Supplementary Prospectus

789 Holdings Limited

ACN 628 136 658

Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) which is intended to be read with the prospectus dated 27 September 2018 (**Original Prospectus**) and issued by 789 Holdings Limited (ACN: 628 136 658) (**Company**).

This Supplementary Prospectus is dated 21 December 2018 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that day. ASIC, NSX Limited (**NSX**) and their respective officers do not take any responsibility as to the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Original Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Original Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Original Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued with the Original Prospectus as an electronic prospectus and may be accessed on the Company's website at www.HOME789.com.au. The Company will send a copy of this Supplementary Prospectus to all Applicants who have applied for Shares under the Original Prospectus as at the date of this Supplementary Prospectus.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisors without delay.

1 PURPOSE OF THIS SUPPLEMENTARY PROSPECTUS

1.1 Introduction

This Supplementary Prospectus is intended to be a "refresh document" as defined in section 724(3H) of the Corporations Act 2001 (Cth) (**Act**), as inserted by the ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70 (Instrument), and has been lodged with ASIC in accordance with section 724(3G) of the Act as inserted by the Instrument.

This Supplementary Prospectus has been issued for the purposes of:

(a) extending the Closing Date of the Offer to 22 January 2019;

(b) advising that, as at the date of this Supplementary Prospectus, the Company's Shares have not been admitted to quotation on the NSX;

(c) advising that, as at the date of this Supplementary Prospectus, the Company has not issued any Shares pursuant to the Original Prospectus;

(d) refreshing the period to raise the minimum subscription under the Offer from four (4) months from the date of the Original Prospectus to four (4) months from the date of this Supplementary Prospectus in accordance with section 724(3G)(c) of the Act;

(e) refreshing the period for admission to quotation of Shares offered under the Original Prospectus from three (3) months from the date of the Original Prospectus to three (3) months from the date of this Supplementary Prospectus in accordance with section 724(3G)(d) of the Act; and

(f) including an independent accountant's report prepared by UHY Haines Norton Corporate Finance Pty Limited (**Replacement Independent Accountant's Report**) and the Group's audited combined financial information for the financial years ended on 30 June 2016, 30 June 2017 and 30 June 2018, and pro formal combined financial information of the Group as at 30 June 2018 adjusted to include funds raised under the Offer.

1.2 Content supplemented

This Supplementary Prospectus has been prepared to extend the indicative Closing Date of the Offer to 22 January 2019. Accordingly, references to the Closing Date in the Original Prospectus are amended and the timetable to the Offer set out on page 5 of the Original Prospectus is replaced with the following table:

Lodgement of the Original Prospectus with ASIC	27 September 2018
Expiration of Exposure Period	4 October 2018
Opening Date of the Offer	5 October 2018

Lodgement of the Supplementary Prospectus with ASIC	21 December 2018
Closing Date of the Offer	22 January 2019
Issue of Shares under the Offer	25 January 2019
Quotation of Shares on the NSX	5 February 2019

This timetable is indicative only, and may change. The Company reserves the right to extend the Closing Date or close the Offer early without notice, in its absolute discretion. Quotation of shares on NSX is at the discretion of NSX and is subject to the Company satisfying the listing requirements of NSX.

2 SPECIFIC DISCLOSURES REQUIRED BY THE INSTRUMENT

ASIC has varied the Act by the issue of the Instrument to allow companies to refresh the timing of the minimum subscription and quotation conditions to commence from the date of a refresh document (i.e. this Supplementary Prospectus), such that the respective four (4) and three (3) month periods are taken to commence from the date that the refresh document is lodged with ASIC. The Instrument imposes a number of requirements as to the content of the refresh document and on the company issuing the refresh document. This Supplementary Prospectus addresses those requirements.

2.1 Withdrawal rights

Any Applicant who, prior to the date of this Supplementary Prospectus, has lodged an Application for Shares will receive a copy of this Supplementary Prospectus. All Applicants who have previously submitted an Application Form have the right to withdraw their Application and be repaid their Application Monies without interest, provided that their request to withdraw their Application is received by the Company within one (1) calendar month after the date of this Supplementary Prospectus (**Withdrawal Period**) (i.e. on or before 21 January 2019).

An Applicant who wishes to withdraw their Application and obtain a refund of the Application Monies must submit a written request to the Company at the address set out below so that it is received within one (1) month of the date of this Supplementary Prospectus.

Mailed or delivered to:

Delivery by post	Delivery by hand
Registry Direct	Registry Direct
PO Box 18366, Collins Street, East VIC 8003	Level 6, 2 Russell Street, Melbourne VIC 3000

The details for the payment of the refund cheque and address to which it should be sent as set out in the written request must correspond to the details contained in the Application Form lodged by that Applicant.

If you do not wish to withdraw your Application, you do not need to take any action. The Offer will remain open at least until the end of the Withdrawal Period.

2.2 Applications received

As at the date of this Supplementary Prospectus, the Company has received Applications for a total of 2,896,800 Shares, totalling A$724,200. The Company has also received Applications for a further 3,584,500 Shares with payments yet to be confirmed.

No Applications have been processed and no Shares have been issued.

2.3 Minimum subscription condition

As at the date of this Supplementary Prospectus, the minimum subscription amount of 10,000,000 Shares, totalling A$2,500,000, specified in the Original Prospectus has not been achieved. The minimum subscription amount specified in the Original Prospectus remains unchanged as at the date of this Supplementary Prospectus.

No Shares under the Offer will be issued unless the minimum subscription is achieved.

