

29 September 2021

## Notice of Meeting and Proxy Form

**Zip Co Limited** (ASX: Z1P) (“**Zip**”, or the “**Company**”) attaches the following documents in relation to FY2021 Annual General Meeting which is scheduled to take place on Thursday, 4 November 2021 at 10:00am:

- Notice of Meeting; and
- Proxy Form.

Release approved by the Chief Executive Officer on behalf of the Board.

- ENDS -

### **For more information, please contact:**

Larry Diamond  
Chief Executive Officer  
[larry.diamond@zip.co](mailto:larry.diamond@zip.co)

Martin Brooke  
Chief Financial Officer  
[martin.brooke@zip.co](mailto:martin.brooke@zip.co)

Matthew Abbott  
Director, Corporate Affairs  
[matthew.abbott@zip.co](mailto:matthew.abbott@zip.co)  
0402 543 128

For general investor enquiries, email [investors@zip.co](mailto:investors@zip.co)

### **About Zip**

ASX-listed Zip Co Limited (Z1P: ASX) or (“Zip”) is a leading global financial services company, offering innovative, people-centred products that bring customers and merchants together. On a mission to be the first payment choice everywhere and every day, Zip offers point-of-sale credit and digital payment services in 12 markets around the world, including through strategic investments, connecting millions of customers with its global network of tens of thousands of merchants.

One of the fastest growing BNPL providers globally, Zip has a presence in Australia, Canada, Czech Republic, Mexico, New Zealand, the Philippines, Poland, Saudi Arabia, South Africa, UAE, the United Kingdom and the USA. Zip provides fair, flexible and transparent payment options to individual consumers and SMBs, helping them to take control of their financial future and helping merchants to grow their businesses. Zip is committed to responsible lending and also owns Pocketbook, a leading personal financial management tool. Founded in Australia in 2013, Zip now employs over 1,000 Zipsters worldwide.

## Zip Co Limited

ACN 139 546 428

Level 5, 126 Phillip Street  
Sydney NSW 2000

[zip.co](http://zip.co)

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# FY21

## NOTICE OF ANNUAL GENERAL MEETING



# Letter from the Chair



I am pleased to invite you to Zip's 2021 Annual General Meeting of Shareholders.

**Date:** Thursday 4 November 2021

**Time:** 10:00am (AEDT)

**Online:** <https://web.lumiagm.com/349-396-206>

Dear Shareholder,

I am pleased to invite you to Zip Co Limited's (Zip) 2021 Annual General Meeting (AGM) of Shareholders.

The health and safety of our people, shareholders and the communities in which we operate is very important to Zip. Due to the uncertainty and potential health risks created by the COVID-19 pandemic and taking into consideration the actions taken by governments to address these concerns, this year's AGM will be held virtually on 4 November 2021.

Shareholders will be able to vote and submit questions in advance and "live" during the meeting. Zip considers these measures to be appropriate for the AGM as physical attendance will likely not be feasible for most Shareholders.

You may participate in the AGM in the following ways:

- (a) **Online:** the online platform will allow shareholders to view the meeting, and vote and submit questions in real-time. Instructions on how to do so are included in the Notice of Meeting and further details are published on the Zip website.
- (b) **Lodging a proxy or vote in advance of the meeting:** You can do this online at [www.investorvote.com.au](http://www.investorvote.com.au) instructions on how to vote directly or appoint a proxy are detailed on the front of the Voting Form. Voting Forms must be received no later than 10.00am (AEST) on Tuesday, 2 November 2021 to be valid for the AGM. Voting Forms must be lodged online or returned by mail or by fax by:
  - (i) Faxing to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia);
  - (ii) Mailing to Computershare Investor Services Pty Ltd, GPO BOX 242, Melbourne Victoria 3001, Australia
- (c) **Lodging questions in advance of the meeting:** Questions can be submitted in advance of the meeting via Computershare at [www.investorvote.com.au/Z1P](http://www.investorvote.com.au/Z1P)
- (d) **Watching a live webcast of the AGM:** The AGM will be available to view at <https://web.lumiagm.com/349-396-206>

## BUSINESS OF THE AGM

Larry Diamond, Managing Director & CEO and I will provide a brief presentation at the AGM before formal items of business are considered. The most frequently asked questions from Shareholders will be dealt with in these presentations or prior to the resolutions (as appropriate) and as many as possible during the course of the meeting. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to Shareholders.

The business to be dealt with at the AGM is provided on pages 3 to 5 of the Notice of Meeting.

We ask that Shareholders please monitor Zip's website <https://zip.co/investors> and the ASX Announcements Platform (for any updates to the arrangements for the AGM) and consider providing an email address to receive communications or notifications directly.

I look forward to updating you at the AGM.

Yours sincerely,

**Diane Smith-Gander AO, Chair**  
27 September 2021

# Business of the AGM

## 1. ANNUAL FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

*To receive and to consider the Annual Financial Report of Zip and its consolidated entities and the Reports of the Directors and Auditor for the financial year ended 30 June 2021.*

## 2. REMUNERATION REPORT

To consider and, if thought fit, pass the following as an ordinary resolution:

*To adopt the Remuneration Report for the financial year ended 30 June 2021, as set out in the Directors' Report in the Annual Financial Report.*

Note: the vote on this item is advisory only and does not bind the Directors or Zip. A voting exclusion applies to this resolution. See page 8 for details.

## 3. ELECTION AND RE-ELECTION OF DIRECTORS

To consider and, if thought fit, pass the following, each as an ordinary resolution:

- (a) Election of Ms Diane Smith-Gander as a Director

*That Ms Diane Smith-Gander is elected as a Director of the Company in accordance with clause 22.6 of the Company's Constitution.*

- (b) Re-Election of Mr John Batistich as a Director

*That Mr John Batistich, who retires by rotation in accordance with clause 22.10 of the Company's Constitution, be re-elected as a Director of the Company.*

## 4. APPROVAL TO ISSUE SHARES TO THE TWISTO SELLERS

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*Issue and allot the following shares in connection with the Twisto Acquisition:*

- (a) *up to a maximum of 27,543,898 Shares to the Twisto Sellers as the Upfront Consideration Shares; and*  
(b) *up to a maximum of 4,550,000 Shares to the Twisto Sellers as the Holdback Consideration Shares.*

A voting exclusion applies to this item. See page 8 for details.

