

Form 603

**Corporations Act 2001
Section 671B**

Notice of initial substantial holder

To Company Name/Scheme PKS Holdings Limited

ACN/ARSN 627 071 121

1. Details of substantial holder (1)

Name Freestate Holdings Pty Ltd ATF Henry Family Trust

ACN/ARSN (if applicable) ACN 103 973 280

The holder became a substantial holder on 10/06/2020

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	17,896,624	17,896,624	9.60%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Freestate Holdings Pty Ltd ATF Henry Family Trust	Holder of the shares	17,896,624 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Freestate Holdings Pty Ltd ATF Henry Family Trust	Freestate Holdings Pty Ltd ATF Henry Family Trust	Freestate Holdings Pty Ltd ATF Henry Family Trust	17,896,624 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Freestate Holdings Pty Ltd ATF Henry Family Trust	10/06/2020	N/A	Pursuant Share Sale Agreement dated 20 April 2020	17,896,624 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

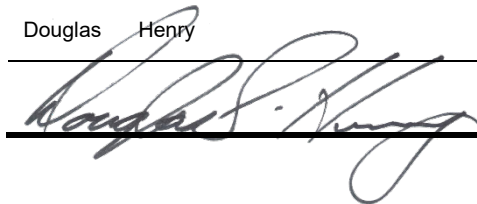
Name	Address
Freestate Holdings Pty Ltd ATF Henry Family Trust	16 Upper Avenue Road Mosman NSW 2088

Signature

print name Douglas Henry

capacity Director

sign here



date 12/06/2020

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in

relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

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Summary of the material terms of the Share Sale Agreement dated 20 April 2020

Parties to the agreement:	<p>The parties to the Share Sale Agreement are:</p> <ul style="list-style-type: none"> • PKS Holdings Limited (PKS, or the Company); and • Pavilion Health Australia Pty Limited (Pavilion).
A description of the assets of the businesses acquired:	<p>PKS acquired 100% of the of the issued share capital in Pavilion.</p> <p>Pavilion is a specialist healthcare technology solutions and services business focused on the quality and integrity of health and costing data within the healthcare industry.</p>
The consideration for the acquisition:	<p>The consideration for the acquisition of Pavilion is 64,812,564 shares issued to the sellers of Pavilion (Consideration Shares) that are subject to an escrow arrangement for the period of:</p> <ol style="list-style-type: none"> 12 months from the date of issue of 50% of the Consideration Shares; and 24 months from the date of issue for the remaining 50% of the Consideration Shares.
Any material conditions that needed to be satisfied before the contract proceeded to completion:	<p>The parties signed a legally binding share sale agreement in relation to the acquisition.</p> <p>Completion of the acquisition was subject to the following material conditions, that:</p> <ul style="list-style-type: none"> • PKS had obtained all necessary approvals for each of the transactions contemplated by the share sale agreement (including the issue of the Consideration Shares); and • Pavilion had obtained the agreement, consent, approval or waiver of certain contracts considered to be material to the Pavilion business in a form acceptable to the parties. <p>In connection with the transaction, the following arrangements were also contemplated:</p> <ul style="list-style-type: none"> • the execution of new employment agreements by certain key Pavilion employees; and • the sellers of Pavilion entering into voluntary escrow arrangements in relation to their Consideration Shares.
Any changes to be board or senior management proposed as a consequence of the transaction:	<p>As part of the proposed acquisition of Pavilion, the sellers of Pavilion have the right to nominate a director to the Board of PKS subject to completion occurring.</p> <p>Further, from completion of the transaction, key Pavilion employees Douglas Henry, Paul O'Connor and Michael Pollitt will join PKS's executive team.</p>