

EDU Holdings Limited

Level 1, 65 York Street,

Sydney, NSW 2000

ACN: 108 962 152

<https://www.eduholdings.com.au/>



EDU Holdings Limited

Notice of 2024 Annual General Meeting

Explanatory Statement | Proxy Form

Thursday, 16 May 2024

10.00AM (AEST)

Address

Level 5, 126 Phillip Street, Sydney, NSW 2000

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

Contents

Venue and Voting Information	2
Notice of Annual General Meeting – Agenda and Resolutions	3
Notice of Annual General Meeting – Explanatory Statement	9
Glossary	22
Annexure A – Employee Incentive Plan Rules	24
Proxy Form	Attached

Important Information for Shareholders about the Company's 2024 AGM

This Notice is given based on circumstances as at 12 April 2024. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://www.eduholdings.com.au/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00AM AEST on Thursday, 16 May 2024 at Level 5, 126 Phillip Street, Sydney, NSW 2000.

Your vote is important

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

Voting in person

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

Voting by proxy

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

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

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

Power of Attorney

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

Corporate Representatives

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

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of EDU Holdings Limited ACN 108 962 152 will be held on Thursday, 16 May 2024 at 10.00AM AEST at Level 5, 126 Phillip Street, Sydney, NSW 2000 (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00PM AEST on Tuesday, 14 May 2024.

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

Agenda

Ordinary business

Financial statements and reports

“To receive and to consider the Annual Financial Report of the Company for the financial year ended 31 December 2023 together with the declaration of the Directors, the Directors’ Report, the Remuneration Report and the Auditor’s Report for that financial year.”

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. **Resolution 1 – Adoption of Remuneration Report**

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 31 December 2023.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

Re-election of Directors

2. **Resolution 2 – Re-election of Jonathan Pager as Director**

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

“That Jonathan Pager, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

ASX Listing Rule 7.1A (Additional 10% Capacity)

3. Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

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

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Adoption of Employee Incentive Plan

4. Resolution 4 – Adoption of Employee Incentive Plan

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

“That, for the purposes of ASX Listing Rule 7.2 (exception 13(b), section 260C(4) of the Corporations Act) and for all other purposes, the Shareholders of the Company approve the adoption of an amended Employee Incentive Plan (Incentive Plan) (formerly known as the Employee Option Plan), on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is eligible to participate in the Employee Incentive Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

Issue of Performance Rights under the Employee Incentive Plan

5. Resolution 5 – Approval of Performance Rights to Adam Davis, Director of the Company

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

“That, subject to Resolution 4 being passed, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 1,573,669 Performance Rights under the Employee Incentive Plan to Adam Davis (or his nominee), Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'L. Catzel', written in a cursive style.

Lyndon Catzel
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.00AM AEST on Thursday, 16 May 2024 at Level 5, 126 Phillip Street, Sydney, NSW 2000.

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

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

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2023, together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://www.eduholdings.com.au/>.

No resolution is required for this item, however Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor must be received at least five business days before the Meeting, which is by Thursday, 9 May 2024.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://www.eduholdings.com.au/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2025 Annual General Meeting (**2025 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2025 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2025 AGM. All of the Directors who were in office when the 2025 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 on the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to carefully read the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Re-election of Director

Resolution 2 – Re-election of Jonathan Pager as Director

The Company's Constitution requires that at the Company's annual general meeting, one third of Directors (or if their number is not a multiple of 3, the number of Directors nearest to one third and rounded upwards in case of doubt) shall retire from office. A Director shall not hold office for a period in excess of three years or past the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. The retiring Directors must not be a Managing Director. The Directors to retire at the annual general meeting are those who have been in office the longest since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election. An election of Directors shall take place each year.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Jonathan Pager was appointed a Director of the Company on 16 February 2015 and was last re-elected as a Director at the Company's AGM held on 5 November 2021.

Under this Resolution, Mr Pager has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Jonathan has over 25 years' experience as a management consultant and corporate adviser across a wide range of industries in Australia and overseas and is currently Managing Director of Pager Partners Corporate Advisory. He has a Master of Economics and qualified as a Chartered Accountant with Deloitte, where he commenced his career. He has restructured and listed a range of public companies and been a director of publicly listed companies in the resources and industrial sectors.

Mr Pager's special responsibilities include Chair of the Audit and Finance Committee, in addition to Member of the Risk and Compliance Committee.

Directors' Recommendation

The Directors (excluding Mr Pager) recommend that Shareholders vote for this Resolution.

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

ASX Listing Rule 7.1A

Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$16.4 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) to further develop the Company's business;
- (b) to be applied to the Company's working capital requirements;
- (c) to acquire assets, in which circumstances the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets; and
- (d) to pay service providers or consultants of the Company.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.05 50% decrease in issue price	\$0.10 issue price ^(b)	\$0.20 100% increase in issue price
"A" is the number of shares on issue, being 165,214,443 Shares^(a)	10% voting dilution^(c)	16,521,444	16,521,444	16,521,444
	Funds raised	\$826,072	\$1,652,214	\$3,304,289
"A" is a 50% increase in shares on issue, being 247,821,664 Shares	10% voting dilution^(c)	24,782,166	24,782,166	24,782,166
	Funds raised	\$1,239,108	\$2,478,217	\$4,956,433
"A" is a 100% increase in shares on issue, being 330,428,886 Shares	10% voting dilution^(c)	33,042,888	33,042,888	33,042,888
	Funds raised	\$1,652,214	\$3,304,289	\$6,608,578

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 2 April 2024.
- (b) Based on the closing price of the Company's Shares on ASX as at 2 April 2024.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued

under Listing Rule 7.1A.

- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to the AGM

The Company has not issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' Recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

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

Adoption of Employee Incentive Plan

Resolution 4 – Adoption of Employee Incentive Plan

Background

The Company's Employee Incentive Plan (**Incentive Plan**) (formerly known as the Employee Option Plan) was last approved by Shareholders of the Company on 23 May 2023.

The objective of the Incentive Plan is to attract and retain key members of the Company's management team and it is considered by the Company that the adoption of the Incentive Plan and the potential future issue of Shares under the Incentive Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

The Company is seeking Shareholder approval to re-adopt the Incentive Plan, the terms of which are materially the same as the existing Incentive Plan and amongst other provisions, includes the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme). The Incentive Plan provides the ability to issue Performance Rights or Options (**Incentive Securities**).

The terms of the Incentive Plan are set out in Annexure A, and a copy of the rules of the Incentive Plan is available upon request from the Company.

ASX Listing Rules

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Incentive Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

Since the Incentive Plan was last approved by Shareholders on 23 May 2023, the Company advises that it has issued 1,866,197 securities under the Incentive Plan.

If this Resolution is approved by Shareholders, the Company will be able to issue up to a maximum of 16,521,444 Incentive Securities under the Incentive Plan in reliance on Listing Rule 7.2 (exception 13(b)), which represents 10% of the issued capital at the time of this Notice. This maximum number of securities identified above is not intended to be a prediction of the actual number of securities to be issued under the Incentive Plan but is specified for the purposes of setting a ceiling on the number of securities approved to be issued under and for the purposes of Listing Rule 7.2 (exception 13(b)). Once that number is reached, any additional issues of securities under the Incentive Plan would not have the benefit of Listing Rule 7.2 (exception 13(b)) without a fresh shareholder approval. For the avoidance of doubt and unless the contrary intention appears, if the Company seeks Shareholder approval to issue securities to Directors (or their nominees), the issuance will not form part of the maximum number of securities identified above for the purposes of Listing Rule 7.2 (exception 13(b)).

Approval of the Incentive Plan for the purposes of the Corporations Act – Financial Assistance - section 260C(4)

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- a. giving of the assistance does not materially prejudice the interests of the company or its shareholders, or the company's ability to pay its creditors; or

- b. the assistance is approved by shareholders under section 260B of the Corporations Act; or
- c. the assistance is exempted under section 260C of the Corporations Act.

Section 260C(4) of the Corporations Act provides an exemption to the financial assistance prohibition, if the financial assistance is given under an employee share scheme approved at a meeting of shareholders via an ordinary resolution.

It is possible that administration of the Incentive Plan on behalf of Participants, the issue or transfer of Shares to a Participant under the Incentive Plan or the grant of Options or Performance Rights to Participants could be determined to be the provision of financial assistance by the Company for the purposes of section 260A. The Directors do not believe that the provision of this financial assistance will materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors.

Shareholder approval is being sought under this Resolution to enable the Company to qualify for the exemption offered by section 260C(4) of the Corporations Act.

Directors' Recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

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

Issue of Performance Rights under Employee Incentive Plan

Resolution 5 – Approval of Issue of Performance Rights to Adam Davis, Director of the Company

Background

Shareholder approval is being sought to adopt an employee incentive scheme entitled “Employee Incentive Plan” (**Incentive Plan**) (formerly known as the Employee Option Plan) under Resolution 4 of this Notice of Meeting.

The Company seeks to invite Adam Davis, Managing Director and Chief Executive Officer of the Company. Subject to Shareholder approval that is sought under this Resolution, to participate in the Incentive Plan by subscribing for 1,573,669 Performance Rights under the Incentive Plan (**Performance Rights**):

A summary of the material terms of the Performance Rights are as follows:

Material terms	Description	
Number of Performance Rights	1,573,669, in 3 tranches: <ul style="list-style-type: none">• Tranche 1: 524,556 Performance Rights• Tranche 2: 524,556 Performance Rights• Tranche 3: 524,557 Performance Rights	
Exercise price	Nil exercise price	
Vesting date	Three (3) years from the issue date	
Expiry date	One month after the vesting date	
Vesting conditions	Condition 1:	Three (3) years of continuous employment or office with a Group Company from the issue date;
	Condition 2:	Satisfaction of the following share price hurdles as at the Vesting Date: Tranche 1: \$0.152 (being 12.5% compound annual growth rate in the 20-day VWAP share price from the date of release of the 2023 Annual Report to the ASX) Tranche 2: \$0.163 (being 15.0% compound annual growth rate in the 20-day VWAP share price from the date of release of the 2023 Annual Report to the ASX) Tranche 3: \$0.174 (being 17.5% compound annual growth rate in the 20-day VWAP share price from the date of release of the 2023 Annual Report to the ASX) For the purposes of testing satisfaction of the share price hurdle vesting conditions, a 20-day VWAP as at the vesting date will be utilised.