## 5. RATIFICATION OF PRIOR ISSUES OF SECURITIES

To consider and, if thought fit, pass the following, each as an ordinary resolution:

- (a) Ratification of prior issue of Convertible Notes in connection with the Convertible Note Raising

*Ratify the allotment and prior issue of Convertible Notes having an aggregate face value of A\$400 million.*

- (b) Ratification of prior issue of shares in connection with the Placement

*Ratify the allotment and prior issue of 22,471,911 Shares issued to institutional investors on 22 December 2020 under the Placement at the issue price of \$5.34 per Share, as announced on 16 and 17 December 2020.*

A voting exclusion applies to each of these items. See page 8 for details.

# Business of the AGM

Continued

## 6. RENEWED APPROVAL OF EMPLOYEE INCENTIVE PLAN (EIP) AND APPROVAL OF POTENTIAL TERMINATION BENEFITS

To consider and, if thought fit, pass the following, each as an ordinary resolution:

- (a) Renewed approval of EIP and issue of securities

*The Employee Incentive Plan and the issue of securities under the Employee Incentive Plan be approved for all purposes including exception 13(b) to Listing Rule 7.2.*

- (b) Approval of potential termination benefits under Employee Incentive Plan

*The giving of benefits to any current or future holder of a managerial or executive office in the Group to which sections 200B and 200E of the Corporations Act apply in connection with that person ceasing to hold that office be approved.*

A voting exclusion applies to each of these items. See page 8 for details.

## 7. GRANT OF SHORT-TERM INCENTIVE PLAN SHARES UNDER THE EIP

To consider and, if thought fit, pass the following, each as an ordinary resolution:

- (a) Approval of issue of Short-Term Incentive Plan Shares to Larry Diamond

*To grant the Managing Director and Chief Executive Officer, Larry Diamond (or his nominee) 29,092 shares under the Employee Incentive Plan.*

- (b) Approval of issue of Short-Term Incentive Plan Shares to Peter Gray

*To grant the Executive Director and Chief Operating Officer, Peter Gray (or his nominee) 27,924 shares under the Employee Incentive Plan.*

A voting exclusion applies to each of these items. See page 8 for details.

## 8. GRANT OF LONG-TERM EQUITY PERFORMANCE RIGHTS UNDER THE EIP

To consider and, if thought fit, pass the following, each as an ordinary resolution:

- (a) Approval of grant of Long Term Equity Performance Rights to Larry Diamond

*To grant \$256,016 worth of Performance Rights under the Employee Incentive Plan to Larry Diamond (or his nominee), a Director of the Company.*

- (b) Approval of grant of Long Term Equity Performance Rights to Peter Gray

*To grant \$245,716 worth of Performance Rights under the Employee Incentive Plan to Peter Gray (or his nominee), a Director of the Company.*

A voting exclusion applies to each of these items. See page 8 for details.

## 9. GRANT OF LONG-TERM INCENTIVE PERFORMANCE RIGHTS UNDER THE EIP

To consider and, if thought fit, pass the following, each as ordinary resolutions:

- (a) Approval of grant of Long Term Incentive Performance Rights to Larry Diamond

*To grant 105,504 Performance Rights under the Employee Incentive Plan to Larry Diamond (or his nominee), a Director of the Company.*

- (b) Approval of grant of Long Term Incentive Performance Rights to Peter Gray

*To grant 101,260 Performance Rights under the Employee Incentive Plan to Peter Gray (or his nominee), a Director of the Company.*

A voting exclusion applies to each of these items. See page 8 for details.

## 10. INCREASE NON-EXECUTIVE DIRECTORS' FEE POOL

To consider and, if thought fit, pass the following as an ordinary resolution:

*That the maximum aggregate amount of remuneration that may be paid to Zip's Non-Executive Directors in any financial year is increased to \$1,500,000, effective immediately.*

A voting exclusion applies to this item. See page 8 for details.

By Order of the Board.



David Franks  
Joint Company Secretary

27 September 2021



Tai Phan  
Joint Company Secretary

# Explanatory Notes

These Explanatory Notes form part of this Notice of Meeting and should be read in conjunction with it. The Explanatory Notes have been prepared to provide Shareholders with important information regarding the items of Business proposed for consideration at the AGM. Capitalised terms in this Notice of Meeting are defined in the Glossary on pages 27 to 28.

## DETERMINATION OF ENTITLEMENT TO VOTE

For the purposes of voting at the AGM, the Directors have determined that Zip shares will be taken to be held by persons registered as Shareholders at 7:00pm (AEDT) on Tuesday 2nd November 2021. This means that transfers of Zip shares registered after that time will be disregarded in determining entitlements to participate at the AGM and vote on the resolutions.

## VOTING ON RESOLUTIONS

Each of the resolutions set out in this Notice of Meeting will be decided by poll.

## ONLINE PLATFORM

Shareholders (or their proxies) will be able to participate in the meeting including to vote and ask questions, in real time via the Lumi online platform using either a computer, tablet or mobile device with an internet connection.

Zip recommends Shareholders log into the online platform at least 15 minutes prior to the scheduled start time for the AGM in accordance with the instructions below.

- Enter <https://web.lumiagm.com/349-396-206> into a web browser on your computer or online device.
- You will need your Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) (this is printed at the top of your Proxy Form).
- If your holding is registered to an Australian address, your password is your postcode. If your holding is registered to an overseas address, you should refer to the online meeting user guide at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).
- Proxyholders will need to obtain a username and password by contacting Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the Meeting.
- For further instructions on how to participate online please view the online meeting user guide at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

## WEBCAST

You can also view a live webcast of the meeting at <https://web.lumiagm.com/349-396-206>

## SHAREHOLDER VOTING AND PROXIES

### APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder.

If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and specify the percentage or number of votes each proxy can exercise. If the Proxy Form does not specify the percentage or number of the Shareholders' votes that each proxy may exercise, each proxy may exercise half of the Shareholders' votes on a poll. Fractions will be disregarded.

