltd, a furniture retail outlet in Alexandria, Sydney, Australia.
- The Company’s debt increased due to the increase in the cost of acquisition of a warehouse in Spain, as well as short-term working capital facilities. The debt facilities are due for repayment in 2024. A part of the circa A\$5.7 million current portion of debt in Current Liabilities is a part of working capital facilities.
- Other liabilities for FY19 include advance payments from customers equal to circa A\$3.3 million and GST/VAT, other taxes payables equal to circa A\$0.36 million.

4.4 Capital structure

4.4.1 Share price and market analysis

The historical movements in OneAll’s trading share prices and volume for the period from 1 April 2018 to 13 May 2020 are set out below:



Source: S&P Global

We have set out below the monthly trading volume of OneAll shares since May 2019 as a percentage of the total shares outstanding as well as free float shares outstanding.

Month end	Volume traded ('000)	Monthly VWAP (\$)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of total shares	Cumulative Volume traded as % of free float shares
May 2019	100	0.8000	80	0.1%	1.0%	0.1%	1.0%
Jun 2019	4	0.8115	3	0.0%	0.0%	0.1%	1.0%
Jul 2019	-	NA	NA	0.0%	0.0%	0.1%	1.0%
Aug 2019	4	0.7336	3	0.0%	0.0%	0.1%	1.1%
Sep 2019	20	0.8309	17	0.0%	0.2%	0.1%	1.3%
Oct 2019	9	0.8552	7	0.0%	0.1%	0.1%	1.3%
Nov 2019	8	0.8293	7	0.0%	0.1%	0.1%	1.4%
Dec 2019	-	NA	NA	0.0%	0.0%	0.1%	1.4%
Jan 2020	10	0.8190	8	0.0%	0.1%	0.1%	1.5%
Feb 2020	-	NA	NA	0.0%	0.0%	0.1%	1.5%
Mar 2020	-	NA	NA	0.0%	0.0%	0.1%	1.5%
Apr 2020	-	NA	NA	0.0%	0.0%	0.1%	1.5%
Min				0.00%	0.00%		
Average				0.01%	0.13%		
Median				0.00%	0.04%		
Max				0.08%	0.99%		

Source: S&P Global, GTCF calculations

We note the following in relation to the Company's trading history:

- The level of the free float of OneAll shares is 7.8%¹¹. From May 2019 to April 2020, c.1.5% of the free float shares were traded with an average monthly volume of 0.13% of the total free float shares. This indicates that the level of liquidity is very low.
 - The Company's stock is not actively traded, and in fact goes without trading for several weeks at a time. For example, as at the date of this Report, the share has not been traded for more than 4 months¹². Even when there is trading activity, there may be only a buying offer or a sale offer, not both.
 - A relatively higher level of trading was observed from March 2019 to May 2019 (between 0.7%-1.0% of free float shares each month). These volumes can be associated with the dividend reinvestment plan in effect in this period, along with the completion of the annual general meeting.
- OneAll stock is not covered by any investment analysts.
- The historical average bid-ask spread has been significantly high in the 24 months before the Proposed Buyback. We do not consider this to be unreasonable, given that the Company's stock does not witness daily trading and may only witness an offer to buy or an offer to sell on any given date, but not necessarily both.

As discussed before, on 6 April 2020, the ASX approved the Company's request to be removed from the ASX official list, upon compliance by the Company of certain conditions (including approval of the delisting by a special resolution of OneAll Shareholders).

Based on the analysis above, in our opinion, OneAll's shares are not liquid, and given the extremely low trading volumes, we do not consider the trading prices to be an appropriate valuation methodology to assess the market value of the shares.

¹¹ This comprises of the total shares outstanding less the shares held by company employees and strategic corporate investors.

¹² The last date of trading in the Company's shares as at the date of this Report was 30 January 2020.

4.4.2 Top 5 shareholders

As at the date of this report, OneAll had 130,015,920 OneAll shares held publicly. The Company does not have any options/ unlisted performance rights.

We have provided in the table below the top 5 shareholders of OneAll as recorded in OneAll's register of shareholders as at 31 March 2020:

OneAll		
Top 5 shareholders of ordinary shares	Number of shares	Interest (%)
NEXT CHAMPION LTD	49,765,045	38.28%
SIMPLY DYNAMIC LTD	31,822,849	24.48%
KYN SON HOLDING CO LIMITED	5,980,732	4.60%
POWERLAND GROUP HONGKONG LIMITED	5,980,732	4.60%
SCW INTERNATIONAL CO LIMITED	5,980,732	4.60%
Total top 5 shareholders	99,530,090	76.55%
Remaining shareholders	30,485,830	23.45%
Total ordinary shares outstanding	130,015,920	100.00%

Source: Management, S&P Global

4.4.3 Dividend payout

OneAll has historically been a dividend-paying stock. The historical dividend distribution to ordinary shareholders is set out below:

OneAll				
Dividend policy	FY16	FY17	FY18	FY19
Dividend on ordinary shares (cents/share) ¹	5.00	5.50	5.00	-
Payout ratio	98.88%	121.25%	91.02%	0.00%
Dividend yield	5.15%	5.79%	5.56%	0.00%

Source: S&P Global

Note (1) Dividend payouts are based on the results declared for the previous year although these may be paid in the current year.

Note (2) Dividend paid out per share ("DPS") divided by Underlying Earnings per Share ("EPS").

Note (3) Dividend yield has been calculated by dividing the annual dividend by the trading prices at the year-end of A\$0.95 in FY16, A\$0.91 in FY17, A\$0.94 in FY18 and A\$0.84 in FY19.

The Company did not pay dividends for FY19 on account of the lower profitability, with a view to conserve the cash position.

5 Valuation methodology

5.1 Introduction

Grant Thornton Corporate Finance has assessed the value of OneAll using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

5.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers, and prospectuses. These include:

- Discounted cash flow (“DCF”) method and the estimated realisable value of any surplus assets;
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets;
- Amount available for distribution to security holders on an orderly realisation of assets;
- Quoted price for listed securities, when there is a liquid and active market; and
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG111 does not prescribe the above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

5.3 Selected methodologies

In our assessment of the fair market value of OneAll, Grant Thornton Corporate Finance has relied on a number of valuation methodologies as outlined below:

- EBITDA Multiple Method: We have selected the EBITDA Multiple method to assess the fair market value of OneAll due to the following key considerations:
 - EBITDA is a frequently used valuation metric to assess the value of a company as it is not affected by differences in earnings caused by varying capital structures and depreciation and amortisation policies.

- The Company has limited forecasts which could be used to prepare a more detailed, long-term discounted cash flow analysis. Notwithstanding the same, due to the significant impact on the business due to the ongoing economic crisis as at the date of this Report, we do not consider it pertinent to rely on long-term forecasts.
- OneAll is a mature business with a history of profitability. Even though the economic environment as at the date of this Report is uncertain and lends itself to speculation, we do not consider it unreasonable to have regard to the historical earnings of the business and the future profit-generating capability of the business once the current crisis has subsided.

The EBITDA capitalisation approach involves the following key processes:

- Selecting an appropriate level of EBITDA, having regard to the historical and budgeted operating results after adjusting for non-recurring items of income and expenditure, and other known factors likely to affect the future operating performance of the business.
- Determining appropriate EV/EBITDA multiples having regard to the trading multiples of comparable companies and the specific circumstances of 1AL.

We note that our analysis of the maintainable EBITDA and the EV/EBITDA multiple considers the historical financial performance of the Company, the impact of the current crisis on the business and the potential for recovery.

- Orderly realisation of net assets – In addition to the EBITDA Multiple Method, we have also assessed the fair market value of the net assets of the Company (“Orderly Realisation of Net Assets Method” or “NAV Method”).

In this assessment, we have had regard to the fair market value of the net assets of the Company on an orderly realisation basis to value the issued capital of OneAll. In assessing the fair market value of OneAll, we have considered the following:

- The balance of inventory is the largest asset in the financial statements of the Company, and represents the net recoverable amount after writing-off of the non-recoverable inventory.
 - We understand that the written down value of property, plant and equipment on the balance sheet is a reasonable proxy for the recoverable amount likely to be received in an orderly realisation of the assets of the Company.
 - The realisable value of other assets net of liabilities. The majority of other assets is comprised in cash and cash equivalents, which is recognised at fair value.
 - The value of internally generated intangible assets of the Company not recorded on the balance sheet, like brand value and value of customer relationships. We consider that any potential purchaser of the Company would attribute substantial value to these intangible assets.
 - Realisation costs estimated at 2.5% of net assets.
- Notwithstanding that long-term cash flows for the Company are not available due to the uncertain impact of the current crisis, we have undertaken a desktop discounted cash flow analysis involving various scenarios of recovery. The outcome of our analysis is in line with the values produced by the

EBITDA Multiple Method and NAV Method. However, given that our analysis is a desktop assessment involving various scenarios, it does not meet the requirements of RG111 and hence we have not considered the same in our valuation assessment.

- As mentioned in Section 4.4.1, in our opinion, OneAll's shares are not sufficiently liquid to undertake an assessment of fair market value based on the security price quoted on the ASX. As a result, we have not utilised the Quoted Share Price security method as a reference point for the fair market value of OneAll.

6 Valuation assessment of OneAll

6.1 EBITDA Multiple Method

Set out below is our valuation assessment of OneAll based on the capitalisation of maintainable earnings.