Director and Related Party Approvals

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

- (a) a director of the Company;

- (b) an associate of a director of the Company; or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

As Mr Davis is a Director of the Company, the proposed issue of Performance Rights constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

To this end, this Resolution seeks the required Shareholder approval to issue the Performance Rights to Mr Davis under and for the purposes of Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 10.12 (exception 8), separate approval is not required under Listing Rule 10.11.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights as outlined above.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue and may need to explore alternative means of remunerating and incentivising Mr Davis, including less cash-effective incentives.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Performance Rights constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

As Mr Davis is a Director of the Company, Adam Davis is a "related party" of the Company. Therefore, the proposed issue of Performance Rights to Adam Davis requires Shareholder approval under both Chapter 2E of the Corporations Act and Listing Rule 10.14.

The non-conflicted Directors of the Company (being Gary Burg, Peter Mobbs, Jonathan Pager and Greg Shaw) carefully considered the issue of these Performance Rights to Mr Davis, and formed the view that the giving of this financial benefit as part of their remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Performance Rights, and the responsibilities held by Mr Davis in the Company.

In addition the non-conflicted Directors of the Company:

- (a) believe that part of Mr Davis' remuneration should be performance-based and at risk, as this assists in aligning his interests with those of shareholders of the Company. This approach reflects accepted practice in executive remuneration and corporate governance in Australia and abroad. In structuring the terms of the Performance Rights, the Board has carefully considered market practice among comparable companies listed on the ASX and sought independent advice from a remuneration consultant; and
- (b) have resolved that the giving of this financial benefit to Mr Davis as part of his remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Performance Rights (in particular, the vesting condition requires the Company's share

price to appreciate between 42-62%) and the responsibilities that would be held and carried out by Mr Davis in his role as Managing Director and Chief Executive Officer of the Company. In addition, the Board considered that the issue of these Performance Rights is a more cost-effective way to remunerate and incentivise Mr Davis, as opposed to other forms of remuneration, such as further cash payments.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Performance Rights to Mr Davis fall within the “reasonable remuneration” exception as set out in section 211 of the Corporations Act, and rely on this exception for the purposes of this Resolution. Therefore, the proposed issue of Performance Rights to Mr Davis requires Shareholder approval under and for the purposes of Listing Rule 10.14 only.

Information Required by ASX Listing Rule 10.15

The following information in relation to the issue of Performance Rights to Adam Davis is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (c) The allottee is Adam Davis.
- (d) Adam Davis is the Managing Director and Chief Executive Officer of the Company and falls within the category referred to him in Listing Rule 10.14.1.
- (e) The maximum number of Performance Rights that may be acquired by Mr Davis is 1,573,669.
- (f) The total remuneration package received by Mr Davis for the financial year ended 31 December 2023 was \$503,751 as disclosed in the Remuneration Report and set out as follows:
 - (i) \$318,000 fixed remuneration;
 - (ii) \$63,600 cash-based bonus; and
 - (iii) \$122,151 in share-based payments, noting this is a non-cash amount that represents the calculated value of performance rights issued in prior periods for the period 1 January 2023 to 31 December 2023.
- (g) The Performance Rights will be issued for \$nil cash consideration as part of Mr Davis’ remuneration. The estimated ‘gross contract value’ of the Performance Rights is \$168,540 or \$56,180 per annum over the three-year vesting period.
- (h) The number of securities that have previously been issued under the Incentive Plan (and the Employee Option Plan, as it was previously known) to Mr Davis by the Company, and the average acquisition price (if any) paid for the securities is as follows:

Date	Number of Performance Rights received	Acquisition price for each Performance Right
5 December 2019	750,000 (unvested and expired)	\$nil
25 November 2020	1,350,000 (unvested and expired)	\$nil
12 November 2021	1,200,000 (unvested)	\$nil
31 May 2023	1,017,926 (unvested)	\$nil

- (i) The material terms of the Performance Rights are outlined on page 17.

The Company has chosen this type of security because it is unlisted (therefore has no immediate dilutionary impact on Shareholders) and the terms can be structured to assist in aligning the interests of the holders with Shareholders of the Company. The Performance

Rights will be valued independently once issued using a Barrier Pricing valuation methodology (in accordance with previous issues). The total indicative value of the Performance Rights is \$168,540.

- (j) The Performance Rights are expected to be issued within a month of the meeting, but in any case, no later than three months from the date of this Meeting, if approved by Shareholders of the Company.
- (k) There is no loan scheme in relation to the Performance Rights
- (l) The material terms of the Incentive Plan are set out in Annexure A of this Notice of Meeting.
- (m) Details of any securities issued under the Incentive Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Incentive Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Other information

- (a) The Company will not apply to the ASX for official quotation of the Performance Rights granted.
- (b) Shares issued pursuant to the exercise of the Performance Rights will rank equally with Shares then on issue.
- (c) The Performance Rights are not transferable.
- (d) The holders of Performance Rights are prohibited from mortgaging or securing their interests or hedging the security interest of any unvested Performance Rights;
- (e) Any dealing in Shares is subject to the constraints of Australian insider trading laws and the Company's securities trading policy. Participants are specifically prohibited from hedging their Company share price exposure in respect of their Performance Rights during the vesting period.
- (f) If, in the Board's opinion, Mr Davis has acted fraudulently or dishonestly or is in breach of his material obligations to the Company, the Board may determine that any or all of these Performance Rights which have not yet vested, lapse.
- (g) In addition to Mr Davis, it is currently intended that Mr Lyndon Catzel (Chief Financial Officer and Company Secretary of the Company) will also be issued with 1,311,391 Performance Rights under the Incentive Plan on the same terms as the proposed grant to Mr Davis). The proposed grant of Performance Rights under the Incentive Plan to Mr Catzel does not require shareholder approval for or the purposes of Listing Rules 10.14 as Mr Catzel is not a director of the Company.
- (h) In addition to Mr Davis and Mr Catzel, it is currently intended that a number of senior executives in the Company will also be issued with 1,165,000 Performance Rights under the Incentive Plan on the same terms as the proposed grant to Mr Davis). The proposed grant of Performance Rights under the Incentive Plan to other senior executives does not require shareholder approval for or the purposes of Listing Rules 10.14 as none of the senior executives are directors of the Company.