You can vote and appoint a proxy by completing and signing the enclosed Proxy Form and sending or submitting the form as follows:

- **Online:** Lodge the Proxy Form online at [www.investorvote.com.au](http://www.investorvote.com.au) and follow the prompts. Shareholders will need their Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on the front of the Proxy Form.
- **Mobile:** Scan the QR Code on your Proxy Form and follow the prompts.
- **Fax:** 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).
- **Post:** Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001.
- **Custodian Voting:** For intermediary online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

Your proxy instruction must be received not later than 48 hours before the commencement of the Meeting, being 10:00AM (AEDT) on Tuesday, 2 November 2021. Proxy Forms received after this time will be invalid.

## ASKING QUESTIONS

We encourage you to submit questions in advance of the Meeting on any matter that may be relevant to the Meeting. You can do this by logging onto [www.investorcentre.com](http://www.investorcentre.com), select 'Voting' then click 'Ask a Question', or alternatively by sending your questions to the Company Secretary by email to [david.franks@automicgroup.com.au](mailto:david.franks@automicgroup.com.au).

To allow time to collate questions and prepare answers, you must submit any questions by 10:00am (AEDT) on Thursday, 28 October 2021.

Shareholders and proxy holders will also have the ability to listen to the discussion at the Meeting and speak and ask questions during the Meeting via the online meeting platform.

## ONLINE PLATFORM GUIDE

More information about how to use the online meeting platform (including how to vote and ask questions online during the Meeting) is available at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

## YOUR VOTE IS IMPORTANT

The business of the AGM affects your shareholding and your vote is important. You may vote online, by proxy or personal representative.

## VOTING BY 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 attorney or Shareholder has already provided it to the Share Registry.

## INTERMEDIARY ONLINE

Participating intermediaries can lodge their proxy appointments online through <http://www.intermediaryonline.com>.

## VOTING INTENTIONS AND UNDIRECTED PROXIES

If you intend to appoint the Chair of the Meeting as your proxy, you are encouraged to direct the Chair on how to vote by marking a box for those Resolutions (for example, if you wish to vote for, or against, or abstain from voting).

If you appoint the Chair as your proxy without directing the Chair how to vote, the Proxy Form authorises the Chair to vote as they decide on such Resolutions.

Subject to any voting restrictions and exclusions, where the Chair of the Meeting is appointed as proxy, the Chair intends to vote in favour of all Resolutions.

## CORPORATE REPRESENTATIVES

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

An appointment of corporate representative form may be obtained from the Share Registry by calling (+61 3) 9415 4000 or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## ENQUIRIES

Shareholders are asked to contact the Company Secretary via email at [david.franks@automicgroup.com.au](mailto:david.franks@automicgroup.com.au) if they have any queries in respect of the matters set out in these documents.

## TECHNICAL DIFFICULTIES

Technical difficulties may arise during the course of the Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where considered it appropriate, the Chair may decide to continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.



# Explanatory Notes

Continued

## VOTING EXCLUSIONS

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast in favour of:

(a) **ITEM 2** by or on behalf of:

- a member of the KMP; or
- any Closely Related Parties of such KMP;

However, the above will not apply to a vote cast in favour of this Item if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; and
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides (even though it is connected with the remuneration of members of KMP, including the Chair);

(b) **ITEM 4** by or on behalf of:

- the Twisto Sellers;
- any 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 Shareholder); or
- an Associate of any of those persons.

(c) **ITEM 5(a)** by or on behalf of:

- any person who participated in the Convertible Note Raising; or
- an Associate of any of those persons.

(d) **ITEM 5(b)** by or on behalf of:

- any person who participated in the Placement; or
- an Associate of any of those persons.

(e) **ITEM 6(a)** by or on behalf of:

- a person who is eligible to participate in the EIP; or
- an Associate of any of those persons.

(f) **ITEM 6(b)** If any Shareholder is a current or potential employee or director of the Group and wishes to preserve their ability to receive benefits under this approval, then that Shareholder and their Associates should not vote on this Item 6(b).

(g) **ITEMS 7-9** by or on behalf of:

- Larry Diamond and Peter Gray and any other person referred to in ASX Listing Rule 10.14.1, 10.14.2, 10.14.3 who is eligible to participate in the EIP;

- an Associate of Larry Diamond or Peter Gray or any other person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the EIP; or

(h) **ITEM 10** by or on behalf of:

- any Director of the Company; or
- an Associate of any of those persons.

However, the above does not apply to a vote cast in favour of **ITEMS 4, 5, 6(a), 7, 8 and 9** if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the Item, in accordance with directions given to the proxy or attorney to vote on the applicable Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the applicable Item, in accordance with a direction given to the Chair to vote on the applicable Item as the Chair decides; or
- 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 applicable Item; and
  - the holder votes on the applicable Item in accordance with directions given by the beneficiary to the holder to vote in that way.

Additionally, in accordance with the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on **ITEMS 2, 6(a), 6(b) and 7-10** if:

- the proxy is a KMP or any Closely Related Parties of such KMP; and
- the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- the proxy is the Chair of the Meeting; and
- 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 KMP.

## BUSINESS OF THE AGM

### ITEM 1 - ANNUAL FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

The Annual Financial Report can be found on Zip's website (and on the ASX Announcements Platform) and has been sent to those Shareholders who have requested a copy.

During the discussion of this item of Business, there will be an opportunity for the Shareholders to ask questions about, or comment on, the Annual Financial Report and the management and performance of Zip. You may also submit questions in advance of the AGM via the process outlined in the Explanatory Notes.

Zip's auditor, Deloitte Touche Tohmatsu, will be available at the AGM to answer questions from Shareholders on the audit, Zip's accounting policies, their Auditor's Report and independence.

### ITEM 2 - REMUNERATION REPORT

Zip is required under the Corporations Act to include, in the business of its AGM, a resolution that its Remuneration report for the financial year ended 30 June 2021 be adopted. The Remuneration Report is set out in the Annual Financial Report. During discussion of this Item of Business, there will be an opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report.

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

The vote on Resolution 2 is advisory only and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.

If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a Spill Resolution that a Spill Meeting be held within 90 days at which all of the Directors other than the Managing Director must be offered up for election.

### DIRECTORS' RECOMMENDATION

The Directors unanimously recommend that the Shareholders **VOTE IN FAVOUR** of Item 2.