OneAll - FME Method A\$ '000s (unless otherwise specified)	Section Reference	Low	High
Assessed Maintainable EBITDA	6.1.1	5,000	7,000
EBITDA multiple	6.1.2	5.5x	6.5x
Assessed Enterprise Value		27,500	45,500
Less: Net Debt as at 31 December 2019	6.1.3	(1,505)	(1,505)
Assessed Equity Value		25,995	43,995
Number of shares as at 31 March 2020 (in '000s)	4.4.2	130,016	130,016
Equity value per share (cents per share)		19.99	33.84

Source: GTCF analysis

6.1.1 Maintainable EBITDA of OneAll

Our assessment of the maintainable EBITDA of OneAll is an exercise of judgement that takes into consideration a number of factors. We have summarised in the table below OneAll's historical underlying earnings and the latest guidance provided by the Company. We have also discussed below some of the key factors we have considered to arrive at our maintainable EBITDA range.

OneAll - Historical earnings A\$	FY17	FY18	FY19	YTD (3 months) March 2020
Sales revenue	47,806,907	54,162,025	48,256,078	9,348,632
Growth	11.8%	13.3%	-10.9%	n/a
Underlying EBITDA	10,781,912	12,594,162	8,171,922	2,936,601
Margin	22.6%	23.3%	16.9%	31.4%

Source: Management, GTCF analysis

Note: Underlying EBITDA is assessed by using net profit before tax and adding back depreciation and amortisation, finance costs, lease expenses and write-offs.

- **Current financial performance**

The Company has been growing in recent years due to the expansion of operations in geographies like the US as well as expansion plans within China. However the US-China trade war has impacted the Company adversely, with revenue contracting and EBITDA margin declining from 22-23% in FY17 and FY18 to c.17% in FY19. As at 31 December 2019, the Company wrote off stocks by circa A\$2.3 million due to customer cancellations as a consequence of the trade dispute, as the products were specifically designed for the US market and not suitable for other markets.

Notwithstanding this, Management observed that the diversification in product range as well as geography helped the Company, with the bulk of the Company's sales coming from Europe. Further, given the low cost of the Company's manufacturing operations, in conjunction with the positive operating cash flow generated by the Company each year thus far, the Company has been in a relatively favourable cash flow position.

However the resurgence of US-China trade tensions, particularly after the outbreak of COVID-19 (the impact of which is detailed below), threatens to again have an adverse impact on the Company's financial performance. As at the date of this Report, while there have been tariffs imposed on some Australian goods, it is still highly uncertain whether large-scale tariffs will be imposed. Any action by the US and European countries is also uncertain.

- *COVID-19*

OneAll is also experiencing challenging conditions as a result of the outbreak of COVID-19 and the restrictions on movement of labour placed by governments around the world. These have affected not only the Company's manufacturing facility which was temporarily shut down, but also reduced the shipment of goods to the Company's markets. Management has reported several customers either cancelling their orders, delaying their purchases, or requesting sizeable discounts, and has also reported a reduction in the influx of new orders. Even though the factory in China has reopened, Management expects that any future orders will be at a sizeable discount to earlier prices, as many buyers have been severely affected by the downturn and are seeking to minimise capital costs.

As a result, despite the first 3 months showing higher profitability, Management expect a loss in FY20. We understand that Management has taken measures to reduce costs in FY20, to offset the impact on financial performance from lower sales and cancellation of orders. These include adjusting the production plan in the factory, reducing working hours and asking workers to take leave in stages. In conjunction with the reduced influx of orders, these imply a lower productivity in the factory.

- *Industry outlook supportive of growth in the long term*

The furniture manufacturing and retail industry has been growing in the last decade as the median household income has increased. This is in line with the bull-run in various economies around the world, with Australia being no exception. However the current economic and health crisis has pushed unemployment to historic highs, and has set the world economy on a path to recession.

Notwithstanding this, while it is not unreasonable to expect a short term impact to discretionary consumer spending (including furniture), we consider that the longer-term impact on the furniture industry is a function of the time taken to recover from the shutdowns, as well as the pace of recovery of household discretionary income, since household furniture purchases are generally an item of discretionary expenditure. While governments all around the world have issued large stimulus packages and have provided support for low income households, casual workers, as well as small business, we do not consider that an immediate recovery in the furniture industry is imminent, since, in our opinion households are more likely to use the stimulus for basic necessities in the short-term. In the long term (i.e. once restrictions on labour movement are lifted), the significant liquidity injected into the financial system is expected to translate into greater investment in businesses through easy availability of credit and tax breaks. With the gradual recovery of the economy, a reversion of the median household income to the levels witnessed before the outbreak of the crisis can be expected. It is also expected that with the increase in construction activity and the longer term expected growth in median income levels, the demand for furniture will increase in the long-term.

- *Forecast for comparable companies*

We have set out below the revenue and margin forecasts for comparable listed companies:

Broker forecasts			2018	2019	2020	2021	2022
Hooker Furniture	CFRA Equity Research	Revenue	7.5%	10.1%	-10.6%	-23.5%	12.8%
		EPS	11.0%	39.7%	-57.4%	-28.5%	67.0%
	Sidoti Company Research	Revenue	7.5%	10.1%	-10.6%	-23.4%	12.8%
		EPS	10.5%	39.7%	-57.4%	-25.0%	59.3%
		Operating income	16.0%	15.8%	-56.9%	-30.1%	64.0%
Soufeiya Home Collection	China International Equity Research	Revenue	18.7%	5.1%	10.5%	10.5%	NA
		Net Profit	5.8%	12.3%	7.2%	10.1%	NA
		Operating profit	4.4%	9.2%	6.7%	10.1%	NA
		EBITDA	8.0%	8.8%	8.7%	10.4%	NA
Nick Scali	Wilsons	Revenue	7.9%	7.2%	-6.6%	-14.1%	8.2%
		EBIT	11.6%	2.0%	-29.1%	-32.8%	7.9%
		EBITDA	12.7%	2.7%	-27.5%	-31.1%	7.9%
		EPS	10.1%	1.7%	-28.4%	-33.7%	8.3%

Source: S&P Global

Note: The above companies' fiscal year is the same as that of OneAll.

We note that the consensus estimates for the above companies, as well as for the consumer discretionary sector in general, reflect an expected recovery to commence in FY22, as consumer demand returns to normal in the long-term. We note that this is subject to development and spread of a vaccine for COVID-19, as well as the recovery of the economy from recessionary conditions.

Conclusion on Maintainable EBITDA

We have assessed OneAll's maintainable EBITDA in the range of A\$5 million to A\$7 million for the purpose of our valuation assessment. We note that in view of the uncertain economic environment and the consequent limited utility of longer-term predictions, the selection of this range is an exercise of judgement. Our assessed range of maintainable EBITDA is not attributable to any particular year but rather is based on the estimated EBITDA which the Company can likely to be achieved over a longer period of time.

6.1.2 Assessed EV/EBITDA Multiple

The selection of the appropriate EBITDA multiples to apply are a matter of professional judgement and involve consideration of a number of factors including: the stability and quality of earnings; the nature and size of the business; the financial structure of the company and gearing level; future prospects of the business; cyclical nature of the industry; and the asset backing of the underlying business of the company and the quality of the assets.

For the purpose of assessing an appropriate EBITDA multiple range to value OneAll, we have considered:

- The trading multiples of listed comparable companies.
- Directional evidence provided by the multiples implied by recent transactions involving comparable companies

Trading multiples

Summarised below are the trading multiples of the selected listed companies:

Company	Country	Market	Enterprise	EV/EBITDA				
		Cap	Value	FY19	FY20	FY21	FY22	FY23
		A\$ millions	A\$ millions	Actual	Projected	Projected	Projected	Projected
OneAll International Limited	Australia	111	112	14.5x	NA	NA	NA	NA
Ethan Allen Interiors Inc.	United States	401	594	5.1x	9.7x	7.7x	5.8x	5.5x
Flexsteel Industries, Inc.	United States	110	74	7.0x	NA	NA	NA	NA
Guangzhou Holike Creative Home Co., Ltd.	China	974	1,041	NA	8.3x	7.2x	NA	NA
Guangzhou Shangpin Home Collection Co., Ltd.	China	3,028	2,436	17.7x	13.4x	11.2x	10.7x	NA
Hooker Furniture Corporation	United States	250	304	3.3x	6.9x	NA	NA	NA
Jason Furniture (Hangzhou) Co., Ltd.	China	5,211	5,052	NA	12.2x	10.2x	NA	NA
Markor International Home Furnishings Co., Ltd.	China	1,514	1,780	NA	NA	NA	NA	NA
Nanjing OLO Home Furnishing Co., Ltd.	China	1,010	948	20.6x	16.0x	13.3x	11.0x	NA
Nova LifeStyle, Inc.	United States	9	11	NA	NA	NA	NA	NA
Roche Bobois S.A.	France	251	432	11.2x	6.9x	5.7x	NA	NA
Suofeiya Home Collection Co., Ltd.	China	3,992	3,620	10.7x	9.3x	8.2x	7.5x	NA
Yotrio Group Co., Ltd.	China	2,072	2,051	19.2x	NA	NA	NA	NA
Temple & Webster Group Ltd	Australia	367	353	305.6x	160.4x	119.6x	62.5x	NA
Nick Scali Limited	Australia	328	515	8.2x	9.9x	9.2x	8.0x	NA
Low (Excl. outliers)				3.3x	6.9x	5.7x	5.8x	5.5x
Average (Excl. outliers)				11.4x	10.3x	9.1x	8.6x	5.5x
Median (Excl. outliers)				10.7x	9.7x	8.7x	8.0x	5.5x
High (Excl. outliers)				20.6x	16.0x	13.3x	11.0x	5.5x

Source: S&P Global and GTCF calculations

Note 1: Calculations exclude the Subject Company, OneAll and outlier being Temple & Webster.