Directors' Recommendation

The Board of Directors (excluding Mr Davis) recommend that Shareholders vote for this Resolution.

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

Enquiries

Shareholders are asked to contact the Joint Company Secretary, Robyn Slaughter, on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

Glossary

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

Annual Financial Report means the 2023 Annual Report to Shareholders for the period ended 31 December 2023 as lodged by the Company with ASX on 27 February 2024.

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

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of RSM Australia Partners dated 27 February 2024 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means EDU Holdings Limited ACN 108 962 152.

Constitution means the Company's constitution.

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

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "**\$**" means Australian dollars.

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

Incentive Plan means the employee incentive scheme entitled "Employee Incentive Plan" for which Shareholder approval is being sought for the adoption of under Resolution 4 of this Notice of Meeting.

Incentive Securities means the Securities that may be granted by the Company pursuant to the terms of the Incentive Plan.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 12 April 2024 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

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

Performance Right means a performance right which, subject to its terms, could convert to a Share.

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

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automic Pty Ltd.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2025 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2025 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respect to the price of Shares.

Annexure A – Incentive Plan

EMPLOYEE INCENTIVE PLAN - PLAN RULES

EDU Holdings Limited
ACN 108 962 152

May 2024

Purpose

These are the rules of the Company's employee incentive plan (**Plan**). The purpose of the Plan is to provide Eligible Employees with an opportunity to acquire incentive securities. By doing so, the Plan seeks to provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the longer-term performance of the Company and its returns to Shareholders.

The Plan is also intended to assist the Company to attract and retain skilled and experienced employees and provide them with an incentive to have a greater involvement with and focus on the longer-term goals of the Company. This Plan commences on the date the Board determines.

Advice

There are legal and tax consequences associated with participation in the Plan. The Eligible Employees should ensure that they understand these consequences before accepting an invitation to participation in the Plan.

Any advice given by or on behalf of the Company is general advice only, and Eligible Employees should consider obtaining their own financial product advice from an independent person appropriately qualified and/or licensed to give such advice.

1 Definitions and Interpretation

1.1 Definitions

In these Rules, unless the contrary intention appears, terms defined in the Corporations Act or Listing Rules have the same meaning in these Rules:

Acceptance Period has the meaning given to that term in Rule 3.2(i);

Amendment has the meaning given to that term in Rule 17.1;

Applicable Law means any one or more or all, as the context requires, of the following to the extent that they apply to the Company or this Plan:

- (a) the Corporations Act, including the ESS Corporations Act Provisions;
- (b) tax laws;
- (c) any class orders, subordinate legislation, orders, rulings or other binding instruments passed or made by parliament, Australian Securities and Investments Commission or the Australian Taxation Office to clarify or expand paragraphs (a) and/or (b) of this definition;
- (d) the Constitution;
- (e) the ASX Listing Rules;
- (f) any laws of foreign jurisdictions where Participants are resident;
- (g) any other laws;

Application Form means the form the Board determines is to be used by an Eligible Employee to apply for Awards under the Plan;

ASX means ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context requires;

ASX Listing Rules means the official listing rules of the ASX;

Award means an Option or a Performance Right;

Bad Leaver means:

- (a) a Participant who commits a fraudulent or other dishonest act which brings disrepute upon a Group Company; or
- (b) a Participant who ceases to be employed by or hold office or be contracted with any member of the Group and who is not a Good Leaver.

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company for the purposes of the Plan;

Certificate means, in relation to an Award, the certificate or statement (in a form approved by the Board) issued to the Participant which discloses the number of Awards held by the Participant;

Company means EDU Holdings Limited ACN 108 962 152;

Constitution means the constitution of the Company, as amended from time to time;

Corporations Act means the *Corporations Act 2001* (Cth);

Delegate means a person appointed by the Board to exercise its powers and discretions under the Rules;

Eligible Employee means:

- (a) an employee of a Group Company;
- (b) an executive director, a non-executive director or a company secretary of a Group Company; or
- (c) a person who satisfied paragraph (a) or (b) of this definition during the 12 months immediately before the date of the Offer Letter issued to that person,

other than a person who has been given notice of dismissal for misconduct from his or her employment or office with the Group (or has given notice of resignation in order to avoid such dismissal); or

- (d) a contractor or consultant (**contractor**) who provides services to a Group Company;

Employee Incentive Scheme means any employee equity scheme extended to senior managers, other employees and/or directors of or a contractor to the Company and its Related Bodies Corporate or any other person nominated by the Company, and includes the Plan;

Entitlements means any rights to acquire shares, options or other securities granted or issued by the Company or by any other company to Shareholders;

ESS Corporations Act Provision means the provisions contained in Division 1A of Part 7.12 (Employee Share Schemes) of the Corporations Act, as amended from time to time;

Exercise Price means the amount payable by a Participant to exercise an Award and acquire a Share as specified by the Board in the Offer Letter in relation to that Award;