Upon lodgement of this Supplementary Prospectus, and subject only to the lodgement of any future refresh document, the minimum subscription condition must be satisfied by no later than 21 April 2019, being four (4) months after the date of this Supplementary Prospectus.

2.4 Quotation condition

The Company applied to the NSX within seven (7) days of the date of the Original Prospectus for NSX to grant official quotation of the Shares offered by the Original Prospectus. As at the date of this Supplementary Prospectus:

(a) the Shares have not been admitted to quotation on the NSX; and

(b) the NSX has not indicated that the Shares will not be admitted to quotation, or will be admitted to quotation subject to certain conditions being satisfied.

As at the date of this Supplementary Prospectus, quotation of the Shares of the Company remains subject to successful completion of the Offer and satisfaction of all other relevant NSX compliance matters, as specified in the Original Prospectus. This remains unchanged.

Upon lodgement of this Supplementary Prospectus, and subject only to the lodgement of any future refresh document, the quotation condition must be satisfied by no later than 21 March 2019, being three (3) months after the date of this Supplementary Prospectus.

3 ACTION REQUIRED BY INVESTORS

3.1 Investors who have not previously made any Application

All new Applications for Shares can only be accepted on the Application Form attached to or accompanying this Supplementary Prospectus. The Application Form should be completed in accordance with the instructions set out on the back of the form. Applications must not be made on the Application Form attached to or accompanying the Original Prospectus.

3.2 Investors who have lodged an Application Form and do not want to withdraw their Application

Applicants who have already applied for New Shares under the Original Prospectus are not required to re-submit an Application Form unless they wish to apply for additional new Shares.

3.3 Investors who have lodged an Application Form and want to withdraw their Application

Applicants in this category may withdraw their Application and be repaid all Application Monies upon written request to the Company, as set out in section 2.1 of this Supplementary Prospectus.

4 FINANCIAL INFORMATION AND OTHER INFORMATION

4.1 Financial Information

Sections 9 and 10 of the Original Prospectus is replaced with the new "Financial Information" section in section 6 and Replacement Independent Accountant's Report in section 7 of this Supplementary Prospectus.

4.2 Other information

The Directors are not aware of any other information which that investors and their professional advisers would reasonably require to make an informed assessment of the Company's assets and liabilities, financial position and performance, profits and losses and prospects.

5 CONSENT

Each of the persons referred to in this section:

(a) has given and has not, before the date of lodgment of this Supplementary Prospectus with ASIC withdrawn their written consent:

  (A) to be named in the Supplementary Prospectus in the form and context which it is named; and

  (B) where applicable, to the inclusion in this Supplementary Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Supplementary Prospectus;

(b) has not caused or authorised the issue of this Supplementary Prospectus;

(c) has not made any statement in this Supplementary Prospectus or any statement on which a statement in this Supplementary Prospectus is based, other than specified below; and

(d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Supplementary Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Supplementary Prospectus with the consent of that person.

Name	**Role**	**Statement/Report**
UHY Haines Norton Corporate Finance Pty Limited	Investigating Accountant	Replacement Independent Accountant's Report, section 7.
UHY Haines Norton	Auditor	Nil

6 FINANCIAL INFORMATION

6.1 Introduction

The Financial Information for the Group contained in this section includes the:

(a) Combined Historical Financial Information being:

(i) the Combined Historical Statement of Financial Position as at 30 June 2018;

(ii) the Combined Historical Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2018 (FY18), 30 June 2017 (FY17) and 30 June 2016 (FY16); and

(iii) the Combined Historical Statement of Cash Flows for the financial years ended 30 June 2018 (FY18), 30 June 2017 (FY17) and 30 June 2016 (FY16),

as if the Group had operated as a single combined entity since 1 July 2015 ("**Combined Historical Financial Information**");

(b) Pro Forma Combined Historical Financial Information being:

(i) the Pro Forma Combined Historical Statement of Financial Position as at 30 June 2018;

(ii) the Pro Forma Combined Historical Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2018 (FY18), 30 June 2017 (FY17) and 30 June 2016 (FY16); and

(iii) the Pro Forma adjustments to show the effect of events and transactions related to the IPO as if they had occurred as at 30 June 2018,

as if the Group had operated as a single combined entity since 1 July 2015 ("**Pro Forma Combined Historical Financial Information**").

The Combined Historical Financial Information and the Pro Forma Combined Historical Financial Information together form the Financial Information.

Table 1: Index to Section 6

Section	Heading
6.2	Preparation and Presentation of the Financial Information
6.3	The Combined Historical Statements of Profit or Loss and Other Comprehensive Income
6.4	The Pro Forma Combined Historical Statements of Profit or Loss and Other Comprehensive Income
6.5	The Combined Historical Statements of Cash Flows
6.6	The Combined Historical Statement of Financial Position and The Pro Forma Combined Historical Statement of Financial Position
6.7	Management's discussion and analysis of the Pro Forma Combined Historical Financial Information
6.8	Significant Accounting Policies

The information in this Section should be read in conjunction with the risk factors and other information as set out in the original Prospectus dated 27 September 2018.

All amounts disclosed in this Section are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest thousand.

6.2 Preparation and Presentation of Financial Information

The Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Financial Information set out in this Supplementary Prospectus is presented in an abbreviated form and does not contain all the disclosures and other mandatory professional reporting requirements that are applicable to a General Purpose Financial Report prepared in accordance with the Corporations Act 2001.

Significant accounting policies adopted in the preparation and presentation of the Financial Information are set out in Section 6.8. The accounting policies have been consistently applied, unless otherwise stated.