A brief description of the comparable companies is provided in Appendix B.

In relation to the above multiples, we note the following:

- The EV/EBITDA multiples presented above reflects the value of underlying companies on a minority basis and do not include a premium for control.
- We have selected comparable companies who are involved in furniture manufacturing as well as retailing, and who provide all types of furniture (as against mainly outdoor furniture). Most of the companies are of a much larger size than OneAll and hence, the multiple for OneAll needs to be adjusted for the differences in relation to its size and diversification of business.
- In order to gather greater insights into the comparability of the listed peers, we have benchmarked in the table below the revenue growth rates and operating margins of the selected comparable companies.

		Market	Enterprise	EBITDA margin								Revenue CAGR	
		Cap	Value	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	Last	Last
Company	Country	A\$ millions	A\$ millions	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	3 years	5 years
OneAll International Limited	Australia	111	112	31.6%	24.9%	20.8%	20.1%	15.4%	NA	NA	NA	5.4%	6.6%
Ethan Allen Interiors Inc.	United States	401	594	11.3%	13.7%	10.2%	9.0%	9.9%	6.5%	7.9%	9.3%	-2.0%	0.0%
Flexsteel Industries, Inc.	United States	110	74	8.5%	8.6%	8.9%	6.9%	1.5%	NA	NA	NA	-3.9%	0.2%
Guangzhou Holike Creative Home Co.,Ltd.	China	974	1,041	18.8%	21.8%	22.3%	19.4%	NA	21.6%	21.0%	NA	14.9%	19.2%
Guangzhou Shangpin Home Collection Co., Ltd.	China	3,028	2,436	6.1%	8.9%	8.8%	7.8%	9.3%	10.2%	10.6%	10.6%	21.7%	30.6%
Hooker Furniture Corporation	United States	250	304	8.7%	10.7%	8.2%	8.3%	8.6%	4.6%	NA	NA	40.4%	24.5%
Jason Furniture (Hangzhou) Co.,Ltd.	China	5,211	5,052	17.0%	15.1%	13.4%	12.9%	NA	13.6%	13.4%	NA	30.1%	26.6%
Markor International Home Furnishings Co., Ltd.	China	1,514	1,780	18.3%	16.3%	14.7%	13.0%	NA	0.0%	NA	NA	16.4%	15.0%
Nanjing OLO Home Furnishing Co.,Ltd	China	1,010	948	14.2%	14.9%	13.2%	14.0%	15.6%	17.0%	16.4%	16.3%	25.4%	20.7%
Nova LifeStyle, Inc.	United States	9	11	5.7%	-0.2%	7.8%	7.0%	NA	NA	NA	NA	-18.5%	-12.7%
Roche Bobois S.A.	France	251	432	8.9%	7.9%	7.1%	6.8%	8.2%	13.2%	14.1%	NA	3.4%	106.9%
Suofeiya Home Collection Co., Ltd.	China	3,992	3,620	20.7%	20.5%	21.8%	19.9%	19.9%	20.9%	21.0%	20.4%	19.3%	26.6%
Yotrio Group Co., Ltd.	China	2,072	2,051	6.5%	10.1%	9.1%	3.0%	10.3%	0.0%	NA	NA	7.3%	7.3%
Temple & Webster Group Ltd	Australia	367	353	-19.3%	-34.1%	-11.9%	-0.9%	1.1%	1.5%	1.5%	2.3%	26.0%	40.7%
Nick Scall Limited	Australia	328	515	16.4%	19.5%	23.6%	24.6%	23.4%	20.0%	20.3%	21.2%	3.7%	5.0%
Low				-19.3%	-34.1%	-11.9%	-0.9%	1.1%	0.0%	1.5%	2.3%	-18.5%	-12.7%
Average				10.1%	9.6%	11.2%	10.8%	10.8%	10.8%	14.0%	13.4%	13.1%	22.2%
Median				10.1%	12.2%	9.7%	8.7%	9.6%	11.7%	14.1%	13.4%	15.6%	20.0%
High				20.7%	21.8%	23.6%	24.6%	23.4%	21.6%	21.0%	21.2%	40.4%	106.9%

Source: Cap IQ, GTCF analysis

Note (1): We are not able to determine whether companies listed in China are following accounting practices in line with AASB-16. All other companies have adopted accounting practices in line with AASB-16.

Among the comparable companies, we believe that Hooker Furniture Corporation ("Hooker") has a business model which is relatively more comparable to OneAll. Hooker is a designer, marketer and importer of wooden and metal furniture, leather furniture and fabric-upholstered furniture for the residential, hospitality and contract markets. The company's manufacturing facilities are based in China and Vietnam, and it offers its products mainly in the American and Chinese markets. However, Hooker has historically generated more stable operating margins than OneAll.

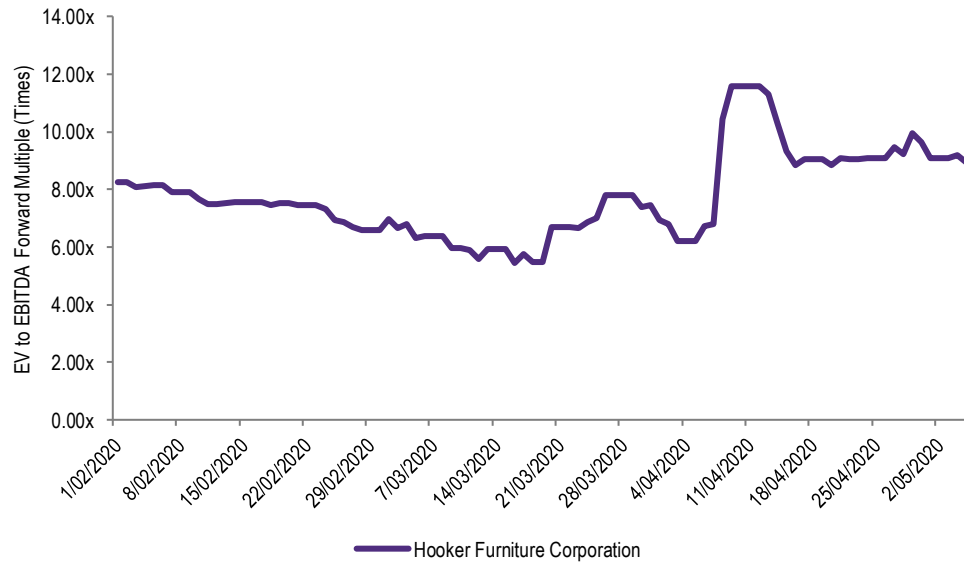
Comparable companies other than Hooker are mostly listed on the Chinese stock exchanges, and while their business model may be comparable to OneAll, they do business only/ predominantly within China. As a result, they are relatively immune to the fluctuations in geopolitical environment like Hooker or OneAll. Further, these companies are closely held, with low to moderate free float. As a result, in our opinion, their multiples are not reliable.

We have also not relied on other companies listed on European or US stock exchanges like Roche Bobois or Nova Lifestyle, since they either cater to a different target market or have a much larger set of product offerings, apart from having different business models for distribution. We have also not relied on the companies listed in Australia i.e. Nick Scali and Temple & Webster, since they have vastly different business models than OneAll.

Consequently, we have mainly relied on the trading multiple for Hooker, since it manufactures products in South-East Asia and offers its products in the American and Chinese markets. We note that both these markets are highly competitive with a large number of players, making it difficult for a relatively smaller entrant like OneAll to obtain a foothold in these markets.

The EV/EBITDA multiples for Hooker¹³ on the basis of NTM¹⁴ EBITDA is set out below:

NTM EBITDA multiple since February 2020



Source: S&P Global, GTCF analysis

We note the following in relation to the above:

- We consider the consensus EBITDA forecasts to be less reliable due to limited broker forecasts as well as the non-adjustment of some of the forecasts for COVID-19.
- The consensus EV/EBITDA multiple of Hooker fluctuates significantly in April 2020 due to the revision of consensus forecasts for COVID-19. We do not consider this to be unreasonable, however, on the whole there is more fluctuation in the multiple due to the uncertainty of future earnings.

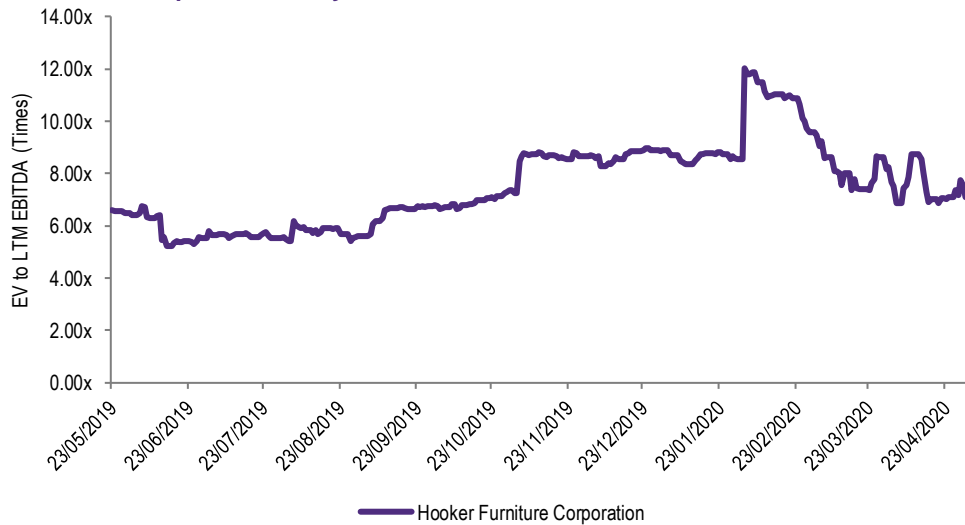
We have also had regard to the historical multiples (on an LTM¹⁵ basis) as set out below:

¹³ We note that as at the date of this Report, there are no consensus estimates for EBITDA for Hooker, though there are estimates for EBIT. We have considered these consensus EBIT forecasts and have added c.US\$8 million of depreciation and amortisation, in line with historical depreciation and amortisation.