Expiry Date means the date on which the Award lapses, being the date specified in an Offer as the expiry date, or fixed by a method of calculation set out in an Offer;

Good Leaver means a Participant who ceases employment or office or contractual relations with any member of the Group in any of the following circumstances:

- (a) the Participant ceases employment with any and all Group Companies due to redundancy or Retirement;
- (b) the Participant ceases employment with any and all Group Companies due to the Participant's death or Permanent Incapacity; or
- (c) any other circumstances determined by the Board in its sole and absolute discretion;

Group means the Company and each Subsidiary of the Company and **Group Company** means any of them;

Holding Lock means a mechanism to prevent a Participant transferring or otherwise dealing with the Awards;

Market Value means in relation to Shares, the “volume weighted average market price” (as that term is defined in the Listing Rules) per Share during the previous five trading days (on which trades were recorded).

Nominee means in respect of an Eligible Employee:

- (a) a person who is the spouse, parent, brother, sister or child (**close relative**) of the Eligible Employee;
- (b) a body corporate trust or superannuation fund in which the Eligible Employee or a close relative of the Eligible Employee has, or any two or more of the Eligible Employee and close relatives of the Eligible Employee together have, a controlling interest (including any interest that gives control); or
- (c) such other person or entity approved by the Board in its absolute discretion;

Offer Letter means an offer letter to an Eligible Employee inviting that person or his/her Nominee to participate in the Plan;

Option means an option to subscribe for a Share;

Participant means:

- (a) an Eligible Employee (or his/her Nominee) who accepts an invitation to participate in the Plan, agrees to be bound by these Rules and whose application for Awards in accordance with the invitation is accepted by the Board, and subsequently becomes a holder of Awards; or
- (b) the legal personal representative of any person referred to in (a) duly appointed on the death or legal incapacity of that person;

Performance Hurdles means conditions or events which must be satisfied before Awards may be vested (which may include, without limitation, conditions relating to the profitability of the Company or the price at which its Shares are traded on the ASX) and/or conditions which may require that the number of Awards able to be vested be reduced, or that some or all the Awards are forfeited or lapse in circumstances determined by the Board;

Performance Right means a right to acquire a Share;

Permanent Incapacity means a condition the effect of which is in the opinion of the Board, to prevent a Participant from continuing to be an Employee engaged in a similar capacity as the Participant held prior to the condition arising;

Plan means the Company's employee incentive plan as amended from time to time and operated in accordance with these Rules;

Related Body Corporate has the meaning given to that term in the Corporations Act;

Retirement means the permanent cessation by a Participant of all gainful employment;

Rules means these Rules, as amended from time to time;

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

Shareholder means a registered holder of Shares in the Company from time to time;

Subsidiary has the meaning given to that term in the Corporations Act;

Trust means any employee share trust established by the Company for the purposes of the Plan to acquire, hold or transfer Shares, the beneficiaries of which include Participants;

Trustee means the party who has been appointed as trustee of the Trust for the purposes of this Plan at any time, in accordance with the terms and conditions set out in the trust deed for the Trust.

Vested Award means an Award in respect of which all Vesting Conditions have been satisfied or which otherwise becomes vested in accordance with these Rules; and

Vesting Conditions means, in relation to an Award, the period of time, Performance Hurdles and other vesting conditions determined by the Board at the time of the offer of the Award which are required to be satisfied before the Award becomes a Vested Award.

1.2 Interpretation

In these Rules, unless the context otherwise requires:

- (a) a gender includes all genders;
- (b) the singular includes the plural and conversely;
- (c) a reference to a person includes the legal personal representatives, successors and assigns of that person and also corporations and other entities recognised by law;
- (d) a reference to any Applicable Law includes that Applicable Law as amended, re-enacted or replaced and any law that supersedes that law; and
- (e) headings are for convenience only and do not affect the interpretation of these Rules.

2 Operation of the Plan

2.1 General

The Plan must be operated in accordance with these Rules.

2.2 Binding Rules

These Rules bind the Company, each Subsidiary of the Company, and each Participant.

3 Invitation

3.1 Invitation to Participate

Subject to these Rules, the Board or its Delegate may in its absolute discretion from time to time invite Eligible Employees to apply for Awards under the Plan on the terms set out in these Rules and any other terms the Board considers appropriate. In selecting Eligible Employees to apply for Awards, the Board or its Delegate will have regard to:

- (a) the position in the Group held or to be held by the Eligible Employee;
- (b) the Eligible Employee's length of service with the Group;
- (c) the contribution made by the Eligible Employee to the Group;
- (d) the potential contribution to be made by the Eligible Employee to the Group; and
- (e) any other matters which the Board or the Delegate considers relevant.

3.2 Application Form and Offer Letter

The Board must give to each Eligible Employee who is invited to apply for Awards under the Plan an Application Form together with an Offer Letter setting out the following information in relation to the Awards:

- (a) the number of Awards for which the Eligible Employee may apply;

- (b) the consideration (if any) for the grant of the Awards;
- (c) the exercise price (if any) of the Awards or the method of determining such exercise price;
- (d) the latest time at which the Awards may be exercised;
- (e) any applicable Vesting Conditions (including, without limitation, the period or periods during which the Awards or any of them may be exercised and any applicable Performance Hurdles);
- (f) the conditions of any Holding Lock which apply to:
 - (i) the Awards; and/or
 - (ii) the Shares issued on exercise of the Awards;
- (g) a statement that the offer is made pursuant to Division 1A of Part 7.12 of the Corporations Act;
- (h) any other terms and conditions relating to the invitation or the Awards, which in the opinion of the Board, are fair and reasonable and not inconsistent with these Rules;
- (i) the time within which the invitation may be accepted by the Eligible Employee (**Acceptance Period**);
- (j) in respect of the initial application made by an Eligible Employee, a summary of, or a copy of, these Rules; and
- (k) any other information or documents that the Applicable Law require the Company to give to the Eligible Employee.