6.2.1 Preparation of Historical Financial Information for listing purposes

789 Holdings Limited (the Company) was incorporated as the holding company on 13 August 2018 and is the reporting entity under this Supplementary Prospectus. As part of the transactions in the IPO process, it will acquire all of the shares in the following companies:

- Home 789 Resources Pty Ltd (**Home789**); and
- Great Fortune Investment Pty Ltd (**GFI**).

The above entities together are referred to as the "Group". In addition, the service agreement between Home789 and Aust Sunshine is being varied with the effect that Home789 will receive the net future revenue for projects marketed by Home789 as a sub-agent of Aust Sunshine.

The Financial Information has been prepared by including certain assets, liabilities, revenues and expenses of the Group and a related entity of the Group that will be combined together in the operations of the Group on listing.

The Combined Historical Financial Information for FY18, FY17 and FY16 was audited by UHY Haines Norton Chartered Accountants, Sydney in accordance with the requirements of Australian Auditing Standards and on which unmodified audit opinions were issued.

6.2.2 Preparation of Pro-forma Historical Financial Information

The Combined Historical Financial Information and the Pro Forma Combined Historical Financial Information has been prepared solely for the purposes of inclusion in this Supplementary Prospectus. The Pro Forma Combined Historical Financial Information has been derived from the Combined Historical Financial Information after adjusting for the effects of the Pro Forma adjustments described in Sections 6.3 and 6.4.

Due to its nature, the Combined Historical Financial Information and the Pro Forma Combined Historical Financial Information do not represent the Group's actual financial performance, cash flows or financial position.

The Directors have elected to account for the Acquisition as a capital re-organisation rather than a business combination. In the Directors' judgement, the continuation of existing accounting values is consistent with the accounting that would have occurred if the assets and liabilities had already been in a structure suitable to an IPO and most appropriately reflects the substance of the internal restructure.

As such, the combined financial information of the Group will be presented as a continuation of the pre-existing accounting values of certain assets and liabilities of Home 789 and GFI with Home 789 deemed to be the acquirer for accounting purposes.

The Financial Information (excluding management's discussion and analysis in Section 6.7) has been reviewed by the Investigating Accountant, UHY Haines Norton Corporate Finance Pty Ltd in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information, whose Investigating Accountant's Report and Financial Services Guide is contained within Section 7. Prospective investors should note the scope and limitations of the Replacement Investigating Accountant's Report.

Investors should note that past results are not a guarantee of future performance.

6.2.3 Explanation of certain non-IFRS and other financial measures

The Company uses certain measures to manage and report on its business that are not recognised under IFRS. These measures are collectively referred to as 'non-IFRS financial measures'. Non-IFRS financial measures are intended to supplement the measures calculated in accordance with IFRS and not as a substitute for those measures. As non-IFRS financial measures are not defined by the recognised body of accounting standards, they do not have a prescribed meaning and the way that the Company calculates them may be different to the way that other companies calculate similarly titled measures. Readers should therefore not place undue reliance on non-IFRS financial information.

In the disclosures in this Supplementary Prospectus, the Company uses the following non-IFRS measures of performance to assist prospective investors with understanding the trends in financial performance and profitability.

- Gross profit is calculated as revenue less costs of sales;
- EBITDA is earnings before interest, tax, depreciation and amortisation expenses; and
- EBIT is earnings before interest and tax expenses.

6.3 The Combined Historical Statements of Profit or Loss and Other Comprehensive Income

$'000's	Audited Year Ended 30 June 18 (FY18) $	Audited Year Ended 30 June 17 (FY17) $	Audited Year Ended 30 June 16 (FY16) $
Revenue			
Services revenue	8,734	11,822	7,469
Other revenue	28	2	62
Interest income	2	1	2
Total Revenue	**8,764**	**11,825**	**7,533**
Expenses			
Commission expenses	3,541	4,447	2,754
Marketing expenses	36	76	110
Depreciation expense	90	36	50
Rent expense	187	202	178
Salaries and wages	587	483	727
Legal expenses	35	27	8
Other expenses	401	302	367
Finance costs	15	5	2
Total Expenses	**4,892**	**5,578**	**4,196**
Profit before income tax	3,872	6,247	3,337
Income tax expense	1,078	1,875	998
Profit after income tax	2,794	4,372	2,339
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	**2,794**	**4,372**	**2,339**

Note:

All amounts disclosed in the tables unless otherwise noted are rounded to the nearest $1,000.

Rounding in the Financial Information may result in some immaterial rounding differences between totals and sums of components and the total percentage calculations outlined within tables, figures and commentary.

6.4 The Pro Forma Combined Historical EBITDA reconciliation to the Statutory Combined Historical EBITDA

$'000's		Audited Year Ended 30 June 18 (FY18) $	Audited Year Ended 30 June 17 (FY17) $	Audited Year Ended 30 June 16 (FY16) $
Statutory EBITDA		**3,977**	**6,287**	**3,387**
Pro Forma Adjustments				
Directors fee	(a)	60	60	60
Executive salaries	(b)	500	500	500
Compliance fee	(c)	120	120	120
Other expenses	(d)	240	240	240
Rent	(e)	52	52	52
Total Pro Forma Adjustments		**972**	**972**	**972**
Pro Forma EBITDA		**3,005**	**5,315**	**2,415**

(a) Directors' fee – There will be three directors of the Company upon listing and they will be entitled to a fee of $20,000 p.a. each for their services.

(b) Executive salaries – Adjustment made to include a market salary of the Chief Executive Officer and the Chief Financial Officer of a Company upon listing.