¹⁴ Next Twelve Months

¹⁵ Last Twelve Months

LTM EBITDA multiples since May 2019



Source: S&P Global, GTCF analysis

We note that Hooker's EBITDA margins are historically lower than OneAll, though they are more stable, even though both companies are subject to disruptions from the US-China trade war and plant closures due to COVID-19. However, Hooker has various competitive advantages over OneAll, including:

- Multiple product offerings and multiple brand names, which provide Hooker with a wider customer base than OneAll;
- The ability to shift sourcing of materials and finished goods to a different country (as done in 2019, when the company shifted production to Vietnam in response to tariffs on imports from China);
- Lower customer concentration (In 2019, Hooker had 11% sales from the largest customer, compared to 18.6% for OneAll); and
- Access to larger markets than OneAll (US and Canada), with an established business therein.

Transaction multiples

In addition to comparable companies, we have also considered multiples implied by historical transactions involving companies comparable to OneAll. The table below summarises the transaction multiples implied by these historical transactions. A brief description of the comparable companies is provided in Appendix C.



Date	Target Company	Country	Bidder Company	Stake (%)	Deal Value (A\$m)	EBITDA Multiple (Times)	Enterprise Value (A\$m)	Status
Oct-19	Mor Furniture For Less, Inc.	United States	Healthcare Group (HongKong) Co. LTD	84%	100.68	NA	120.53	Closed
Aug-19	Fully LLC	United States	Knoll, Inc.	100%	51.70	NA	67.64	Closed
Jan-19	Goedeker Television Co., Inc.	United States	1847 Holdings, LLC	100%	8.65	3.21x	8.65	Closed
Nov-18	Quanzhou Xibao Furniture Technology	China	Hangzhou Jason Beddings	51%	84.37	44.60x	165.02	Closed
Aug-18	Ohana Partners Inc	United States	Arena Events Group plc	100%	14.61	4.03x	14.61	Closed
Jan-18	Rowe Furniture, Inc	United States	Markor International Home Furnishings Co., Ltd.	100%	31.82	NA	31.82	Closed
Jan-18	Natuzzi Trading (Shanghai) Co., Ltd.	China	Jason Furniture	51%	103.79	NA	203.50	Closed
Dec-17	RSI Home Products, Inc.	United States	American Woodmark Corporation	100%	1414.81	8.98x	1414.81	Closed
Mar-17	Red Star Macalline Group Corporation Ltd.	China	Fuhui Capital Investment Limited	3%	151.08	6.52x	8391.17	Closed
Feb-17	Cebas Pty Ltd	Australia	IKEA Retail Australia	100%	170.00	7.16x	170.00	Closed
Oct-16	Fantastic Holdings Limited	Australia	Steinhoff Asia Pacific Holdings Pty Limited	100%	361.40	16.58x	361.40	Closed
Jun-16	BUT SAS	France	Clayton, Dubilier & Rice, LLC; XXXLutz Marken GmbH	100%	784.30	5.81x	784.30	Closed
Nov-15	Milan Direct Pty Ltd	Australia	Temple & Webster Pty Ltd.	100%	17.58	NA	17.58	Closed
Average						12.11x		
Median						6.84x		

Source: S&P Global, GTCF analysis

We have only placed directional evidence on the implied transaction multiples and have not relied on them due to the following:

- The majority of the transactions are on a control basis and may incorporate various levels of control premium and special values paid to the target, which may be unique to the acquirers. Conversely, OneAll's valuation assessment is on a minority basis.
- The transactions are of varying sizes, and none of them are directly comparable to OneAll in terms of size as well as business model.
- Economic and market factors, including competition dynamics and product pricing may be materially different at the respective transaction dates from those that are at the valuation date. These factors may influence the amounts paid by the acquirers for these businesses. Furthermore, the current environment is different due to the COVID-19 situation as compared to the environment when the transactions took place.

Conclusion on EV/ EBITDA multiple

Based on the analysis of listed comparable companies, Grant Thornton Corporate Finance has assessed an EV/EBITDA multiple for the valuation of OneAll in the range of 5.5x and 6.5x on a minority basis.

The selection of the multiple is an exercise of judgement, however we have placed greater reliance on the historical multiples¹⁶ of Hooker. In selecting our assessed multiple range, we have applied a discount to these traded multiples in light of the following:

- OneAll's smaller size, product offering and fewer brands than Hooker, as well as its smaller target market.
- Uncertainty associated with the US component of OneAll's business due to the threat of re-ignition of the US-China trade war.

¹⁶ Mainly the Last Twelve Months multiple.

6.1.3 Net debt

OneAll has borrowed funds against its factory and warehouse, which are used both for expansion of the factory and acquisition of a warehouse in Spain, as well as to fund working capital. The calculation of the Company's net debt balance is shown below:

OneAll – Net debt	A\$ '000s
Total borrowings (current and non-current)	11,756
Lease liabilities (current and non-current)	1,140
Less: Cash and cash equivalents	(11,391)
Net debt as at 31 December 2019	1,505

Source: Management

To avoid the impact of seasonality in the Company's operations, and for consistency with the comparable companies' reporting dates, for the purpose of our valuation assessment, we have considered the net debt as at 31 December 2019.

6.2 Orderly Realisation of Net Assets Method

In addition to the EBITDA Multiple Method, we have also assessed the fair market value of OneAll by having regard to the likely consideration receivable on an orderly realisation of the Company's assets and liabilities.

Based on discussions with Management, we understand that the value of the Company's major assets and liabilities as recorded in the financial statements represent a reasonable approximation of the value likely to be obtained on an orderly realisation of the Company's assets and liabilities. Accordingly, we consider the net asset value as at 31 March 2020 to be a relevant indicator of the fair market value of the Company. We note that the Management accounts as at 31 March 2020 have not been published on the ASX, however we do not consider that there are material differences with the reviewed balance sheet as at 31 December 2019.

In addition, we have also assessed the value of internally generated intangible assets not recorded in the financial statements of the Company, like brand value and customer relationships. In our opinion, any potential purchaser of the Company will attribute some value to the Company's long-standing 'GardenArt' brand as well as the distribution network in various countries.

We have set out in the table below a summary of our assessed valuation, having regard to the financial position as at 31 March 2020 provided by the Company.

Valuation based on Net Asset Values method A\$ '000	31-Mar-20 Unaudited	Fair value adjustments	Fair market value
Current assets			
Cash and cash equivalents	15,685	-	15,685
Trade and other receivables	4,251	-	4,251
Inventories	21,283	-	21,283
Other assets (Prepayments, deferred tax assets and other tax receivables)	3,045	(50)	2,995
Total current assets	44,265	(50)	44,215
Non-current assets			
Property, plant and equipment ("PPE")	10,754	-	10,754
Intangible assets	6	4,994	5,000
Prepaid lease assets	783	(783)	-
Other non-current assets	230	-	230
Total non-current assets	11,774	4,994	15,985
Total assets	56,038	4,994	60,200
Current liabilities			
Trade and other payables	7,911	-	7,911
Borrowings	5,512	-	5,512
Customer advance	4,130	-	4,130
Other liabilities	8	(1)	6
Income tax	570	-	570
Total current liabilities	18,132	(1)	18,130
Non-current liabilities			
Borrowings	7,564	-	7,564
Total non-current liabilities	7,564	-	7,564
Total liabilities	25,696	(1)	25,694
Net assets	30,343	4,946	34,505
Gross fair market value of OneAll	30,343		34,505
Less: Realisation costs	-2.5%		-2.5%
Net fair market value of OneAll	29,584		33,643
Number of shares as at 30 April 2020 (in '000s)	130,016		130,016
Net fair market value of OneAll per share (cents)	22.75		25.88

Source: Management, GTCF analysis

Based on the above, we have assessed the fair market value of OneAll shares as 25.88 cents per share. The details of the above adjustments are set out in the following sections.

6.2.1 Major assets and liabilities

As observed in the table above, OneAll's major assets comprise of inventory, PPE and cash. We have considered the book value of these assets to be a reasonable proxy for the fair market value, as set out below:

- Inventory is the largest asset on the financial statements of the Company. The carrying value of inventory as at 31 March 2020, which comprises of raw materials, work in progress and finished goods, is based on the lower of cost or net realisable value. The carrying value of inventory has been recorded after writing off stocks, which is a consequence of review of long aging of inventory. There may be

further write-off of stocks in relation to potential cancellation of orders due to COVID-19 however, it is not certain yet and is subject to further review. Accordingly, we consider that the carrying value of inventory represents its net recoverable amount.

- The book value of PPE represents the written down value after charging depreciation. We understand that depreciation for each asset is reviewed regularly and updated if required. Further, an item of PPE is derecognised when there is no future economic benefit to the Company.
- Based on the above, we consider that the written down value of PPE is a reasonable proxy for the recoverable amount likely to be received in an orderly realisation of the assets of the Company.
- Trade and other receivables are recorded at fair value less allowances for expected losses/impairment. The carrying value of trade receivables represents the recoverable value after considering impairment/ bad debts.
- We have made an adjustment for deferred tax assets and deferred tax liabilities, since we consider that in the event of an orderly realisation, these will not be realisable.
- The majority of other assets and liabilities comprise of cash and cash equivalents as well as the borrowed funds, which are recognised at fair value.