### ITEM 3 - ELECTION AND RE-ELECTION OF DIRECTORS

#### (A) ELECTION OF MS DIANE SMITH-GANDER AS A DIRECTOR

Under Item 3(a), Ms Smith-Gander seeks election as a Director of the Company at the AGM for the purposes of Clause 22.6 of the Company's Constitution and ASX Listing Rule 14.4. Ms Smith-Gander was appointed as an additional Director and the Chair of the Company on 1 February 2021. Clause 22.6 of the Company's Constitution requires that a Director appointed as an addition to the existing Directors must retire at the Company's next annual general meeting, and is then eligible for re-election at that meeting (clause 22.7(b)). ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

**Qualifications:** BEc, MBA, FAICD, FGIA, Hon. DEC, FAIM, GAICD

**Term:** Non-Executive Director and Chair of the Board appointed on 1 February 2021

**Independent:** Yes

**Committees:** Member of each of the Audit & Risk Committee and Remuneration, People & Culture Committee and Chair of the Nominations Committee.

**Directorships:** Chair of Zip Co Limited (commenced 1 February 2021), Chair of DDH1 Limited (commenced 8 February 2021), Chair of Safe Work Australia, Chair of the Committee for Economic Development of Australia and Director of AGL Energy Limited, Keystart Loans Group and HBF Health Limited.

# Explanatory Notes

Continued

**Experience:** Ms Smith-Gander has extensive Australian and international experience in banking and finance, technology, and strategic and management consulting. This includes as a former partner at McKinsey & Company, and Group Executive IT and Operations, Westpac Banking Corporation.

For these reasons the Directors support the re-election of Ms-Smith-Gander as a Director.

Ms Smith-Gander will be offered the opportunity to address the meeting to speak to her election.

## **DIRECTORS' RECOMMENDATION**

The Directors (excluding Ms Smith-Gander) recommend that the Shareholders **VOTE IN FAVOUR** of Item 3(a).

## **(B) RE-ELECTION OF MR JOHN BATISTICH AS A DIRECTOR**

Under Item 3(b), Mr Batistich has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at the AGM for the purposes of Clause 22.10 of the Company's Constitution and ASX Listing Rule 14.4. Mr Batistich was appointed as a Director of the Company on 6 September 2018 and was re-elected at the 2018 annual general meeting. Clause 22.10 of the Company's Constitution provides that a Director must not hold office for more than three years or beyond the third annual general meeting of the Company following that Director's last election or appointment (whichever is longer). A Director who retires under clause 22.10(b) is eligible for re-election. ASX Listing Rule 14.4 also provides that each Director (excluding the Managing 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.

**Qualifications:** MM, BBus, GAICD,

**Term:** Non-Executive Director appointed on 6 February 2018

**Independent:** Yes

**Committees:** Member of the Audit & Risk Committee, Chair of the Remuneration, People & Culture Committee and Member of the Nominations Committee.

**Directorships:** Chairman of Foodco Group Pty Limited, Foodco Holdings Pty Ltd, Jahnus Pty Limited, Jamaica Blue Pty Limited, Muffin Break Pty Ltd, and Insight Tools Pty Limited.

**Experience:** John is a highly-experienced growth leader who brings marketing, digital and human resources skills to the Board. John has over 24 years of cross sector experience in Research, Marketing, Digital and General Management with blue chip companies like Westfield Group, Interbrand, Wrigley Company, Pepsico Foods, Kimberley Clark and Lion Nathan.

For these reasons the Directors support the re-election of Mr Batistich as a Director.

Mr Batistich will be offered the opportunity to address the meeting to speak to his re-election.

## **DIRECTORS' RECOMMENDATION**

The Directors (excluding Mr Batistich) recommend that the Shareholders **VOTE IN FAVOUR** of Item 3(b).

## ITEM 4 - APPROVAL TO ISSUE SHARES TO THE TWISTO SELLERS

On 24 May 2021, the Company announced that it had agreed to acquire the remaining shares in Twisto Payments a.s. (**Twisto**), a European buy-now, pay-later provider based in the Czech Republic (the **Twisto Acquisition**).<sup>1</sup>

The Twisto Acquisition forms part of the Company's global expansion plan in the rapidly accelerating, global buy-now pay-later sector. The decision to acquire Twisto marks an important step in the Company's European strategy. The acquisition will complement the Company's UK presence, which launched in FY21, and provides a gateway to one of the largest eCommerce markets globally. The strategic rationale of the transaction includes access to 27 European Union (**EU**) countries, access to a new exceptional product suite, acquiring a company with a history of strong growth and technology ready for rapid scaling.

The upfront purchase price payable by the Company for the Twisto Acquisition is approximately EUR89 million (approximately A\$140 million).<sup>2</sup> The Company proposes to pay this consideration in new Shares. Accordingly, the current securityholders of Twisto (the **Twisto Sellers**) will be entitled to receive up to a maximum of 32,093,898 Shares (the **Consideration Shares**), which comprises up to a maximum of 27,543,898 Shares as the upfront consideration (the Upfront Consideration Shares) and up to a maximum of 4,550,000 Shares as the holdback consideration (the **Holdback Consideration Shares**).

Upon completion of the Twisto Acquisition, which is expected to occur shortly after the AGM, the Company will issue a maximum of 27,543,898 Shares to the Twisto Sellers as the Upfront Consideration Shares. The Upfront Consideration Shares will represent a maximum of approximately 4.90% of the Company's total issued share capital as at the date of this Notice of Meeting.<sup>3</sup>

The Upfront Consideration Shares will be issued at an issue price equal to the Company's 30 day VWAP immediately prior to Completion, subject to a minimum floor share price of A\$5.00 and an exchange rate cap of A\$1.82 per EUR.

The Company will also issue up to a maximum of 4,550,000 Shares to the Twisto Sellers as the Holdback Consideration Shares, representing a maximum of approximately 0.77% of the Company's total issued Share capital as at the date of this Notice of Meeting<sup>4</sup>. EUR€12,500,000 of the total consideration payable in respect of the Twisto Acquisition will be held-back by the Company as a retention amount for the purpose of satisfying any claims that may arise under the acquisition agreement to be entered into (the **Twisto Acquisition Agreement**). The amount of the Holdback Consideration will be reduced by any claims for breach of the Twisto Acquisition Agreement.