(c) Compliance fee – Adjustment made to include fee in relation to the statutory audit, taxation, ASIC, ASX and company secretarial services upon listing.

(d) Other expenses – Adjustments made in relation to the other costs such as share registry, AGM, annual reporting and other indirect expenses such as marketing.

(e) An additional office has been contracted for in Arncliffe.

6.5 The Combined Historical Statement of Cash Flows

$'000's	Audited Year Ended 30 June 18 (FY18) $	Audited Year Ended 30 June 17 (FY17) $	Audited Year Ended 30 June 16 (FY16) $
Cash flows from operating activities			
Receipts from customers (inclusive of goods and service tax)	9,354	13,582	7,492
Payments to suppliers and employees (inclusive of goods and service tax)	(5,829)	(8,520)	(5,710)
	3,525	5,062	1,782
Interest received	2	1	2
Interest paid	(15)	-	-
Other revenue	28	2	62
Income taxes paid	(346)	(234)	(104)
Net cash from operating activities	**3,194**	**4,831**	**1,742**
Cash flows from investing activities			
Payments for property, plant and equipment	-	(1)	-
Proceeds from sale of property, plant and equipment	-	63	-
Net cash used in investing activities	**-**	**62**	**-**
Cash flows from financing activities			
Repayment of borrowings	(40)	-	-
Amounts collected/paid by Aust Sunshine Pty Ltd	(2,986)	(4,853)	(2,156)
Repayment of leases	-	-	(47)
Net cash used in financing activities	**(3,026)**	**(4,853)**	**(2,203)**
Net increase/(decrease) in cash and cash equivalents	168	40	(461)
Cash and cash equivalents at the beginning of the financial year	175	135	596
Cash and cash equivalents at the end of the financial year	**343**	**175**	**135**

Note:

All amounts disclosed in the tables unless otherwise noted are rounded to the nearest $1,000. Rounding in the Financial Information may result in some immaterial rounding differences between totals and sums of components and the total percentage calculations outlined within tables, figures and commentary.

6.6 The Combined Historical Statement of Financial Position and the Pro Forma Combined Historical Statement of Financial Position

The table below sets out the Historical Statement of Financial Position as at 30 June 2018 and Pro Forma adjustments that have been made to the Historical Statement of Financial Position as at 30 June 2018. The Pro Forma adjustments reflect the impact of the offer as if they had occurred at 30 June 2018. The Pro Forma Historical Financial Information is provided for illustrative purposes only and is not represented as being necessarily indicative of Company's view of its future financial position.

	Audited year ended 30-Jun-18 $	**Note**	**Pro Forma Offer Proceeds $2.5m $**
$'000's			
Current Assets			
Cash and cash equivalents	343	1	2,523
Trade and other receivables	1,257		1,257
Deferred Tax asset	136	2	224
Other Assets	54		54
Total Current Assets	**1,790**		**4,058**
Non-Current Assets			
Property, plant and equipment	193		193
Total Non-Current Assets	**193**		**193**
Total Assets	**1,983**		**4,251**
Current Liabilities			
Trade and other payables	666		666
Provision for income tax	41		41
Borrowings	31		31
Employee benefit provision	14		14
Total Current Liabilities	**752**		**752**
Non-Current Liabilities			
Borrowings	118		118
Employee benefit provision	1		1
Total Non-Current Liabilities	**119**		**119**
Total Liabilities	**871**		**871**
Net Assets	**1,112**		**3,380**
Shareholders' Equity			
Issued Capital	-	3	2,500

Retained Profits	1,112	4	880
Total Shareholders' Equity	**1,112**		**3,380**

Note:

All amounts disclosed in the tables unless otherwise noted are rounded to the nearest $1,000. Rounding in the Financial Information may result in some immaterial rounding differences between totals and sums of components and the total percentage calculations outlined within tables, figures and commentary.

Pro-forma adjustments to Statement of Financial Position

Note 1 – Cash and cash equivalents

CASH AND CASH EQUIVALENTS	Pro-forma after Offer
Reviewed balance of Company as at 30 June 2018	343,000
Pro-forma adjustments:	
Proceeds from shares issued under the Offer	2,500,000
Offer costs to be settled from Offer proceeds	(320,000)
Pro-forma Balance	2,523,000

The Offer is expected to raise $2,500,000 before payment of Offer costs.

Offer costs incurred are expected to be approximately $320,000 (inclusive of non-recoverable GST where applicable).

Note 2 – Deferred tax asset

DEFERRED TAX ASSET	Pro-forma after Offer
Reviewed balance of Company as at 30 June 2018	136,218
Pro-forma adjustments:	
Deferred tax asset relating to capital raising costs	88,000
Pro-forma Balance	224,218

Offer costs are expected to be approximately $320,000.

It is assumed the Offer costs are deductible to the Company for tax purposes over five years, resulting in deferred tax assets of $88,000.

Note 3 – Share Capital

SHARE CAPITAL	Pro-forma after Offer
Reviewed balance of Company as at 30 June 2018	102
Pro-forma adjustments:	
Proceeds from shares issued under the Offer	2,500,000
Offer costs in relation to new equity raised	-
Pro-forma Balance	2,500,102

Prior to the Offer, the Company had paid up share capital of $102. Under the Offer, the Company will raise $2,500,000.

Note 4 – Retained Earnings

RETAINED EARNINGS	Pro-forma after Offer
Reviewed balance of Company as at 30 June 2018	1,112,000
Pro-forma adjustments:	
Offer costs in relation to listing of existing equity	(232,000)
Pro-forma Balance	880,000

Offer costs in relation to listing of equity are booked against retained earnings of $232,000 after tax effect.