3.3 **Participant bound by Application Form, Offer Letter, Rules and Constitution**

By completing and returning the Application Form within the Acceptance Period, a Participant applies for Awards under the Plan on the terms of the Offer Letter and agrees to be bound by the terms of the Application Form, the Offer Letter, these Rules and the Constitution.

3.4 **Acceptance by Nominee of Eligible Employee**

- (a) An Eligible Employee may by notice to the Board nominate a Nominee in whose favour the Eligible Employee wishes to renounce an invitation received by, or any future invitation that may be made to, that Eligible Employee.
- (b) The Board may, in its discretion, elect not to allow a renunciation of an invitation in favour of a Nominee.
- (c) If the renunciation in favour of a Nominee is permitted by the Board and the Eligible Employee wishes to proceed with the renunciation in favour of its Nominee, then:
 - (i) the Eligible Employee will procure that its Nominee accepts the invitation made to that Eligible Employee;
 - (ii) both the Eligible Employee and the Nominee agree to be bound by these Rules as a Participant; and
 - (iii) the Eligible Employee must procure that the Nominee complies with the terms of the Application Form, these Rules, the Constitution as applicable.

4 Grant of Awards

4.1 Grant of Awards

Subject to:

- (a) the satisfaction of any terms or conditions set out in the Application Form; and
- (b) receipt of approval of Shareholders (if required) at a meeting of Shareholders that will be convened on a date at the Board's absolute discretion,

following receipt of a completed and signed Application Form and the acceptance by the Board of the Application Form, the Company will as soon as practicable after the end of the Acceptance Period:

- (c) issue to the Participant, on the terms of the Offer Letter, the number of Awards applied for by the Participant in the Application Form; and complete a register of Awards in accordance with the Applicable Law.

4.2 No payment for Awards

Unless otherwise determined by the Board, no payment is required for the grant of Awards under the Plan.

4.3 Certificate

Subject to the Applicable Law, the Company may issue a Certificate to a Participant in respect of the Awards granted to that Participant. The Company must comply with the Applicable Law with respect to the issue of the Certificate.

4.4 Quotation on ASX

- (a) Subject to Rule 4.4(b), no Awards will be quoted on the ASX, unless the Board determines otherwise.
- (b) The Company must apply for quotation on the official list of the ASX of Shares issued on the exercise of Awards granted under this Plan.

5 Restrictions on transfer

5.1 No transfer

- (a) Awards may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.
- (b) While an Award is subject to a Holding Lock, that Award may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board.

5.2 Prohibition on value schemes or arrangements

A Participant must not enter into a scheme or arrangement that protects the value of Award granted under the Plan prior to them becoming a Vested Award.

6 Vesting of Awards

6.1 Manner of vesting and exercise

The vesting of Awards and the exercise of any Awards granted under the Plan may only be effected in such form and manner as the Board prescribes.

6.2 Other permitted vesting

The Board may determine that any unvested Awards granted under the Plan will each become a Vested Award, whether or not any or all applicable Vesting Conditions have been satisfied if (in the Board's opinion) one of the following events has occurred or is likely to occur:

- (a) the merger or consolidation of the Company into another company;
- (b) if a takeover bid is made in respect of the Company and the Board recommends acceptance to Shareholders;
- (c) if a scheme of arrangement is entered into in respect of the Company, and the Board in its absolute discretion determines exercise to be appropriate;
- (d) any event similar to those described in Rules 6.2(a) to 6.2(c) involving a change in ownership or control of the Company or all or a substantial part of the assets of the Company; or
- (e) any other event as determined by the Board in its absolute and sole discretion.

6.3 Specific Vesting Conditions and exercise procedure for Awards

- (a) Subject to Rule 6.2, an Award granted under the Plan may only be exercised if, at the time of exercise:
 - (i) the Award is a Vested Award;
 - (ii) the Award has not been forfeited or lapsed under Rule 7;
 - (iii) if payment is required, the Exercise Price (as adjusted under Rule 8, if applicable) has been paid; and
 - (iv) if payment is not required (pursuant to its terms, or otherwise, the Board's sole and absolute discretion as set out in Rule 6.4), a notice of cashless exercise has been submitted and accepted by the Company.
- (b) Any exercise must be for a minimum number or multiple of Shares (if any) specified in the terms of the Offer.
- (c) The exercise of some Awards only does not affect the Participant's right to exercise other Awards at a later time.
- (d) Following exercise of an Award, the Company must, within such time as the Board determines, issue to the person exercising the Award, that number of Shares in respect of which the Award has been exercised, credited as fully paid.
- (e) Unless the terms of issue of the Awards provide otherwise, Shares issued on the exercise of Awards will rank equally in all respects with all existing Shares from the date of allotment, including in relation to:
 - (i) voting rights; and
 - (ii) entitlements to participate in:
 - (A) distributions and dividends; and
 - (B) future rights issues and bonus issues,

where the record date for determining entitlements falls on or after the date of allotment.