The Holdback Consideration Shares will be issued:

- (a) if no claims have been made by the Company under the Twisto Acquisition Agreement by the one-year anniversary of Completion (the **Holdback Date**), or if a claim or claims made by the Company under the Twisto Acquisition Agreement have been finally determined or otherwise resolved by the parties by the Holdback Date – within 60 days of the Holdback Date; or
- (b) if a claim has been made by the Company under the Twisto Acquisition Agreement by the Holdback Date, but that claim has not been finally determined or resolved by that date – within 60 days of the date on which the claim is finally determined or resolved by the parties, and in any event, by no later than the four-year anniversary of Completion.

The Holdback Consideration Shares will also be issued at an issue price equal to the Company's 30 day VWAP immediately prior to the date on which the relevant Holdback Consideration Shares are issued, subject to a 'minimum floor share price' of \$5.00 per Share and an 'exchange rate cap' of A\$1.82 per EUR.

The following key terms form part of the Twisto Acquisition:

- (a) **Conditions precedent** – unless otherwise agreed by the parties, the Twisto Acquisition is subject to a number of conditions precedent being satisfied (or waived) by 6 business days after the Meeting, and Completion must occur no later than 5 business days after the date on which the last condition precedent is satisfied (or waived). The conditions precedent include Shareholders approving the issue of the Consideration Shares, the Company obtaining approval from the Czech National Bank for the Twisto Acquisition, various securities in Twisto being converted, exercised or extinguished in accordance with the terms of the Twisto Acquisition Agreement as well as the Twisto Sellers entering into the Twisto Acquisition Agreement on prescribed terms to sell their shares to Zip (which, if this does not occur within a prescribed time, Zip can either terminate the Twisto Acquisition or elect to complete the Twisto Acquisition on limited terms).

<sup>1</sup> Through its subsidiary, Zip UK Holdings Limited.

<sup>2</sup> On an undiluted basis.

<sup>3</sup> On an undiluted basis.

<sup>4</sup> On an undiluted basis, but assuming the issue of the maximum number of Shares as the Upfront Consideration Shares.

# Explanatory Notes

Continued

- (b) **Voluntary escrow** – the Twisto Sellers have agreed to enter into voluntary escrow agreements with the Company under which they will be restricted from dealing with a portion of their Upfront Consideration Shares. A number of the key Twisto Sellers will have 70% of their Upfront Consideration Shares escrowed for a period of 12 months from Completion, while the other Twisto Sellers will have 50% of their Upfront Consideration Shares escrowed for a period of 6 months from Completion.
- (c) **Cash true up** – if, when the Upfront Consideration Shares and Holdback Consideration Shares are issued, the Company's Share price is less than the prescribed 'minimum floor share price' and/or the exchange rate is less than the prescribed exchange rate cap (each as set out above), the Company will be required to either pay a 'true-up' amount in cash to the Twisto Sellers for this difference or, subject to compliance with the ASX Listing Rules, settle that amount through the issue of additional Shares to the Twisto Sellers.
- (d) **Break fee** – the Company has agreed to pay certain break fees to Twisto if the Twisto Acquisition does complete and is terminated in prescribed circumstances and/or within time periods.

## **ASX WAIVER IN RESPECT OF THE HOLDBACK CONSIDERATION SHARES**

The ASX has granted the Company a waiver from ASX Listing Rule 7.3.4 to the extent necessary to permit the Company in this Notice of Meeting not to state that the Holdback Consideration Shares will be issued within 3 months of the date of the Annual General Meeting on the following terms and conditions:

- (a) for any annual reporting period during which any of the Holdback Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Holdback Consideration Shares issued in that annual reporting period, the number of Holdback Consideration Shares that remain to be issued and the basis on which the Holdback Consideration Shares may be issued;
- (b) in any half year or quarterly report for a period during which any of the Holdback Consideration Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Holdback Consideration Shares issued during the reporting period, the number of Holdback Consideration Shares that remain to be issued and the basis on which the Holdback Consideration Shares may be issued; and
- (c) this Notice of Meeting contains the full terms and conditions of the Holdback Consideration Shares as well as the conditions of the waiver.

## **ASX LISTING RULE 7.1**

This Item of Business seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Consideration Shares to the Twisto Sellers in connection with the Twisto Acquisition. The Company will only issue the Consideration Shares if all conditions precedent under the Twisto Acquisition Agreement are satisfied or waived.

ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue or agree to issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The issue of the Consideration Shares does not fit within any of the exceptions to ASX Listing Rule 7.1 and together with other planned issues cannot be accommodated within the 15% limit in ASX Listing Rule 7.1. It therefore requires the approval of Shareholders under ASX Listing Rule 7.1.

Item 4 seeks the required Shareholder approval to the issue of the Consideration Shares for the purpose of ASX Listing Rule 7.1. If this resolution is passed, the Company will be able to proceed with the issue of the Consideration Shares and complete the Twisto Acquisition. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under ASX Listing Rule 7.1.

For the purpose of ASX Listing Rule 7.3, the following information is provided to Shareholders:

- (a) **The names of the persons to whom the Company will issue the securities or the basis on which those persons will be identified or selected** – the Consideration Shares will be issued to the Twisto Sellers (which may include their nominees).
- (b) **The number and class of securities that the Company will issue** – the Company will issue up to a maximum of 32,093,898 Shares, comprising up to a maximum of 27,543,898 Shares as the Upfront Consideration Shares and up to a maximum of 4,550,000 Shares as the Holdback Consideration Shares.

- (c) **If the securities are not fully paid ordinary securities, a summary of the material terms of the securities** – the Consideration Shares are fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares. However, the Twisto Sellers are required to enter into voluntary escrow arrangements with the Company, under which they will be restricted from dealing with a portion of their Upfront Consideration Shares.
- (d) **The dates by which the Company will issue the securities** – the Upfront Consideration Shares will be issued on Completion, which is expected to occur shortly after the AGM, but no later than 3 months after the AGM. The Holdback Consideration Shares will be issued on the dates specified above, and by no later than the four-year anniversary of Completion.
- (e) **The price or other consideration the Company will receive for the securities** – the Upfront Consideration Shares will be issued at an issue price equal to the Company's 30 day VWAP immediately prior to Completion, subject to a 'minimum floor share price' of A\$5.00 and an 'exchange rate cap' of A\$1.82 per EUR. The Holdback Consideration Shares will be issued at an issue price equal to the Company's 30 day VWAP immediately prior to the date on which the relevant Holdback Shares are issued, subject to a 'minimum floor share price' of \$5.00 per Share and an 'exchange rate cap' of A\$1.82 per EUR.
- (f) **The purpose of the issue, including the intended use of funds** – the Consideration Shares are being issued in connection with the acquisition of Twisto under the Twisto Acquisition Agreement. No funds will be raised from the issue of the Consideration Shares.
- (g) **If the securities are being issued under an agreement, a summary of the material terms of the agreement** – see above for a summary of the material terms of the Twisto Acquisition and the Twisto Acquisition Agreement.