6.7 Management's discussion and analysis of Historical Financial Information

The management discussion and analysis (MD&A) below relates to the Combined Historical Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows and should be read in conjunction with the description of the basis upon which the information has been prepared.

The MD&A provides a brief discussion of the general factors which affected historical operating and financial performance between FY18 and FY17. The discussion of these general factors is intended to provide a summary only and does not detail all the factors that affected historical operating and financial performance.

The information in this Section should also be read in conjunction with the risk factors and other information as set out in the original Prospectus dated 27 September 2018.

6.7.1 Year on year management discussion and analysis

FY2018 compared to FY2017

$'000's	FY18	FY17	FY16	Change (%)
Revenue	8,734	11,822	7,469	(26.1%)
Less: Cost of sales	(3,577)	(4,523)	(2,864)	(20.9%)
Gross Profit	**5,157**	**7,299**	**4,605**	**(29.3%)**
Gross Profit %	59.0%	61.7%	60.2%	
Other income	30	3	64	900.0%
Operating expenses	(1,315)	(1,053)	(1,332)	24.8%
EBITDA	**3,977**	**6,287**	**3,387**	**(36.7%)**
EBITDA%	45.5%	53.2%	45.4%	
EBIT	**3,887**	**6,251**	**3,337**	**(37.8%)**
EBIT%	44.5%	52.9%	44.7%	

Note:

All amounts disclosed in the tables unless otherwise noted are rounded to the nearest $1,000. Rounding in the Financial Information may result in some immaterial rounding differences between totals and sums of components and the total percentage calculations outlined within tables, figures and commentary.

<u>Revenue</u>

The revenue of HOME789 in 2018 fell by over 26% comparing to the same period in 2017. The fall was as a result of less settlements in the 2018 period, political uncertainty in Australia, as well as the decrease in the number of sales achieved due to legislative changes which discouraged foreign investors and in addition banks' tightened their lending policies.

In a typical real estate project marketing company, commission revenue is normally divided into two stages. The first stage of up to approx. 50% of the commission revenue is earned at the time of the exchange of the contract for the sale of the property. The remaining commission revenue is earned at the time of settlement of the property. Whilst the exchange may occur in different financial years, settlement of the units for a specific project usually occurs in the same financial year.

Gross Profit

Gross profit margins were consistent with the revenue reduction as the commission expenses are always in proportion to revenue.

Operating Expenses

Operating expenses increased by 25% mainly attributable to the increase in number of full time staff in marketing, branding and IT development, an increase in depreciation and general office expenses spent on the developing new real estate related technologies such as a more robust client management system which will improve efficiency.

EBITDA

The EBITDA margin dropped by 7.7% from 53.2% to 45.5%, which was as a result of the reduction in sales and gross profit and the increase in operating expenses spent on the development of new real estate related technologies such as a more robust client management system which will improve efficiency.

6.7.2 Debt facilities

Immediately following completion of the Offer, the Group will have no bank debt or borrowings.

6.7.3 Liquidity and Capital Resources

Following Completion of the Offer, the Group's principal sources of funds will be cash flow from operations and proceeds from the Offer.

6.7.4 Dividend Policy

The payment of a dividend by the Group is at the discretion of the Board and will be a function of a number of factors, including the general business environment, operating results and the financial condition of the Group.

While it is the aim of the Group that, in the longer term, its financial performance and position will enable the payment of dividends. However, at this Supplementary Prospectus Date, the Directors do not provide any assurance of the future level of dividends or the extent to which they are franked, and there may be periods in respect of which dividends are not paid.

6.7.5 Capital Expenditure

No significant capital expenditures.

6.7.6 Commitments

As at 30 November 2018, the Group had an operating lease commitment of $247,000.

6.7.7 Contingent Liabilities

The Group is currently the subject of an investigation by Revenue NSW (Department) regarding its payroll liability. The Group believes that is has complied with its payroll duty obligations, and that it has no liability to the Department. However, there is a risk that the Department may find that the Group's commission payments ought to have been included in determining payroll liability, and that the Group did not pay the correct amount of payroll tax.

6.8 Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

In the directors' opinion, the Group is not a reporting entity because there are no users dependent on general purpose financial statements. These are special purpose financial statements. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the intended users of these special purpose financial statements.

Preparation of Historical Financial Information for listing purposes

789 Holdings Limited (the Company) was incorporated as the holding company on 13 August 2018. On listing, it will acquire all of the shares in the following companies:

- Home 789 Resources Pty Ltd (Home789); and
- Great Fortune Investment Pty Ltd (GFI)

The above entities together are referred to as the "Group".

These Financial Statements have been prepared for listing purposes only and include certain assets, liabilities, revenues and expenses of the Group and a related entity of the Group that will be combined together in the operations of the Group on listing.

Due to its nature, these Financial Statements do not represent the Group's actual performance, cash flows or financial position as the financial statements have been prepared as if the Group had operated as a single combined entity since 1 July 2015.

The net contribution after the elimination of the intercompany transactions with the related entity of the Group to the Comprehensive Income of the Combined Entity for the financial year ended 30 June 2018 is recorded as transfers out to the owners of the Combined Entity in the Statements of Cash Flows and Changes in Equity.

Historical cost convention

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the significant accounting policies below.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Foreign currency translation

The financial statements are presented in AUD which is the Combined Entity's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into AUD using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Rendering of Services - real estate sales commissions

Revenue from a contract to provide services (i.e. arranging the sales of the units in the development properties) is recognised by reference to the sale of an individual unit that forms part of the development property. 50% of the total commission earned for the sale of an individual unit is recognised at the exchange of the contract between the vendor and the buyer and the remaining 50% of the total commission earned is recognised at settlement.