6.2.2 Intangible assets

Though we have considered the book value of most other assets on OneAll's balance sheet, in our opinion, any potential acquirer of the Company will pay a consideration over and above the value of net tangible assets owing to the favourable standing and track record of the Company. This value is attributable to the internally generated intangible assets not recorded on the balance sheet i.e. the 'GardenArt' brand and the customer relationships. Accordingly, we have undertaken a desktop assessment of the value of these intangible assets, as described below:

Brand

GardenArt is a recognised brand and has been operating for several years. It is recognised by customers, and the Company has trademarks over the brand name. We understand that the reputation associated with the brand name plays a vital role in the Company's relationships with end customers, as well as its own retailers/ distributors.

We have assessed the brand value based on the market approach, using the relief from royalty method. We have applied a royalty rate of 2.0% to the budgeted revenue in FY20 and capitalised the same using a discount rate of 13-15% and terminal growth rate of 2.5%, in conjunction with the following considerations:

- The GardenArt brand was established and patented almost 20 years ago and has been successful enough that the business grew from a furniture trading business to a listed company owning its own manufacturing facility and export networks.
- With the exception of FY19 and FY20 (till date), the Company's revenue growth and profitability has been strong.
- A search for comparable licencing arrangements involving consumer discretionary products yielded royalty rates in relation to home décor products and home improvement products (including fixed home installations), in the range of 3-10%. Although OneAll's product offering is different from these products, we have considered these products since they are subject to the same macroeconomic environment as furniture products i.e. reliance on consumer discretionary income, growth in demand

aligned with growth in construction activity, and a fragmented industry with several participants. We have applied a royalty rate of 2.0% considering OneAll's relatively smaller size and market.

Customer relationships

- OneAll's business model involves the shipment from the manufacturing facility directly to retail stores without a wholesaler. Some retail networks are owned and operated by the Company while some are externally owned. However, OneAll's revenue is concentrated, with 18.6% of revenue in FY19 being derived from the single largest customer. Other than this customer, there is no single customer contributing more than 10% of the Company's revenue.
- Based on discussions with Management, we have assumed that 50% of the Company's sales are derived from the customer relationships established over a long period of time. We have also assumed a customer attrition rate of 5-10%.
- We note that the value of customer relationships is dependent on future revenues from these customers. Owing to the limited visibility on future revenues, we have assumed that COVID-19 has an adverse impact on the Company's revenues for the foreseeable future, and that the revenues and EBITDA margins recover to previously attained levels in the long-term.

Total intangible assets

Based on the above, we have recorded a total intangible asset balance of A\$5 million, which includes the intangible asset balance of A\$6,000 as at 31 March 2020 (we understand this comprises of trademarks and licences).

As a sense-check of our desktop intangible asset valuation, we have noted the ratio of market capitalisation (i.e. value attributed by investors) to book value for Hooker Furniture Corporation. We note that the intangible asset balance noted above implies a fair market value to book value ratio for OneAll that is not dissimilar to the ratio observed for Hooker.

6.2.3 Lease assets and Lease liabilities

OneAll has right-of-use assets of c.A\$0.78 million recorded on the balance sheet. These represent the discounted present value of remaining lease payments, recorded on the balance sheet in accordance with AASB16. However these do not represent cash flows receivable by the Company, since the cash lease expenses payable are still the same as before the change to AASB16. Accordingly, we have excluded the balance of lease assets from the fair market value of net assets of OneAll.

6.2.4 Realisation costs

Under an orderly realisation of OneAll's assets and liabilities, the Company will incur marketing costs/ brokerage costs related to the sale of the assets/ break fee in relation to the leases. In this regard, we have allowed for realisation costs of 2.5%.

6.2.5 Conclusion

Based on the above assessment, the fair market value of net assets of OneAll is 25.88 cents, which is in line with the Buyback Consideration of 26 cents, and also in line with the value per share assessed using the EBITDA Multiple Method.

7 Sources of information, disclaimer and consents

7.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- ASX announcements
- Draft Notice of Meeting and Explanatory Memorandum
- OneAll website
- Various broker reports for comparable companies
- Other publicly available information;
- IBISWorld Report
- S&P Capital IQ
- Discussions with Management and its advisors

7.2 Limitation, qualification and independence

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This report has been prepared to assist the OneAll Shareholders in their consideration of the Proposed Buyback. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an evaluation of the Proposed Buyback by Grant Thornton Corporate Finance.

OneAll has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

7.3 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Notice of Meeting and Explanatory Memorandum as well as the relevant Buyback Offer Booklet in the event One All's Proposed Buyback is resolved and approved in and by the 2020 Annual General Meeting to be sent to OneAll Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

Appendix A - Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction.

Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.



Appendix B - Description of comparable companies

Company	Description
Ethan Allen Interiors Inc.	Ethan Allen Interiors Inc. operates as an interior design company, and manufacturer and retailer of home furnishings in North America, Asia, the Middle East, and Europe. The company operates through two segments, Wholesale and Retail. Its products include case goods items, such as beds, dressers, armoires, tables, chairs, buffets, entertainment units, home office furniture, and wooden accents; upholstery items comprising sleepers, recliners and other motion furniture, chairs, ottomans, custom pillows, sofas, loveseats, cut fabrics, and leather; and home accents and other items consisting of window treatments and drapery hardware, wall decors, florals, lighting, clocks, mattresses, bedspreads, throws, pillows, decorative accents, area rugs, wall coverings, and home and garden furnishings. The company markets and sells its products under the Ethan Allen brand name through home furnishing retail networks and independent retailers, as well as through ethanallen.com Website. As of July 31, 2019, it operated a network of approximately 300 design centers. Ethan Allen Interiors Inc. was founded in 1932 and is headquartered in Danbury, Connecticut.
Flexsteel Industries, Inc.	Flexsteel Industries, Inc., together with its subsidiaries, manufactures, imports, and markets residential and contract upholstered and wood furniture products. Its products are used in home, healthcare, and recreational seating applications. The company distributes products through its sales force and independent representatives in the United States and Canada. Flexsteel Industries, Inc. was founded in 1893 and is headquartered in Dubuque, Iowa.
Guangzhou Holike Creative Home Co.,Ltd.	Guangzhou Holike Creative Home Co.,Ltd. engages in the research and development, design, production, and sale of panel furniture in China. The company also develops and sells finished furniture and soft furnishings. It offers alpine, Baikal, Bordeaux Manor, Norwegian forest, sky city, Monterey, Monet, 3D printing, ink danqing, metal, lanting, carving, minimalist, Philadelphia, Aegean coast, jane fashion, Nordic style, and Capri series products, such as leather and cloth sofas, mattresses, coffee and bedside tables, and wooden doors and chairs, as well as wall skirt decoration systems and gift products. The company operates a network of marketing service centers in 10 provinces, as well as dealers in approximately 1,600 cities in China; and 1500 brand stores. Guangzhou Holike Creative Home Co.,Ltd. was founded in 2002 and is based in Guangzhou, China.
Guangzhou Shangpin Home Collection Co., Ltd.	Guangzhou Shangpin Home Collection Co., Ltd. manufactures and sells customized panel furniture in China. The company was formerly known as Guangzhou Shangpin Zhaipei Household Products Co., Ltd. and changed its name to Guangzhou Shangpin Home Collection Co., Ltd. in August 2012. Guangzhou Shangpin Home Collection Co., Ltd. was founded in 2004 and is based in Guangzhou, China.
Hooker Furniture Corporation	Hooker Furniture Corporation, together with its subsidiaries, designs, manufactures, imports, and markets residential household, hospitality, and contract furniture. The company operates through three segments: Hooker Branded, Home Meridian, and Domestic Upholstery. The Hooker Branded segment offers a range of design categories, including home entertainment, home office, accent, dining, and bedroom furniture under the Hooker Furniture brand name; and imported upholstered furniture under the Hooker Upholstery brand. The Home Meridian segment provides home furnishings under the Accentrics Home brand; a range of bedroom, dining room, accent, display cabinet, home office, and youth furnishings under the Pulaski Furniture and Samuel Lawrence Furniture brands; and imported leather motion upholstery under the Prime Resources International brand. This segment also designs and supplies hotel furnishings for four and five-star hotels under the Samuel Lawrence Hospitality brand name; and ready-to-assemble furniture to mass marketers and e-commerce customers under the HMidea brand. The Domestic Upholstery segment offers motion and stationary leather furniture under the Bradington-Young brand; occasional chairs, settees, sofas, and sectional seating under the Sam Moore Furniture brand; and upholstered furniture, such as private label sectionals, modulars, sofas, chairs, ottomans, benches, beds, and dining chairs for lifestyle specialty retailers under the Shenandoah Furniture brand. The company also supplies upholstered seating and casegoods to upscale senior living and assisted living facilities through designers, design firms, industry dealers, and distributors under the H Contract brand; and interior designer products under the Lifestyle Brands name. It sells home furnishing products through retailers comprising independent furniture stores, department stores, mass merchants, national chains, warehouse clubs, catalog merchants, interior designers, and e-commerce retailers principally in North America. Hooker Furniture Corporation was founded in 1924 and is headquartered in Martinsville, Virginia.
Jason Furniture (Hangzhou) Co.,Ltd.	Jason Furniture (Hangzhou) Co.,Ltd. designs, produces, and sells home furniture in China and internationally. Its products include sofas, chairs, beds, mattresses, nightstands, and barstools. The company was formerly known as Hangzhou Zhuangsheng Furniture Manufacturing Co., Ltd. and changed its name to Jason Furniture (Hangzhou) Co.,Ltd. in December 2011. Jason Furniture (Hangzhou) Co.,Ltd. was founded in 2006 and is based in Hangzhou, China.



