

8 September 2021

Dear Optionholder,

1st Group Limited (ACN 138 897 533 ASX:1ST) Non-Renounceable Entitlement Offer

As announced on 8 September 2021, 1st Group Limited is offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company via a non-renounceable rights issue on the basis of one Share for every three Shares held at 7:00pm (Sydney time) on the Record Date of 13 September 2021.

The Company intends to apply the funds raised from the Rights Issue towards working capital to ensure the Company can execute its FY22 strategy quickly and efficiently over the coming year.

The Rights Issue is being made to all Shareholders of the Company named on its register of members whose registered address is in Australia or New Zealand. Shareholders outside of Australia and New Zealand are not eligible to participate.

New shares will rank equally with all fully paid ordinary shares in the capital of the Company already on issue.

Assuming the offer is fully subscribed and no options are exercised, following completion of the offer the Company will have issued approximately 141,538,968 new shares resulting in total Shares on issue of approximately 566,155,871.

Optionholders

The terms and conditions of the options you currently hold do not entitle you to participate in the Rights Issue unless you exercise your options in time for new shares to be allotted and to be entered on the Company's Register of Members on or before the Record Date.

To exercise your options and thereby participate in the Rights Issue, you will need to deliver the following to the Company at:

C/-Automatic

GPO Box 5193 Sydney NSW 2001:

- (a) Notice of Exercise of Options;
- (b) an option certificate (where the options are certificated) or a copy of a holding statement (where the options are uncertificated) in respect of those options to be exercised; and
- (c) payment of the exercise price in respect of those options to be exercised by way of a cheque made payable to "1st Group Limited".

To ensure that your new shares are allotted prior to the Record Date, the above must be received by the Company no later than 5pm on 13 September 2021. If received after this time and date, allotment of new shares prior to the Record Date cannot be assured.

This notice is important and requires immediate attention.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for new shares, please contact your financial advisor or Elizabeth Spooner the Company's Company Secretary, on 1300 266 517.

Yours sincerely,

Stephe Wilks
Chair