Rendering of Services - letting and property management

Letting fees are earned (normally one weeks rent) from the letting of properties and management fees are earned for the usual property management and charged as a percentage of the rent (approximately 5%).

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Combined Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30-60 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Combined Entity has transferred substantially all the risks and rewards of ownership.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those maturing later than 12 months after the end of the reporting period which are classified as non-current assets. After initial recognition, financial assets categorised as loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and bringing the asset to working condition for its intended use.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on straight line basis to write off the cost or valuation of each asset to its residual value over its estimated useful lives. Property, plant and equipment under work-in-progress are not depreciated until the assets are ready for its intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Office equipment	5-7 years
Furniture and fittings	5-10 years
Motor vehicles	5 years

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in other property, plant and equipment. Upon, reviewed, adjustment or impairment shall be made, if required.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Combined Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the entities of the Combined Entity.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2018, and have not been applied in preparing these financial statements. Those which may be relevant to the Combined Entity are set out below.

AASB 9 Financial Instruments

AASB 9 replaces earlier versions of AASB 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking ‘expected loss’ impairment model and a substantially reformed approach to hedge accounting. AASB 9 when effective will replace AASB 139 Financial Instruments: Recognition and Measurement.

AASB 9 retains but simplifies the mix measurement model and establishes three primary measurement categories for financial assets: amortised costs, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in AASB 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. AASB 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and the hedging instrument for the 'hedged ratio' to be the same as the one management actually use for risk management purpose. Contemporaneous documentation is still required but is different to that currently prepared under AASB 139.

The adoption of AASB 9 will result in a change in accounting policy. The Combined Entity is currently examining the financial impact of adopting AASB 9.

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and related UIG Interpretations. The Combined Entity is in the process of assessing the impact of this Standard. The Standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Adoption of above Australian Accounting Standards is not expected to have any significant impact on the financial statements of the Combined Entity.

Payroll Liability

As noted in section 11.1 of the original Prospectus dated 27 September 2018, the Group contracts with Agents as independent contractors. As such the company does not believe that Agents' commissions are to be included in assessing the Group's liability for payroll tax.

The Group is currently the subject of an investigation by Revenue NSW regarding its payroll liability. The Group believes that it has complied with its payroll duty obligations, and that it has no liability to Revenue NSW. However, there is a risk that Revenue NSW may find that the Group's commission payments ought to have been included in determining payroll liability, and that the Group did not pay the correct amount of payroll tax.

6.9. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Estimation of the percentage of completion of the real estate sales contracts

The Directors of the Group have determined that the percentage of completion method best reflects the efforts that the Group contributed into arranging the sales of the individual units that form part of the contract with the property developers. The Directors of the Group estimate that on average 50% of these efforts on an individual unit are expended before the exchange of the contract between the vendor and the buyer and the remaining 50% is expended before and at the time of settlement (i.e. in line with the contractual entitlements for the sales commissions).

7 REPLACEMENT INDEPENDENT ACCOUNTANT'S REPORT

UHY Haines Norton Corporate Finance Pty Limited

Level 11 | 1 York Street | Sydney | NSW 2000
GPO Box 4137 | Sydney | NSW 2001
t: +61 2 9256 6600 | f: +61 2 9256 6611
sydney@uhyhn.com.au
www.uhyhnsydney.com.au

19th December, 2018

The Board of Directors
789 Holdings Limited
Suite 405, Level 4, 161 Redfern Street
Redfern, NSW 2016

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT ON THE FINANCIAL INFORMATION

Introduction

This report has been prepared at the request of the Directors of 789 Holdings Limited ("789 HL" or "Company") for inclusion in a Supplementary Prospectus to be issued by the Company in respect of the initial public offering of fully paid ordinary shares in the Company ("the Offer") and the listing of the Company on the National Stock Exchange of Australia ("NSX").

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services License under the Corporations Act 2001. UHY Haines Norton Corporate Finance Pty Limited ("UHYHNCF") holds the appropriate Australian Financial Services licence (number 269158) under the Corporations Act 2001 for the issue of this report.

Expressions and terms used in this report have the same meaning as defined in the Glossary of the Supplementary Prospectus.

The Investigating Accountant's Report is prepared based on our understanding that for the purpose of the listing, 789 HL proposes to acquire the shares in the following entities:

- Home 789 Resources Pty Ltd (Home789); and
- Great Fortune Investment Pty Ltd (GFI);

The above entities together are referred to as the "Group" or "Combined Entity".

Scope

Combined Historical Financial Information

UHYHNCF has been engaged by the Directors of the Company to review the Combined Historical Financial Information.

For the purpose of this report, the Combined Historical Financial Information includes:

- the Combined Historical Statement of Financial Position as at 30 June 2018;

- the Combined Historical Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2018, 30 June 2017 and 30 June 2016; and
- the Combined Historical Statements of Cash Flows for the financial years ended 30 June 2018 and 30 June 2017.

as if the Group had operated as a single Combined Entity since 1 July 2015.

The Combined Historical Financial Information has been prepared by combining certain assets, liabilities, revenue and expenses of 789 Holdings Limited, Home 789 Resources Pty Ltd and Great Fortune Investments Pty Ltd, and certain revenue and expenses of a related entity that will be included in the operations of the Group on listing.