Markor International Home Furnishings Co., Ltd.	Markor International Home Furnishings Co., Ltd. designs, develops, produces, and sells home furniture products. It operates and franchises 258 retail stores under the Markor Home Furnishings, A.R.T., A.R.T. West Side, Caracole, YVVY, Zest Home, and Rehome, as well as Jonathan Charles and Rowe brands in 95 cities in China and internationally. The company was formerly known as Markor International Furniture Co., Ltd. and changed its name to Markor International Home Furnishings Co., Ltd. in July 2014. Markor International Home Furnishings Co., Ltd. was founded in 1990 and is based in Urumqi, China.
Nanjing OLO Home Furnishing Co., Ltd	Nanjing OLO Home Furnishing Co., Ltd. designs, develops, produces, and sells home furnishing products in China. It offers kitchen cabinets and full-house furniture. The company was founded in 2006 and is based in Nanjing, China.
Nova LifeStyle, Inc.	Nova LifeStyle, Inc., together with its subsidiaries, designs, manufactures, markets, and sells residential and commercial furniture for middle and upper middle-income consumers worldwide. The company offers upholstered, wood, and metal-based furniture pieces for the living rooms, dining rooms, bedrooms, and home offices. Its products include sofas, chairs, dining tables, beds, entertainment consoles, cabinets, and cupboards. The company distributes its products through direct and Internet sales, online marketing campaigns, and participation in exhibitions and trade shows primarily to furniture distributors and retailers under the Diamond Sofa and Bright Swallow brands. The company was formerly known as Stevens Resources, Inc. Nova LifeStyle, Inc. was founded in 2003 and is headquartered in Commerce, California.
Roche Bobois S.A.	Roche Bobois S.A. engages in the furniture design and distribution business. It provides living room products, such as sofas and sofa beds, armchairs, cocktail tables, TV units, bookcases, cabinets, sideboards, consoles, and occasional furniture; dining room products, including chairs, stools, benches, tables, and dining room storage products; desks; bed room products comprising beds, wardrobes, and other bedroom furniture products; outdoor furniture products; and lights, cushions, rugs, and home furnishings, as well as other furniture products. The company offers its products under the Roche Bobois and Cuir Center brands. It operates 331 owned and franchised stores in 54 countries worldwide, as well as an online store. The company was formerly known as Furn-Invest S.A.S. Roche Bobois S.A. was founded in 1960 and is headquartered in Paris, France.
Suofeiya Home Collection Co., Ltd.	Suofeiya Home Collection Co., Ltd. researches and develops, manufactures, and sells customized wardrobes and other related furniture under the Suofeiya brand name in China. It offers wooden doors, curtains, sofas, coffee tables, bedding, mattresses, and other home style products; and engineering services for real estate, hotels, enterprises, long-term rental apartments, schools, hospitals, and other engineering clients. The company was founded in 2003 and is headquartered in Guangzhou, China.
Yotrio Group Co., Ltd.	Yotrio Group Co., Ltd. researches, develops, manufactures, and sells outdoor furniture products in China and internationally. Its product portfolio includes aluminum and steel products, meshes, wickers, resin wood and wood products, slings, creatop table tops, and glass table tops. The company sells its products under the Das Original, Royal Garden, SunVilla, and Outdoor Essentials brand names. Yotrio Group Co., Ltd. was founded in 1992 and is based in Linhai, China.
Temple & Webster Group Ltd	Temple & Webster Group Ltd engages in the online retail of furniture, homewares, and other lifestyle products in Australia. The company operates an open e-commerce platform that offers approximately 150,000 products, including rugs, bar stools, coffee tables, and office furniture under the Temple & Webster brand. It also offers home, office, and outdoor furniture, as well as lighting and homeware products under the Milan Direct brand through its e-commerce platform for various distributors and trade clients on a wholesale basis. Temple & Webster Group Ltd was founded in 2011 and is headquartered in Sydney, Australia.
Nick Scali Limited	Nick Scali Limited, together with its subsidiaries, engages in sourcing and retailing household furniture and related accessories in Australia and New Zealand. The company offers lounges, dining tables and chairs, armchairs, buffets/cabinets, TV units, coffee tables, consoles, bedroom furniture, mattresses and bases, rugs, mirrors, and pendants and lamps. It provides its products through 57 Nick Scali Furniture stores, as well as online. Nick Scali Limited is based in North Ryde, Australia.

Source: Capital IQ

Appendix C - Description of target companies

In addition to the trading multiples analysis above, we have also considered relevant transaction multiples. The following table summarises the description of the target companies in recent transactions.

Target Company	Description
Mor Furniture For Less, Inc.	Mor Furniture For Less, Inc. retails bedroom, living room, and dining room furniture and mattresses in the United States. It offers accent cabinets, accent chairs, accent pillows, accent tables, area rugs, bedding products, beds, botanicals, boxes, buffets and hutches, bunk beds, candleholders, chairs, chests, clocks, coffee tables, decorative accents, dining benches, and dining chairs. The company also provides dining tables, dressers and mirrors, end tables, entertainment centers, home office products, kids and teens furniture, kids desks, lamps, living room furniture, loveseats, media chests, mirrors, and, nightstands. In addition, it offers office and media furniture, ottomans, recliners, sectionals, servers, sofa tables, sofas, trays, TV consoles, vases and urns, and wall art items. The company also sells online. Mor Furniture For Less, Inc. was formerly known as Super Stores of America, Inc. and changed its name to Mor Furniture For Less, Inc. in 2000. The company was founded in 1977 and is headquartered in San Diego, California. It has store locations in Arizona, New Mexico, California, Idaho, Oregon, Nevada, and Washington. As of February 26, 2020, Mor Furniture For Less, Inc. operates as a subsidiary of Healthcare Group (HongKong) Co. LTD.
Fully LLC	Fully LLC manufactures office furniture products and accessories and distributes them through its e-commerce furniture retailing platform. Fully LLC was formerly known as Fully Inc. and changed its name to Fully LLC in April, 2018. The company was founded in 2006 and is based in Portland, Oregon. As of August 20, 2019, Fully LLC operates as a subsidiary of Knoll, Inc.
Goedeker Television Co., Inc.	As of April 5, 2019, Substantially all of the Assets of Goedeker Television Co., Inc. was acquired by 1847 Goedeker Inc. Substantially all of the Assets of Goedeker Television Co., Inc. comprises retail appliance and furniture business. The asset is located in the United States.
Ohana Partners Inc	Ohana Partners Inc, is the US-based supplier of under-the-tent rental supplies like staging equipment and flooring, headquartered in Milpitas, California.
Rowe Furniture, Inc	On January 23, 2013, Rowe Furniture, Inc. went out of business as per its Chapter 7 liquidation filing under bankruptcy. Rowe Furniture, Inc. manufactures custom upholstery furniture. The company offers sofas, sectionals, slipcovers, sleep sofas, and chairs and accents for customers in the United States and internationally. It sells its products through authorized dealers. The company was founded in 1946 and is based in Elliston, Virginia. Rowe Furniture, Inc. is a former subsidiary of The Rowe Companies, Inc.
Natuzzi Trading (Shanghai) Co., Ltd.	"Natuzzi Trading (Shanghai) Co., Ltd. manufactures and distributes leather and fabric upholstered furniture. The company is based in Shanghai, China. As of July 27, 2018, Natuzzi Trading (Shanghai) Co., Ltd. operates as a subsidiary of Jason Furniture (Ningbo) Co., Ltd.
RSI Home Products, Inc.	RSI Home Products, Inc. designs, manufactures, and supplies kitchen, bath, and home organization products. The company offers kitchen solutions, including semi-custom kitchen and bath cabinetry, as well as other stock kitchen and bath cabinetry, storage cabinetry, countertops, and accessories; bathroom vanities and cabinets, wall storage units, medicine cabinets, and countertops; and home storage solutions, such as modular cabinets. It sells its products through kitchen and bath dealers, national retailers, and retail home centers, as well as a network of dealers and distributors in the United States and Canada. The company was founded in 1989 and is based in Anaheim, California with sales offices in Anaheim, California; Mooresville, North Carolina; and Roswell, Georgia. It has manufacturing and distribution centers in Anaheim, California; Columbus, Kansas; Lincolnton, North Carolina; Tijuana, Mexico; and Dallas, Texas. As of December 29, 2017, RSI Home Products, Inc. operates as a subsidiary of American Woodmark Corporation.
Red Star Macalline Group Corporation Ltd.	Red Star Macalline Group Corporation Ltd. operates and manages home improvement and furnishings shopping malls. The company operates its shopping malls under the Red Star Macalline brand name. As of December 31, 2019, it operated a network of 337 shopping malls, including 87 portfolio shopping malls with a total operating area of 7,736,844 square meters (sq.m.); and 250 managed shopping malls with a total operating area of 13,250,106 sq.m. offering approximately 27,000 brands across 212 cities in 29 provinces, municipalities, and autonomous regions in the People's Republic of China. The company also engages in the leasing of floor areas to the tenants; retail sale of home furnishing merchandise, as well as provision of related decorating services. In addition, it offers internet home decoration, internet retail, and logistics and delivery services; joint marketing; and shopping mall design, construction, consultation, and home design and decoration services, as well as construction site coordination and supervision services. The company was formerly known as Shanghai Red Star Macalline Home Living and Decorating