A voting exclusion statement is included in the Notice of Meeting.

#### **DIRECTORS' RECOMMENDATION**

The Directors' unanimously recommend that the Shareholders **VOTE IN FAVOUR** of Item 4.

### **ITEM 5 - RATIFICATION OF PRIOR ISSUES OF SECURITIES**

#### **(A) RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES IN CONNECTION WITH THE CONVERTIBLE NOTE RAISING**

On 14 April 2021, the Company announced that it had launched an offering of A\$400 million zero coupon senior unsecured convertible notes due 2028 (the **Convertible Notes**) to new and existing institutional, sophisticated and professional investors (the **Convertible Note Raising**).

The Convertible Notes:

- (a) were issued on 23 April 2021;
- (b) are set to mature on 23 April 2028 (unless otherwise redeemed, repurchased or converted in accordance with their terms);
- (c) are convertible into up to a maximum of 41,623,309 Shares in the Company (subject to adjustment in accordance with the terms of the Convertible Notes);
- (d) have an initial conversion price of A\$12.39 per Share (which represented a conversion premium of 35% above the 'reference share price' of A\$9.18 per Share); and
- (e) are listed on the Official List of the Singapore Exchange Securities Trading Limited.

The net proceeds of the Convertible Note Raising have been, and will be, used to drive growth in the Company's core markets, expand into new regions and for general corporate purposes.

The issue of the Convertible Notes did not require Shareholder approval as the number of notes issued was within the Company's 15% limit under ASX Listing Rule 7.1.

# Explanatory Notes

Continued

## **(B) RATIFICATION OF PRIOR ISSUE OF SHARES IN CONNECTION WITH THE PLACEMENT**

On 17 December 2020, the Company announced that it had secured commitments to raise A\$120 million (before costs) via a placement of 22,471,911 Shares (the **Placement Shares**) to new and existing institutional investors (the **Placement**). The placement enabled Zip to capitalise on the acquisition of QuadPay in the US, scale Zip's operations in the UK, whilst driving product expansion in Australia with Zip Business.

The issue price for the Placement Shares was A\$5.34 per share, which represented a 4.1% discount to the last traded price of the Company's Shares on the ASX on 16 December 2020.

On 22 December 2020, the Company successfully settled the Placement and the Placement Shares were issued in accordance with ASX Listing Rule 7.1.

The issue of the Placement Shares did not require Shareholder approval as the number of Shares issued was within the Company's 15% limit under ASX Listing Rule 7.1.

## **DIRECTORS' RECOMMENDATION**

The Directors unanimously recommend that the Shareholders **VOTE IN FAVOUR** of Items 5(a) and 5(b).

## **ITEM 6 - RENEWED APPROVAL OF EMPLOYEE INCENTIVE PLAN (EIP) AND ISSUE OF SECURITIES**

### **(A) RENEWED APPROVAL OF EIP AND ISSUE OF SECURITIES**

The Company's EIP was last approved at the Company's AGM on held 30 November 2018. A summary of the key terms of the EIP is set out in the FY2021 Remuneration Report, Annexure A to the Notice of Meeting and a copy of the rules of the EIP is available upon request from the Company.

The Company seeks renewed Shareholder approval for the EIP and for issues of equity securities under the EIP for all purposes including for Exception 13(b) of ASX Listing Rule 7.2.

Exception 13(b) of ASX Listing Rule 7.2 provides that ASX Listing Rule 7.1 does not apply to an issue of equity securities under an employee incentive scheme if within 3 years before the issue date, a company's shareholders have approved the issue of equity securities under the scheme as an exception to that rule.

If Item 6(a) is approved by Shareholders, the securities issued by the Company under the EIP during the next 3 year period will be excluded in calculating the Company's 15% limit for the purposes of ASX Listing Rule 7.1, subject to the maximum cap described below.



Since the 2018 AGM, the Company has issued the following securities under the EIP:

ISSUE DATE	TYPE OF SECURITY	KEY TERMS
5 December 2018	2,720 Shares	N/A
15 February 2019	406406,666 Performance Rights	Vesting 15 February 2022, Exercise price Nil, expiry 15 February 2025
15 February 2019	406406,666 Performance Rights	Vesting 15 February 2023, Exercise price Nil, expiry 15 February 2025
15 February 2019	406406,668 Performance Rights	Vesting 15 February 2024, Exercise price Nil, expiry 15 February 2025
15 February 2019	510,000 Performance Rights	Vesting 15 September 2021, Exercise Price Nil, expiry 15 February 2025
15 February 2019	510,000 Performance Rights	Vesting 15 September 2022, Exercise Price Nil, expiry 15 February 2025
15 February 2019	510,000 Performance Rights	Vesting 15 September 2023, Exercise Price Nil, expiry 15 February 2025
1 October 2019	795,538 Shares	N/A
5 December 2019	432,857 Shares	N/A
20 December 2019	146,830 Performance Rights	Vesting 15 September 2022, Exercise price Nil, expiry 15 December 2025
20 December 2019	106,165 Performance Rights	Vesting 15 September 2023, Exercise price Nil, 15 December 2025
20 December 2019	106,164 Performance Rights	Vesting 15 September 2024, Exercise price Nil, 15 December 2025
24 June 2020	388,164 Performance Rights	Vesting 15 September 2023, Exercise price Nil, 24 June 2026
24 June 2020	388,162 Performance Rights	Vesting 15 September 2024, Exercise price Nil, 24 June 2026
24 June 2020	388,160 Performance Rights	Vesting 15 September 2025, Exercise price Nil, 24 June 2026
2 October 2020	645,616 Shares	N/A
14 October 2020	100,000 Shares	N/A
26 October 2020	48,309 Shares	N/A
26 October 2020	102,487 Performance Rights	Vesting 14 September 2023, Exercise price Nil, 22 October 2026
1 December 2020	61,978 Shares	N/A
1 December 2020	59,442 Shares	N/A
22 December 2020	6,785 Shares	N/A
5 March 2021	95,187 Shares	N/A
30 March 2021	56,768 Shares	N/A
29 April 2021	2,131,477 Shares	N/A
25 May 2021	2,000,000 Shares	N/A
7 June 2021	110,000 Performance Rights	Vesting 7 June 2022, Exercise price nil, 7 June 2027
7 June 2021	110,000 Performance Rights	Vesting 7 June 2023, Exercise price nil, 7 June 2027
7 June 2021	110,000 Performance Rights	Vesting 7 June 2024, Exercise price nil, 7 June 2027
9 June 2021	9191,743 Performance Rights	Vesting 9 June 2022, Exercise price nil, expiring 9 June 2027
9 June 2021	9191,743 Performance Rights	Vesting 9 June 2023, Exercise price nil, expiring 9 June 2027
9 June 2021	9191,743 Performance Rights	Vesting 9 June 2024, Exercise price nil, expiring 9 June 2027
<b>Total securities</b>	<b>11,418,038</b>	