The Combined Historical Financial Information for FY18, FY17 and FY16 were audited by UHY Haines Norton Chartered Accountants, Sydney, in accordance with the requirements of Australian Auditing Standards and on which unmodified audit opinions were issued.

The Combined Historical Financial Information have been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in the International Financial Reporting Standards ("IFRS"), Australian Accounting Standards ("AAS") and the Company's adopted accounting policies.

The Combined Historical Financial Information is presented in the Supplementary Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by the International Financial Reporting Standards ("IFRS"), Australian Accounting Standards ("AAS") and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Pro Forma Combined Historical Financial Information

UHYHNCF has been engaged by the Directors of the Company to review the Pro Forma Combined Historical Financial Information.

For the purpose of this report the Pro Forma Combined Historical Financial Information includes:

- the Pro Forma Combined Historical Statement of Financial Position as at 30 June 2018;
- the Pro Forma Combined Historical Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2018, 30 June 2017 and 30 June 2016;
- the Pro Forma adjustments as explained in section 6 of the Supplementary Prospectus.

as if the Group had operated as a single Combined Entity since 1 July 2015 and the Group is listed as at 30 June 2018.

The stated basis of preparation is the recognition and measurement principles contained in the International Financial Reporting Standards ("IFRS") and Australian Accounting Standards ("AAS") applied to the Combined Historical Financial Information and the events or transactions to which the Pro forma Adjustments relate, as if those events or transactions had occurred as at 30 June 2018. Due to its nature, the Pro forma Combined Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance, or cash flows.

The Combined Historical Financial Information and the Pro Forma Combined Historical Financial Information are collectively referred to as the "Financial Information".

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Combined Historical Financial Information and the Pro Forma Combined Historical Financial Information including the selection and determination of the Pro Forma adjustments made to the Combined Historical Financial Information; and
- the information contained within the Supplementary Prospectus.

This responsibility includes the operation of such internal controls as the Directors determine are necessary to enable the preparation of Financial Information that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Australian Standard on Assurance Engagements (ASAE) 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any Financial Information used as a source of the Historical Financial Information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

Combined Historical Financial Information

- reviewed the work papers, accounting records and other documents of the Group and its auditors; and
- made enquiries of the Directors, management and others in relation to the Combined Historical Financial Information;
- performed analytical procedures on the Combined Historical Financial Information;
- reviewed the extraction of the Combined Historical Financial Information from the audited Financial Reports for the financial years ended 30 June 2018, 30 June 2017 and 30 June 2016;
- performed consistency checks of the application of the stated basis of preparation, as described in the Supplementary Prospectus, to the Combined Historical Financial Information;

Pro Forma Combined Historical Financial Information

- reviewed the work papers, accounting records and other documents of the Group, including those dealing with the extraction of the Combined Historical Financial Information from the audited Financial Reports for the financial years ended 30 June 2018, 30 June 2017 and 30 June 2016;
- made enquiries of the Directors, management, personnel and advisors of the Group;
- considered the appropriateness of the Pro Forma Adjustments described in Section 6 of the Supplementary Prospectus;
- performed analytical procedures applied to the Pro Forma Combined Historical Financial Information; and
- reviewed the stated basis of preparation adopted and used by the Group over the period for consistency of application.

Conclusions

Combined Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Combined Historical Financial Information, as described in section 6 of the Supplementary Prospectus is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 6 of the Supplementary Prospectus.

Pro Forma Combined Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Combined Historical Financial Information, as described in section 6 of the Supplementary Prospectus is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in Section 6 of the Supplementary Prospectus.

Restrictions on Use

Without modifying our conclusions, we draw attention to Section 6 of the Supplementary Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Supplementary Prospectus. As a result, the Investigating Accountant's Report on Financial Information may not be suitable for use for another purpose.

Consent

UHY Haines Norton Corporate Finance Pty Limited has consented to the inclusion of this limited assurance report in the Supplementary Prospectus in the form and context in which it is included.

Disclosure of Interest

UHY Haines Norton Corporate Finance Pty Limited does not have any interest in the outcome of this Offer other than the preparation of this report and participation in the due diligence procedures for which normal professional fees will be received.

Financial Services Guide

The Financial service guide is attached to this report.

Yours sincerely,

Vikas Gupta
Director
UHY HAINES NORTON CORPORATE FINANCE PTY LIMITED
(AFSL Number 269158)

THIS FINANCIAL SERVICES GUIDE FORMS PART OF THE INVESTIGATING ACCOUNTANT'S REPORT

PART 2 – FINANCIAL SERVICES GUIDE

1. UHY Haines Norton Transaction Advisory Services

UHY Haines Norton Corporate Finance Pty Ltd ("UHYHNCF" or "we" or "us" or "our") has been engaged to provide general financial product advice in the form of an Independent Accountant's Report ("Report") in connection with a financial product of another person. The Report is to be included in documentation being sent to you by that person.

2. Financial Services Guide

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

3. Financial services we offer

We hold an Australian Financial Services Licence which authorises us to provide the following services:

- financial product advice for the following classes of financial products:
  (i) securities to retail and wholesale clients

4. 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.

You should consider the appropriateness of a Report having regard to your own objectives, financial situation and needs before you act on the advice in a Report. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain an offer document relating to the financial product and consider that document before making any decision about whether to acquire the financial product.

We have been engaged to issue a Report in connection with a financial product of another person. Our Report will include a description of the circumstances of our engagement and identify the person who has engaged us. Although you have not engaged us directly, a copy of the Report will be provided to you as a retail client because of your connection to the matters on which we have been engaged to report.