Target Company	Description
	Company Limited and changed its name to Red Star Macalline Group Corporation Ltd. in 2011. The company was incorporated in 2011 and is headquartered in Shanghai, the People's Republic of China. Red Star Macalline Group Corporation Ltd. is a subsidiary of Red Star Macalline Holding Group Company Limited.
Cebas Pty Ltd	Cebas Pty Ltd retails furniture and homeware. The company was founded in 1985 and is based in Osborne Park, Australia. As of March 1, 2017, Cebas Pty Ltd operates as a subsidiary of IKEA Retail Australia.
Fantastic Holdings Limited	Fantastic Holdings Limited manufactures, retails, and imports household furniture primarily in Australia. It operates through Retail and Manufacturing segments. The Retail segment engages in the retail of household furniture under the Fantastic Furniture, Plush, Original Mattress Factory, Le Cornu, and Ashley Furniture HomeStore brand names. This segment operates stores that offer sofas, dining, entertainment, bedroom, occasional, storage, and home office furniture; spring, latex, and visco mattresses; and lounge, dining, bedroom and bedding, office, storage, outdoor, and soft furnishings, as well as floor coverings, plasma/LCD televisions, and home theatre systems. As of June 30, 2016, it operated 127 company owned stores and 2 franchise stores comprising 71 Fantastic Furniture stores and 2 franchise stores; 35 Plush stores; 18 Original Mattress Factory stores; 2 Le Cornu stores; and 1 Ashley Furniture HomeStore. The Manufacturing segment manufactures sofas, mattresses, and other household furniture. The company also leases sites to external tenants. Fantastic Holdings Limited was founded in 1989 and is based in Chullora, Australia. Fantastic Holdings Limited is a subsidiary of Steinhoff Asia Pacific Holdings Pty Limited.
BUT SAS	BUT SAS retails furniture and electrical goods through retail stores and online. It offers living room furniture, home appliance, TV sound, mattresses and box springs, kitchen kit, kitchen storage, and decorative items. The company was incorporated in 1989 and is based in Emerainville, France. BUT SAS operates as a subsidiary of XXXLutz Marken GmbH.
Milan Direct Pty Ltd	Milan Direct Pty Ltd. operates as an online furniture retailer in Australia. It sells home furniture, such as accent chairs, bedroom suites, beds, bedheads/frames, bedside cabinets/tables, chest of drawers, dressing tables, mattresses, shoe cabinets, tallboys, armchairs, indoor benches, book shelves/cases, chaise lounges, coffee tables, console/hall tables, lounge chairs/suites, nests of tables, ottomans, recliners, side boards/tables and buffets, sofas/sofa beds, TV entertainment units, bar stools/tables, low stools, dining benches/chairs, dining tables/sets, bean bags, laundry cabinets, occasional chairs/tables, pet beds/loungers, and pet furniture. The company also offers office furniture that include office, desk, drafting, executive, ergonomic, gaming, leather, massage, mesh, and student chairs; computer, corner, executive, and student desks; church, conference, folding, stackable, tub, and visitor chairs; storage products, such as filing cabinets and offices shelving/tables; and accessories, including office bins, stationery, shredders, and whiteboards. In addition, it retails outdoor furniture that comprises metal, timber, and wicker outdoor furniture; seating and lounging products, including chairs, bar stools, benches, café chairs, day beds, deck chairs, hammocks, hanging egg chairs, outdoor bean bags, outdoor sofas, and sun lounges; dining, lounge, modular, and stacking settings; living products, such as balcony and patio products, barbecues, heating/lighting products, outdoor rugs, storage products, gazebos/marquees, outdoor umbrellas, and umbrella bases; and door mats, garden equipment, ornaments, outdoor covers/cushions, picnic products, and pool accessories. Further, the company offers kids furniture/wares; retro/industrial furniture; homewares; appliances; and adventure gear. The company was incorporated in 2007 and is based in Albert Park, Australia. As of December 4, 2015, Milan Direct Pty Ltd operates as a subsidiary of Temple & Webster Pty Ltd.

Source: S&P Global, GTCF



Appendix D - Glossary

Abbreviation	Description
1AL or OneAll or the Company	OneAll International Limited
AASB	Australian Accounting Standards Board
AGM	Annual General Meeting
APES 225	Accounting Professional & Ethical Standards Board 225 Valuation Services
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASX	Australian Stock Exchange
Board	Board of Directors of OneAll
Buyback Consideration	The Company intends to complete the Proposed Buyback for a cash consideration of A\$26 cents per share.
CAGR	Compounded Annual Growth Rate
Corporations Act	Corporations Act 2001
DCF	Discounted Cash Flows
DPS	Dividend payout per share
EBITDA	Earnings before interest, tax, depreciation and amortization
EBITDA Multiple	EBITDA multiple implied from enterprise value divided by EBITDA
EPS	Earnings per share
FSG	Financial Services Guide
FYXX	Financial year ending 31 December 20XX
GTCF, GT or Grant Thornton Corporate Finance	Grant Finance Corporate Finance Pty Ltd
Hooker	Hooker Furniture Corporation
ie3i	Iniciativa Exterior 3i SA and Cia Gral. Indo Ampurdanesa De Maderas Nobles S.L.
IER	Independent Expert Report
NAV Method	Market value of net assets of the Company
ODM	Original Design Manufacturer
OneAll shares	Outstanding ordinary shares on issue in OneAll
Proposed Buyback	The Company intends to buy-back up to 9.9% of the outstanding ordinary shares on issue (circa 12,872,593 shares) in OneAll by way of an off-market buy-back.
RG110	ASIC Regulatory Guide 110 Share buy-backs
RG111	Regulatory Guide 111 Contents of expert reports
RG112	Regulatory Guide 112 Independence of experts
Suofeiya	Suofeiya Home Collection Co. Ltd
Trading multiples	Trading multiples of comparable companies
Transaction multiples	Recent acquisitions of furniture manufacturers/retailers
WACC	Weighted Average Cost of Capital

8 ACCEPTANCE FORM

Equal Access Buy-Back (Issuer Sponsored Holders)

Name and Address
Name and Address
Name and Address
Name and Address
Name and Address
Name and Address

Subregister

SRN

Number of Shares held at
7.00 pm (AEST) Monday 20
July 2020

**Offer Closes: 5.00pm (AEST)
10 August 2020**

Complete this form if you wish to participate in the OneAll International Limited ("OneAll") Equal Access Buy-Back and sell some of your Shares in OneAll. You should refer to the terms of the Equal Access Buy-Back set out in the Booklet accompanying this form and on the back of this form. **If you are in any doubt as to how to complete this form, please consult your financial or legal advisor.**

A Maximum Buy-Back

The **MAXIMUM** number of Shares that you may nominate for sale through the Buy-Back.

B Your Buy-Back Acceptance Nomination

Enter the number of Shares you wish to tender
(Must not be greater than the amount listed in section A)

C Contact Details

Contact Name

Telephone number – Business Hours

Email

Telephone number – After Hours

D Sign Here

This Section MUST be signed for your instructions to be executed (refer overleaf for signing instructions)
I/we confirm that I/we wish to participate in the Buy-Back and agree to the terms of the Buy-Back offer set out in the Booklet accompanying this form and on this form.

Shareholder 1

Shareholder 2

Shareholder 3

Office(s)

Office(s)

Office(s)

Note: Notices signed under Power of Attorney or by the Executor of an Estate must be accompanied by a copy of that Power together with a signed certificate of non-revocation of that Power or Letters of Administration, as the case may be, unless previously lodged for noting.

Day / Month / Year

THIS FORM MUST BE RECEIVED BY NO LATER THAN 5.00 PM (AEST) ON 10 August 2020

Further Important Instructions

Shareholders who wish to sell Shares under the Buy-Back must return this form duly completed. Prior to lodging this form, you should read the Equal Access Buy-Back Booklet which sets out the key terms of the Buy-Back. If you are in any doubt as to how to deal with this form, please consult your financial or legal advisor.

1. How to complete this form

Shareholders who wish to participate in the Buy-Back and sell Shares into the Buy-Back must lodge an Acceptance Form.

A Maximum Buy-Back Tender

This is the maximum number of Shares you can tender under this Equal Access Share Buy-Back.

B Your Buy-Back Tender Nomination

In this section please enter the total number of Shares you wish to tender.

Please note that the tender you enter must not exceed the maximum number listed in section A. If a greater number than the maximum is entered your form will be rejected.

C Contact details

Please provide your contact name, telephone number and email address in this section in case we need to contact you in.

D Signature(s)

You must sign the form as follows in the space provided:

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 must sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged that document together with a signed certificate of non-revocation of Power of Attorney with Boardroom Pty Limited. Alternatively, attach a certified copy of the Power of Attorney and certificate of non-revocation to this form when you return it.

Deceased Estate: All executors must sign and, if not already noted by Boardroom Pty Limited, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: This form must be signed by either 2 Directors or, if an Australian registered company, a Director and a Company Secretary. Alternatively, where the company is a Sole Director and, in the case of an Australian registered company, there is a Company Secretary or where the Sole Director is also the Sole Company Secretary, the Director may sign alone.

This is an important document and requires your immediate attention. If you are in any doubt about how to deal with it, please consult your financial or other professional advisor. For further information, call the Boardroom Pty Limited on 02 9290 9600.