6.4 Cashless exercise of Awards

The Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the Exercise Price by cash, cheque or some other method acceptable to the Company, but that on exercise of the Awards the Company will only allot and issue or transfer that number of Shares to the Participant that are equal in value to the

difference between the Exercise Price otherwise payable in relation to the Awards (which are being exercised) and the then Market Value of the Shares as at the time of the exercise (with the number of Shares rounded down to the nearest whole number).

6.5 Trust

- (a) The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of acquiring and holding Shares (whether on an allocated or unallocated basis) and/or fulfilling Awards made by the Company under the Plan on such terms and conditions as are determined by the Board from time to time. For the avoidance of doubt, the Company may do all things the Board considers necessary for the establishment, administration, operation and funding of an employee share trust.
- (b) Without limiting the Board's discretion, the Board may establish the Trust at any time without requiring the approval of Shareholders or Participants, for the purposes of the Plan to hold Shares.
- (c) Without limiting the Board's discretion, the Board may, at any time appoint a person or persons as the Trustee or replace the Trustee, without requiring the approval of Shareholders or Participants.
- (d) Subject to the terms of any trust deed that governs the Trust and these Rules, the Trustee may transfer any Shares it holds under the Trust to a Participant in satisfaction of their entitlement under this Plan to be allocated Shares and may otherwise allocate and hold Shares on Participant's behalf.
- (e) The Company may, if so resolved by the Board, settle funds on the Trustee for the purposes of enabling the Trustee to either:
 - (i) acquire Shares on-market or off-market; or
 - (ii) subscribe for new Shares to be issued by the Company, to satisfy the Company's obligation to allocate Shares for the benefit of a Participant.
- (f) If a Trustee is appointed in accordance with Clause 6.5, a copy of the trust deed will be provided to the Participants.

6.6 Automatic Exercise

The vesting of an Award on the satisfaction of any Vesting Conditions will not automatically trigger the exercise of the Award unless specified in the Offer.

7 Lapse and forfeiture

7.1 End of exercise period

Subject to Rules 7.2, 7.3 and 7.4, an Award automatically lapses as at the moment immediately after:

- (a) (if that Award is not a Vested Award) the latest time at which that Award may become a Vested Award, as specified by the Board in the Offer Letter; or
- (b) (if that Award is a Vested Award) the latest time at which that Award may be exercised, as specified by the Board in the Offer Letter.

7.2 Good Leaver

If a Participant is a Good Leaver, then:

- (a) all Awards held by the Participant that are Vested Awards at the date of cessation of employment or office or contractual relations may be exercised by the Participant

during the 30 day period following the date of cessation of employment or office or contract (notwithstanding that the exercise period specified in the Offer Letter ends during the 30 day period), after which those Awards will automatically lapse;

- (b) all other Awards held by the Participant will be automatically forfeited and automatically lapse on the date of cessation of employment or office or contract; and
- (c) all Offer Letters which have not been accepted by the Participant are automatically revoked on the date of cessation of employment or office,

unless the Board determines otherwise in its sole and absolute discretion.

7.3 Bad Leaver

If a Participant is a Bad Leaver, then on the date of cessation of employment or office or contract:

- (a) all Awards (whether vested or unvested) held by the Participant will be automatically forfeited and automatically lapse;
- (b) the Participant automatically forfeits all of his/her rights, title and interest in all Awards and Entitlements; and
- (c) all Offer Letters which have not been accepted by the Participant are automatically revoked,

unless the Board determines otherwise in its sole and absolute discretion.

7.4 End of period otherwise determined by the Board

If the Board determines (in its sole and absolute discretion) a further period, or reduces the period, in which the Awards may be exercised, whether such revised period is more or less than the 30-day period specified in Rule 7.2(a), or more or less than the exercise period specified in the Offer Letter for those Awards, then those Awards will lapse at the end of that revised period.

7.5 Cessation of employment - interpretation

For the purposes of these Rules:

- (a) determination of whether a Participant is a Good Leaver or a Bad Leaver is at the Board's sole and absolute discretion; and
- (b) a Participant will not be deemed to be either a Good Leaver or a Bad Leaver in the event;
 - (i) the Participant is absent due to approved leave granted by a Group Company;
 - (ii) immediately after the Participant leaves the employment or office or the contractual relations ends of a Group Company the Participant is employed by, or holds an office or enters contractual relations with, another Group Company;
 - (iii) the Participant is seconded from a Group Company to a government department or instrumentality or to another company; or
 - (iv) immediately after the Participant leaves the employment or office of or the contractual relations with a Group Company the Participant is employed by a joint venture company in which a Group Company holds a substantial interest at the time of employment, and which has been approved by the Board as an associated company for the purposes of the Plan.

8 Capital reconstructions and new issues

8.1 Alterations to capital and reconstructions

Subject to the Applicable Law, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital then the Board may, subject to the Listing Rules, make adjustments to the rights attaching to those Awards (including, without limitation, to the number of Shares which may be acquired on exercise of the Awards and the Exercise Price of an Award) on any basis it deems fit in its discretion.

8.2 New issues

Subject to the Applicable Law, unless the Board determines otherwise, a Participant is only entitled to participate (in respect of Awards granted under the Plan) in a new issue of Shares to existing Shareholders if the Participant has validly exercised the Participant's Awards and become a Shareholder prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the Participant is the registered holder.