The securities detailed in the above table represents 2.03% of the Company's shares on issue as at the date of this Notice of Meeting.<sup>5</sup>

<sup>5</sup> Excluding any securities that may be issued as a result of any resolutions included in this Notice of Meeting.



# Explanatory Notes

Continued

If Item 6(a) is approved by Shareholders, the maximum number of securities which may be issued by the Company under the EIP is 28,106,774 (being 5% of the Company's issued share capital). This maximum number is not intended to be a prediction of the actual number of securities to be issued by the Company under the EIP.

## **DIRECTORS' RECOMMENDATION**

Each of the Directors is a potential participant under the EIP and therefore, in the interest of good governance, **NO RECOMMENDATION** is made on how to vote in respect of Item 6(a).

## **(B) APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER EMPLOYEE INCENTIVE PLAN**

The Company is seeking approval to give certain termination benefits in connection with a person ceasing to hold a managerial or executive office in the Company or a related body corporate for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes.

Part 2D.2, Division 2 of the Corporations Act provides that a listed company must not permit a person in a managerial or executive office (including a Director) to receive a benefit in connection with their retirement or removal from office or employment (**Termination Benefit**), except with respect to certain statutory exceptions, over the applicable 'base salary amount' without Shareholder approval. The 'base salary amount' is calculated as 12 months of the applicable person's base salary plus any short-term benefits not dependent on performance conditions paid during the relevant period. This section of the Corporation Act, and in particular the meaning of a Termination Benefit has wide operation and is subject to a broad interpretation.

Under the terms and conditions of the EIP, the Board may determine that an option will 'early' vest upon the occurrence of any event as determined by the Board in its absolute discretion. Examples of circumstances in which the early vesting or exercise of options may be permitted at the Board's discretion could include, termination of a participant's employment, engagement or office with the Company due to any reason the Board decides, or in other circumstances where the Board exercises its discretion to allow early vesting as well as change of control events.

Item 6(b) therefore seeks Shareholder approval for the exercise of the Board's discretion in relation to termination benefits (if any) that may be awarded to current or future participants in the EIP and, does not of itself, guarantee that any such participant will receive such termination benefits.

The value of the potential termination benefits that may be given to an eligible participant in connection with ceasing to hold managerial or executive office cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the precise value of a particular benefit will depend on factors such as the prevailing Share price at the time of vesting and the number of options that will vest or otherwise be affected (which could be up to all of the options held by the person). The following additional factors may also affect the benefit's value:

- (i) the date when, the reasons for and the circumstances in which the person ceases employment; and
- (ii) the number of equity securities held by the person prior to cessation of employment or office.

If approval of Item 6(b) is obtained, it will have effect in relation to benefits given between the conclusion of this Meeting and the conclusion of the third AGM of the Company after this Meeting.

## **DIRECTORS' RECOMMENDATION**

Each of the Directors is a potential participant under the EIP and therefore, in the interest of good governance, **NO RECOMMENDATION** is made on how to vote in respect of Item 6(b).

## ITEM 7 - GRANT OF SHORT TERM INCENTIVE PLAN SHARES UNDER THE EIP

(a) Grant of STIP Shares to Larry Diamond under the EIP

(b) Grant of STIP Shares to Peter Gray under the EIP

Under the EIP, the Board may issue short term incentive plan shares (the **STIP Shares**) to eligible participants. Each STIP Share ranks equally in all aspects with all existing Shares previously issued by the Company.

A summary of the rules of the EIP is included in the Remuneration Report.

The Company seeks Shareholder approval to issue STIP Shares to the following Directors:

RECEIVER	TERMS
<b>Larry Diamond (Item 7(a))</b>	<ul style="list-style-type: none"><li>(a) Under the terms of Mr Diamond's employment agreement, he is eligible for an annual performance based bonus of \$249,153 based on the achievement of the Company's financial and non-financial performance targets.</li><li>(b) As set out in the Annual Financial Report, the Company achieved 85% of the Company's performance scorecard for the financial year ending 30 June 2021, which resulted in a performance-based bonus of \$211,780 being awarded to Mr Diamond.</li><li>(c) Mr Diamond has elected to take this bonus in the form of 29,092 STIP Shares. 50% of the STIP Shares will be subject to a disposal restriction ending on the 1st anniversary of the date that the STIP Shares are issued.</li><li>(d) The STIP Shares will be issued at nil consideration but have a deemed issue price of \$7.2798 per STIP Share.</li><li>(e) The Board retains the overriding power to seek to recover STIP Shares (i.e. clawback) in certain circumstances (including, without limitation, in the event of serious misconduct, material misstatement of financial statements and material reputational damage).</li></ul>
<b>Peter Gray (Item 7(b))</b>	<ul style="list-style-type: none"><li>(a) Under the terms of Mr Gray's employment agreement, he is eligible for an annual performance based bonus of \$239,153, based on the achievement of the Company's financial and non-financial performance targets.</li><li>(b) As set out in the Annual Financial Report, the Company achieved 85% of the Company's performance scorecard for the financial year ending 30 June 2021, which resulted in a performance-based bonus of \$203,280 being awarded to Mr Gray.</li><li>(c) Mr Gray has elected to take this bonus in the form of 27,924 STIP Shares. 50% of the STIP Shares will be subject to a disposal restriction ending on the 1st anniversary of the date that the STIP Shares are issued.</li><li>(d) The STIP Shares will be issued at nil consideration but have a deemed issue price of \$7.2798 per STIP Share.</li><li>(e) The Board retains the overriding power to seek to recover STIP Shares (i.e. clawback) in certain circumstances (including, without limitation, in the event of serious misconduct, material misstatement of financial statements and material reputational damage).</li></ul>