5. Remuneration for our services

We charge fees for providing Reports. These fees have been agreed with, and will be paid by, the person who engaged us to provide a Report. Our fees for Reports are based on a time cost or fixed fee basis. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority. The estimated fee for this Report is $9,000 (exclusive of GST).

Except for the fees and benefits referred to above, UHYHNCF, including any of its directors, employees or associated entities should not receive any fees or other benefits, directly or indirectly, for or in connection with the provision of our Report.

6. Associations with product issuers

UHYHNCF and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

7. Responsibility

The liability of UHYHNCF is limited to the contents of this Financial Services Guide and the Report.

8. Complaints process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. All complaints must be in writing and addressed to the below details. We will make every effort to resolve a complaint 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 Limited.

9. Compensation Arrangements

The Company and its related entities hold Professional Indemnity insurance for the purpose of compensation should this become relevant. Representatives who have left the Company's employment are covered by our insurances in respect of events occurring during their employment. These arrangements and the level of cover held by the Company satisfy the requirements of the Corporations Act 2001.

Contacting UHYHNCF The Director UHY Haines Norton Corporate Finance Pty Ltd Level 11, 1 York Street Sydney NSW 2001 Telephone: (02) 9256 6600	Contacting the Independent Dispute Resolution Scheme: Financial Ombudsman Service Limited PO Box 3 Melbourne VIC 3001 Telephone: 1300 367 287

This Financial Services Guide has been issued in accordance with ASIC Class Order CO 04/1572.

8 DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Dated: 21 December 2018

Weifan (Faye) Rao
for and on behalf of
789 Holdings Limited

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUSES CAREFULLY BEFORE COMPLETING THE APPLICATION FORM. Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

1. If applying for Securities insert the number of Shares for which you wish to subscribe at Item A (not less than 8,000 shares and then in multiples of 2,000 shares).
2. Multiply by $0.25 AUD to calculate the total for Shares and enter the $ amount.
3. Write your full name. Initials are not acceptable for first names.
4. Enter your postal address for postal correspondence. All postal correspondence to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
5. If you are sponsored in CHESS by a stockbroker or other CHESS participant, you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. NB: your registration details provided must match your CHESS account exactly.
6. Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
7. Complete payment details as requested. Applicants may lodge their Application Form and pay their Application Monies to their broker in accordance with the relevant broker's directions. Please contact your broker for further instructions.
8. Enter your telephone number so we may contact you regarding your Application Form or Application Monies.
9. Enter your email address here. This field is not compulsory. If you provide an email address, you declare that you wish to have corporate communications emailed rather than posted.

Correct Forms of Registrable Title

Note that ONLY legal entities can hold the Securities. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABR P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgement

Mail your completed Application Form to the following address **by no later than 5:00pm AEDT on 22 January 2019** (date subject to change):

Mailing address:
Registry Direct Limited
PO Box 18366
Collins Street East VIC 8003

Delivery address:
Registry Direct
Level 6, 2 Russell Street
Melbourne VIC 3000

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions regarding the Application Form, please contact Registry Direct on 1300 55 66 35.

Application Form

Fill out this Application Form if you wish to apply for Securities on the terms set out in the prospectus dated 27 September 2018 (**Prospectus**) and the supplementary prospectus **(together the Prospectuses)** dated 21 December 2018 issued by 789 Holdings Limited ABN 50 154 329 727 (**Company**). This Application Form and your Application Amount must be received by **5.00pm (AEDT Time) on 22 January 2019** (unless the Offer is closed earlier at the Company's discretion). This Application Form must not be distributed to another person unless accompanied by the Prospectuses. The Prospectuses will expire 13 months after the date of the Original Prospectus. Upon request, the Share Registry will send you a free paper copy of the Prospectuses before the Prospectuses expires. By submitting this Application Form, you declare that this Application is completed and lodged according to the Prospectuses, you were given access to the Prospectuses together with the Application Form and that all details and statements made by you are complete and accurate. You also agree to be bound by the constitution of 789 Holdings Limited and you represent and warrant to the Company that your application for Securities will not cause the Company to violate the laws of Australia or any other jurisdiction.

To apply online with BPAY go to:

www.registrydirect.com.au/offering/789HoldingsLimitedIPO/

Broker Reference - Stamp Only

Broker Code

Adviser Code

1 Number of Shares you are applying for:

x $0.25 per share =

2 Total amount payable

3 Write the name(s) you wish to register the Securities in (see reverse for instructions)

Applicant 1

Name of Applicant 2 or <Account Designation>

Name of Applicant 3 or <Account Designation>

4 Write your postal address here

Number/Street

Suburb/Town

State

Postcode

Please complete information on the next page →

5 CHESS participant - Holder Identification Number (HIN)

X										

Important please note: *if the name & address details above in sections 3 & 4 do not match exactly with your registration details held at CHESS, any Shares issued as a result of your application will be held on the Issuer Sponsored subregister.*

6 Enter your tax file number(s), ABN, or exemption category

Applicant 1

Applicant 2

Applicant 3

7 Payment details:

BY CHEQUE: Please make your cheque payable to Registry Direct Pty Limited – Home 789 Resources.

Drawer	Cheque No.	BSB No.	Account Number	Amount of Payment

8 Contact telephone number (mobile)

9 Email address (not compulsory)

By providing your email address, you declare you wish to receive corporate communications via email.

Privacy Statement:

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Share Registry. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting the Application Form. The Privacy Policy can be found on the website https://www.registrydirect.com.au/privacy-policy/.

Registry Direct 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. You can obtain access to your personal information by contacting Registry Direct at the address or telephone number shown on the Application Form.