
ADDITIONAL LONG-TERM INCENTIVE FOR CEO AND EXECUTIVE DIRECTOR

Carly Holdings Limited (ASX:CL8) (**Carly** or the **Company**) advises that it has negotiated and agreed an additional long-term incentive component for CEO and Executive Director, Chris Noone.

In accordance with ASX Listing Rule 3.16.4 the Company advises that Mr Noone's additional long-term incentive structure as follows:

Subject to the Company obtaining all necessary shareholder and regulatory approvals that may be required and such other terms and conditions required by the ASX, Mr Noone will be issued with a total of 5,000,000 options expiring five years from the date of issue (**Executive Options**), and vesting over four years, which shall have the following exercise prices:

- (a) 1,250,000 Tranche A Executive Options: \$0.10 per option;
- (b) 1,250,000 Tranche B Executive Options: \$0.18 per option;
- (c) 1,250,000 Tranche C Executive Options: \$0.24 per option;
- (d) 1,250,000 Tranche D Executive Options: \$0.30 per option.

The Tranche A to D Executive Options may be exercised by the Mr Noone, once vested as follows:

- (a) 1,250,000 Tranche A Executive Options:
 - (i) 20% 12 months from date of issue
 - (ii) 20% 24 months from date of issue
 - (iii) 30% 36 months from date of issue
 - (iv) 30% 48 months from date of issue
- (b) 1,250,000 Tranche B Executive Options:
 - (i) 20% 12 months from date of issue
 - (ii) 20% 24 months from date of issue
 - (iii) 30% 36 months from date of issue
 - (iv) 30% 48 months from date of issue



(c) 1,250,000 Tranche C Executive Options:

- (i) 20% 12 months from date of issue
- (ii) 20% 24 months from date of issue
- (iii) 30% 36 months from date of issue
- (iv) 30% 48 months from date of issue

(d) 1,250,000 Tranche D Executive Options:

- (i) 20% 12 months from date of issue
- (ii) 20% 24 months from date of issue
- (iii) 30% 36 months from date of issue
- (iv) 30% 48 months from date of issue.

Refer to Schedule 1 for the entire terms and conditions of the Tranche A, Tranche B, Tranche C and Tranche D Executive Options.

The terms of Mr Noone's Executive Service Agreement are otherwise unchanged.

Further details of the proposed grant of Executive Options to Mr Noone will be set out in the Notice of Annual General Meeting to be dispatched to shareholders on 19 October 2021.

An Appendix 3Y – Change of Director's Interest Notice follows this announcement.

This announcement was authorised to be given to ASX by the Board of Directors of Carly Holdings Limited.

Authorised by:

Adrian Bunter
Non-Executive Chairman
Carly Holdings Limited

For more information please contact:

Chris Noone
CEO and Director
Carly Holdings Limited
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About Carly Holdings Limited

Carly Holdings Limited (ASX:CL8) investors.carly.co/ is listed on the Australian Securities Exchange. It is Australia's leading listed company focused on providing innovative mobility solutions for consumers and the automotive industry. Carly Holdings operates www.DriveMyCar.com.au Australia's leading peer-to-peer car rental business, and www.Carly.co, Australia's first flexible car subscription service.

SCHEDULE 1- TERMS AND CONDITIONS OF EXECUTIVE OPTIONS

The terms and conditions of the Executive Options (**Options**) are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be as follows:

Executive Options Tranche	Number of Executive Options	Exercise Price
Tranche A	1,250,000	\$0.10
Tranche B	1,250,000	\$0.18
Tranche C	1,250,000	\$0.24
Tranche D	1,250,000	\$0.30

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date which is five (5) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date

(d) **Vesting**

The Options may be exercised by the Optionholder once vested as follows:

Executive Options Tranche	Vesting Date	Number of Options
Tranche A	12 months from date of issue	250,000
Tranche A	24 months from date of issue	250,000
Tranche A	36 months from date of issue	375,000
Tranche A	48 months from date of issue	375,000
Tranche B	12 months from date of issue	250,000
Tranche B	24 months from date of issue	250,000
Tranche B	36 months from date of issue	375,000
Tranche B	48 months from date of issue	375,000
Tranche C	12 months from date of issue	250,000
Tranche C	24 months from date of issue	250,000

Executive Options Tranche	Vesting Date	Number of Options
Tranche C	36 months from date of issue	375,000
Tranche C	48 months from date of issue	375,000
Tranche D	12 months from date of issue	250,000
Tranche D	24 months from date of issue	250,000
Tranche D	36 months from date of issue	375,000
Tranche D	48 months from date of issue	375,000

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities law.

(m) **Cashless exercise**

In lieu of paying the aggregate Exercise Price under paragraph (b), the Optionholder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$A = [B \times (C - D)] / C$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder pursuant to this paragraph (m);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

For the purposes of this paragraph (n), **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	Carly Holdings Limited
ABN	60 066 153 982

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Christopher James Noone
Date of last notice	18 May 2021

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Not applicable
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	
Date of change	
No. of securities held prior to change	
Class	
Number acquired	
Number disposed	
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	
No. of securities held after change	
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	

+ See chapter 19 for defined terms.

Appendix 3Y Change of Director's Interest Notice

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Additional long-term incentive structure for CEO and Executive Director, Chris Noone. Summary of key terms contained in the ASX announcement released to the market on 8 October 2021.
Nature of interest	Offer of a long-term incentive comprising a total of 4,500,000 options which will have various exercise prices and a cashless exercise mechanism, vest over 4 years from the date of issue and expire 5 years from the date of issue (Executive Options). The issue of options is subject to shareholder approval at the Annual General Meeting to be held on 18 November 2021 (2021 AGM).
Name of registered holder (if issued securities)	Noone Holdings Pty Ltd as trustee for the C and K Noone Family Trust
Date of change	8 October 2021
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Not applicable.
Interest acquired	Subject to shareholder approval at the 2021 AGM, issue of a total of 5,000,000 Executive Options, which will be able to be converted into fully paid ordinary shares by Mr Noone subject to vesting periods as set out in the ASX announcement released to the market on 8 October 2021.
Interest disposed	Nil.
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Non-cash consideration. The primary purpose of the issue of the Executive Options is to provide a performance linked long-term incentive component in his remuneration packages to motivate and reward his performance in his role as CEO and Executive Director. Estimated value of AUD 111,085 based on an independent valuation.

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Interest after change	<p>Assuming receipt of shareholder approval at the AGM on 18 November 2021:</p> <p><u>Direct</u></p> <p>Nil.</p> <p><u>Indirect</u></p> <p>903,875 fully paid ordinary shares (Shares).</p> <p>26,666 options exercisable at \$0.015 each on or before 31 October 2022 (Tranche 2 Unquoted Options).</p> <p>129,125 options exercisable at \$0.16 each on or before 31 May 2023 (Quoted CL8OB Options).</p> <p>1,620,000 exercisable at \$0.3750 each on or before 19 November 2025 (Executive Options)¹.</p> <p>Up to 5,000,000 options with various exercise prices and expiring on 18 November 2026 (Executive Options)².</p>
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Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	Yes
If so, was prior written clearance provided to allow the trade to proceed during this period?	Not applicable – issue of options is subject to shareholder approval at the 2021 AGM.
If prior written clearance was provided, on what date was this provided?	Not applicable

¹ 1,620,000 Executive Options (post-consolidation) are subject to satisfaction of performance conditions and vesting periods as set out in the ASX announcement released to the market on 20 October 2020.

² The terms and conditions of the 5,000,000 Executive Options were set out in the ASX announcement released to the market on 8 October 2021.

+ See chapter 19 for defined terms.