9 Powers of the Board

9.1 Powers of the Board

The Plan will be managed by the Board, which will have power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan consistent with these Rules;
- (b) resolve and bind the Company and Participants absolutely regarding any question of fact, interpretation, effect or application arising in connection with the Plan;
- (c) determine matters falling for determination under these Rules in its absolute discretion having regard to the interests of and for the benefit of the Company;
- (d) exercise the discretions conferred on it by these Rules or which may otherwise be required in relation to the Plan; and
- (e) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan.

9.2 Suspension or termination of Plan

- (a) The Plan may be suspended or terminated at any time by resolution of the Board.
- (b) In the event of a suspension or termination, these Rules will continue to operate with respect to any Awards issued under the Plan prior to that suspension or termination.

10 Contracts of Employment and Other Employment Rights

10.1 Rules not part of employment contract

- (a) This Plan does not form part of any contract of employment or services between a Group Company, or any Related Body Corporate of a Group Company, and any Eligible Employee. Nothing in these Rules confers on any Eligible Employee the right to receive any Awards.
- (b) It is a condition of these Rules that the Plan may be terminated at any time at the discretion of the Board and that no compensation under any employment or services contract will arise as a result.

10.2 Termination of employment

This Plan:

- (a) does not confer on any Eligible Employee or Participant the right to continue as an employee or officer or contractor of any Group Company or any Related Body Corporate of a Group Company;
- (b) does not affect any rights which a Group Company, or any Related Body Corporate of a Group Company, may have to terminate the employment or office of or contractual relations with the Eligible Employee or Participant; and
- (c) may not be used to increase damages in any action brought against a Group Company, or any Related Body Corporate of a Group Company, in respect of that termination.

11 Connection with other plans

Unless the Board otherwise determines, participation in the Plan does not affect, and is not affected by, participation in any other eEmployee incentive sScheme by the Company unless the terms of that other eEmployee incentive sScheme provide otherwise.

12 Notices

Any person of direction given under these Rules is validly given if it is handed to the person concerned or sent by ordinary prepaid post to the person's last known address or given in any reasonable manner which the Board from time to time determines.

13 Plan costs and brokerage

- (a) Unless otherwise determined by the Board, the Company must pay:
 - (i) all costs, charges and expenses relating to the establishment and operation of the Plan; and
 - (ii) any brokerage for the acquisition of Shares (including, without limitation, upon the exercise of an Awards) under the Plan.
- (b) For the avoidance of doubt, the Company is not responsible for any brokerage payable in relation to the sale of Shares or Awards held by any Participant.

14 Overseas Eligible Employees

The Company, at the Board's discretion, may:

- (a) invite Eligible Employees who are resident outside of Australia to participate in the Plan; and
- (b) make regulations for the operation of the Plan which are not inconsistent with these Rules to apply to Eligible Employees and Participants who are resident outside of Australia.

15 Subdivision 83A-C Applies

Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the scheme set out in these Rules.

16 General restrictions

16.1 General

Notwithstanding any Rule, Awards may not be issued, transferred or dealt with under the Plan if to do so would contravene the Applicable Law or where the compliance with any Applicable Law would, in the opinion of the Board, be unduly onerous or impractical.

16.2 Dilution Limit

- (a) Subject to 16.2(b) an offer of securities may only be made under the Plan if the aggregation of the following:
- i. number of Shares that may be acquired on exercise or conversion of the Options and Performance Rights; and
 - ii. the number of Shares issuable if each outstanding Option and Performance Right were exercised and issued pursuant to the Plan or any other Group employee incentive scheme during the previous 3 years,

does not exceed 10% of the total number of Shares on issue at the time of the proposed issue.

- (b) For the avoidance of doubt:
- i. the percentage detailed in clause 16.2(a) excludes any securities issued under section 708 of the Corporations Act or to Participants lawfully made outside of Australia;
 - ii. where an Award lapses without being exercised, the Award concerned shall be excluded from any calculation under this clause 16.2; and
 - iii. the percentage detailed in clause 16.2(a) excludes any Award where payment is not required from an Eligible Employee.

- (c) The maximum allocation and allocated pool provided for in this clause 16.2 may be increased:
- i. by Board resolution; and
 - ii. if required by the ESS Corporations Act Provisions, with Shareholder approval,

provided such an increase complies with the Listing Rules (if relevant) and the Corporations Act and, if required by the ESS Corporations Act Provisions, is also contained in the Constitution.

17 Amendment of the Rules, Vesting Conditions or terms of issue

17.1 General

Subject to Rule 17.2 and the Applicable Law, the Board may amend, add to, delete, revoke or otherwise vary any or all of the Vesting Conditions, the terms of issue of an Award, or these Rules at any time in any manner it thinks fit in its absolute and sole discretion (**Amendment**).

17.2 Limitation on Amendments

No Amendment to the provisions of these Rules may be made which reduces the rights of Participants in respect of Awards acquired by them prior to the date of the Amendment, other than an Amendment introduced:

- (a) for the purpose of complying with or conforming to present or future Applicable Law;
- (b) to correct any manifest error or mistake; or

- (c) for the purpose of enabling Participants to receive a more favourable taxation treatment in respect of their participation in the Plan.

18 Governing law

These Rules are governed by and shall be construed in accordance with the laws of the State of New South Wales.

Your proxy voting instruction must be received by **10.00am (AEST) on Tuesday, 14 May 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

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

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

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

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