2. Lodgement of Acceptance

Acceptance Forms must comply with the acceptance instructions set out in this form and be received by no later than 5.00pm (Sydney Time) on 28 February 2020. Return the Acceptance Form to:

By mail:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

3. Offer

By signing and returning this Acceptance Form, I/we, the registered holder(s) of the Shares shown on the reverse:

- agree that I/we will sell and OneAll will buy back from me/us the number of Shares determined in accordance with the terms of the Equal Access Buy-Back;
- warrant to OneAll that at the time of Acceptance and on the Closing Date, I/we am/are the registered holder(s) of the Shares which I/we have agreed to sell and those Shares are and will be free from any mortgage, charge, lien or other encumbrance (whether legal or equitable) or any third party rights;
- authorise OneAll (or its officers or agents) to correct any error or omission from my/our Acceptance Form and to complete the Acceptance Form by the insertion of any necessary details;
- warrant to OneAll that I/we are either a person to whom the Equal Access Buy-Back may be lawfully made and whose participation in the Equal Access Buy-Back is permitted under the laws of the jurisdiction in which I/we are resident or that if I/we am/are acting on behalf of or for the account of another person, that person is a person to whom the Equal Access Buy-Back may be lawfully made and whose participation in the Equal Access Buy-Back is permitted under the laws of the jurisdiction in which they are resident;
- acknowledge that I/we are bound by the terms and conditions of the Equal Access Buy-Back which are set out in the accompanying Buy-Back Booklet including, without limitation, not to sell so many Shares as to reduce my/our Shareholding below the number of Shares for which I/we have agreed to sell, and I/we have read and understood those terms and conditions;
- agree that I/we have read and understood the terms and conditions of the Equal Access Buy-Back; and
- agree that if I/we breach any of the agreement clauses (a) to (f) above, I/we will indemnify OneAll for all its costs and losses arising from the breach.

Where this document is signed under Power of Attorney, the attorney declares that the attorney has no notice of the revocation of the Power or the death of the donor of the Power where this document is signed by or on behalf of a company, the company represents that the company has signed the form in accordance with the company's constitution and the Corporations Act 2001 (Cth) (or any other applicable laws).

4. Treatment of Acceptances

OneAll may treat any purported Acceptance as satisfying the requirements for valid Acceptance within the terms of the Buy-Back or disregard the Acceptance (whole or in part), as it determines appropriate. Please return the completed Acceptance Form as soon as possible so as to reach Boardroom Pty Limited no later than 5.00pm (AEST) on 10 August 2020.

5. Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001(Cth) requires information about you as a Shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. Your personal information may be disclosed to the entity in which you hold Shares for the purposes of administering your Shareholding. You can obtain access to and correct your personal information by contacting us at the address or telephone number shown on this Acceptance Form.

Our privacy policy is available on our website (<https://www.boardroomlimited.com.au/corp/privacy-policy/>).

If you have any enquiries concerning your Securityholding please contact Boardroom Pty Limited 9290 9600 between 8.30am and 5.30pm Sydney time Monday to Friday.

Equal Access Buy-Back (CHESS Sponsored Holders)

Name and Address
 Name and Address
 Name and Address
 Name and Address
 Name and Address
 Name and Address

Subregister

HIN

Number of Shares held at
 7.00 pm (AEST) Monday 20
 July 2020

**Offer Closes: 5.00pm (AEST)
 10 August 2020**

Complete this form if you wish to participate in the OneAll International Limited ("OneAll") Equal Access Buy-Back and sell some of your Shares in OneAll. You should refer to the terms of the Equal Access Buy-Back set out in the Booklet accompanying this form and on the back of this form. **If you are in any doubt as to how to deal with this form, please consult your financial or legal advisor.**

A Maximum Buy-Back

The **MAXIMUM** number of Shares that you may nominate for sale through the Buy-Back.

B Your Buy-Back Acceptance Nomination

Enter the number of Shares you wish to tender
 (Must not be greater than the amount listed in section A)

C Contact Details

Contact Name

Telephone number – Business Hours

Email

Telephone number – After Hours

D Sign Here

This Section MUST be signed for your instructions to be executed (refer overleaf for signing instructions)
 I/we confirm that I/we wish to participate in the Buy-Back and agree to the terms of the Buy-Back set out in the Booklet accompanying this form.

Shareholder 1

Shareholder 2

Shareholder 3

Office(s):

Office(s):

Office(s):

Note: Notices signed under Power of Attorney or by the Executor of an Estate must be accompanied by a copy of that Power together with a signed certificate of non-revocation of the Power, or Letters of Administration, as the case may be, unless previously lodged for noting.

Day

Month

Year

IMPORTANT INFORMATION FOR CHESS HOLDERS

Your Shares are held on the CHESS Sub-register. To participate in the Buy-Back you can either:

- Contact your Controlling Participant – normally your broker – and instruct them to accept the Offer on your behalf (If you do that, you do not need to complete and return this Acceptance Form to Boardroom Pty Limited);
- OR
- If you want OneAll to contact your Controlling Participant on your behalf, write their details here and sign and return this form. By providing these details & signing this form you authorise OneAll to instruct your Controlling Participant to Participate in the Buy-Back in accordance with the ASX Settlement Operating Rules.

Your Broker's Name:

Your Broker's Address:

Your Broker's Telephone Number:

THIS FORM MUST BE RECEIVED BY NO LATER THAN 5.00 PM (AEST) ON 7 August 2020

Further Important Instructions

Shareholders who wish to sell Shares under the Buy-Back Offer must Contact their Controlling Participant or return this form duly completed. Prior to lodging this form, you should read the Buy-Back Booklet which sets out the key terms of the Buy-Back. If you are in any doubt as to how to deal with this form, please consult your financial or legal advisor.

1. How to complete this form

A Maximum Buy-Back Tender

This is the maximum number of Shares you can tender under this Equal Access Share Buy-Back.

B Your Buy-Back Tender Nomination

In this section please enter the total number of Shares you wish to tender for sale in the Equal Access Buy-Back.

Please note that the tender you enter must not exceed the maximum number listed in section A. If a greater number than the maximum is entered your form will be rejected.

C Contact details

Please provide your contact name, telephone number and email address in this section.

D Signature(s)

You must sign the form as follows in the space provided:

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 must sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged that document together with a signed certificate of non-revocation of Power of Attorney with Boardroom Pty Limited. Alternatively, attach a certified copy of the Power of Attorney and certificate of non-revocation to this form when you return it.

Deceased Estate: All executors must sign and, if not already noted by Boardroom Pty Limited, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: This form must be signed by either 2 Directors or, if an Australian registered company, a Director and a Company Secretary. Alternatively, where the company was a Sole Director and, in the case of an Australian registered company where there is no Company Secretary or where the Sole Director is also a Sole Company Secretary, that Director may sign alone.

This is an important document and requires your immediate attention. If you are in any doubt about how to deal with it, please consult your financial or other professional advisor. For further information, call Boardroom Pty Limited on 02 9290 9600.

2. Lodgement of Acceptance

Your Shares are in a CHESS Holding, you do not need to complete and return this Acceptance Form to Boardroom Pty Limited. You can contact your Controlling Participant, normally your broker, and instruct them to accept the Offer on your behalf. If you decide to use this Acceptance Form, follow the instructions below.

It is the responsibility of the eligible security holder to allow sufficient time for their Controlling Participant to initiate acceptance on their behalf. All in accordance with ASX Settlement Operating Rule 14.14. You must ensure that this form is received by your Controlling Participant in sufficient time before the end of the Offer Period to enable your Controlling Participant to effect acceptance on CHESS during business hours.

If you send your Acceptance Form to Boardroom Pty Limited at the address below, we will send the relevant acceptance message to CHESS for forwarding to your Controlling Participant for acknowledgement. Neither OneAll nor Boardroom Pty Limited will be responsible for any delays incurred by this process.

By mail:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

3. Offer

By signing and returning this Acceptance Form, I/we as registered holder/s of the Shares shown on the reverse:

- agree that I/we will sell and OneAll will buy back from me/us a number of Shares determined in accordance with the terms of the Buy-Back;
- warrant to OneAll that at the time of Acceptance and on the Closing Date, I/we am/are the registered holder(s) of the Shares which I/we have agreed to sell and those Shares are and will be free from any mortgage, charge or other encumbrance (whether legal or equitable) or any third party rights;
- authorise OneAll (or its officers or agents) to correct any error in or omission from my/our Acceptance Form and to complete the Acceptance Form by the insertion of any necessary details;
- warrant to OneAll that I/we am/are the person/s to whom the Equal Access Buy-Back may be lawfully made and whose participation in the Equal Access Buy-Back is permitted under the laws of the jurisdiction in which I/we am/are a resident; or that if I/we are acting behalf of or for the account of another person, that person is a person to whom the Equal Access Buy-Back may be lawfully made and whose participation in the Equal Access Buy-Back is permitted under the laws of the jurisdiction in which they are resident;
- acknowledge that, I/we are bound by the terms and conditions of the Equal Access Buy-Back which are set out in the accompanying Buy-Back Booklet including, without limitation, not to sell Shares which would reduce my/our shareholding below the number of Shares for which I/we have agreed to sell, and I/we have read and understood those terms and conditions;
- agree that I/we have read and understood the terms and conditions of the Equal Access Buy-Back; and
- agree that if I/we breach any of the agreements in clauses (a) to (f) above, I/we will indemnify OneAll for all its costs and losses arising from the breach.

Where this document is signed under Power of Attorney, the attorney declares that the attorney has no notice of the revocation of the Power or the death of the donor of the Power where this document is signed by or on behalf of a company, the company represents that the company has signed the form in accordance with the company's constitution and the Corporations Act 2001 (Cth) (or any other applicable laws).

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Sample



OneAll

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