# Explanatory Notes

Continued

The issue of STIP shares to Mr Diamond and Mr Gray falls within ASX Listing Rule 10.14.1 and therefore requires approval of the Shareholders in accordance with Items 7(a) and 7(b).

If Items 7(a) and 7(b) are passed, the Company will be able to proceed with the proposed issue of the STIP Shares to Mr Diamond and/or Mr Gray. Approval will not be required under ASX Listing Rule 7.1, and the grant of the STIP Shares to Mr Diamond and/or Mr Gray (as applicable) will not count towards the Company's existing placement capacity under ASX Listing Rule 7.1.

If Items 7(a) and 7(b) are not passed, the Company will not be able to proceed with the issue of the STIP Shares. The Company will therefore be required to pay the equivalent value in cash to Mr Diamond and Mr Gray respectively.

The non-conflicted Non-Executive Directors of the Company (Diane Smith-Gander, John Batistich and Pippa Downes) carefully considered the issue of these STIP Shares to Mr Diamond and Mr Gray (or their nominees), and formed the view that the giving of this financial benefit as part of Mr Diamond and Mr Gray's remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the STIP Shares, and the responsibilities held by both Mr Diamond and Mr Gray in the Company. The Non-Executive Directors consider that the issue of STIP Shares is a more cost-effective way to remunerate Mr Diamond and Mr Gray, than other forms of remuneration, such as additional cash bonuses.

Accordingly, the Non-Executive Directors of the Company believe that the issue of these STIP Shares to Mr Diamond and Mr Gray under Items 7(a) and 7(b) fall within the reasonable remuneration exception as set out in section 211 of the Corporations Act, and rely on this exception to section 208.

The following information is provided to Shareholders in relation to the issue of the STIP Shares under Items 7(a) and 7(b) for the purposes of ASX Listing Rule 10.15:

INFORMATION REQUIRED BY ASX LISTING RULE 10.15		DETAILS
Name of person being issued the securities	Mr Larry Diamond (Item 7(a))	Mr Peter Gray (Item 7(b))
Category in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 the person falls within	Managing Director and Chief Executive Officer.	Executive Director and Global Chief Operations Officer.
Securities to be issued	29,092 STIP Shares.	27,924 STIP Shares.
Current total remuneration package for the Financial year ended 30 June 2022	(a) Annual salary of \$535,600 inclusive of statutory superannuation. (b) Eligible for a maximum annual performance-based bonus of \$256,016. (c) Performance Rights as 'long term equity' to the value of \$256,016. Please refer to Item 8(a) for further details. (d) Performance Rights as 'long term incentives' to the value of \$443,417. Please refer to Item 9(a) for further details.	(a) Annual salary of \$515,000 inclusive of statutory superannuation. (b) Eligible for a maximum annual performance-based bonus of \$245,716. (c) Performance Rights as 'long term equity' to the value of \$245,716. Please refer to Item 8(b) for further details. (d) Performance Rights as 'long term incentives' to the value of \$425,292. Please refer to Item 9(b) for further details.

**INFORMATION  
REQUIRED BY ASX  
LISTING RULE 10.15**

**DETAILS**

Number of securities previously issued under EIP	<p>(a) 610,000 Performance Rights for nil cash consideration issued in 2019. These were approved by Shareholders at the 2018 AGM, with full details provided in the Notice of Meeting released to the ASX on 30 October 2018;</p> <p>(b) 20,252 Performance Rights for nil cash consideration issued in 2021. These were approved by Shareholders at the 2020 AGM, with full details provided in the Notice of Meeting released to the ASX on 29 October 2020;</p> <p>(c) 44,643 STIP Shares for nil cash consideration issued in 2019. These were approved by Shareholders at the 2019 AGM. The STIP Shares had a deemed issue price of \$3.43 per STIP Share which was calculated pursuant to the terms of the EIP; and</p> <p>(d) 30,268 STIP Shares for nil cash consideration issued in 2020. These were approved by Shareholders at the 2020 AGM. The STIP Shares had a deemed issue price of \$6.17 per STIP Share which was calculated pursuant to the terms of the EIP.</p>	<p>(a) 610,000 Performance Rights for nil cash consideration issued in 2019. These were approved by Shareholders at the 2018 AGM, with full details provided in the Notice of Meeting released to the ASX on 30 October 2018;</p> <p>(b) 19,439 Performance Rights for nil cash consideration issued in 2021. These were approved by Shareholders at the 2020 AGM, with full details provided in the Notice of Meeting released to the ASX on 29 October 2020;</p> <p>(c) 44,643 STIP Shares for nil cash consideration issued in 2019. These were approved by Shareholders at the 2019 AGM. The STIP Shares had a deemed issue price of \$3.43 per STIP Share which was calculated pursuant to the terms of the EIP; and</p> <p>(d) 29,174 STIP Shares for nil cash consideration issued in 2020. These were approved by Shareholders at the 2020 AGM. The STIP Shares had a deemed issue price of \$6.17 per STIP Share which was calculated pursuant to the terms of the EIP.</p>
Type of securities being issued	Fully paid ordinary shares that will rank equally in all aspects with all existing Shares issued.	Fully paid ordinary shares that will rank equally in all aspects with all existing Shares issued.
Date by which securities will be issued by the Company	As soon as practicable after Shareholder approval is obtained at the Meeting but in any event no later than 12 months from the date of the 2021 AGM.	As soon as practicable after Shareholder approval is obtained at the Meeting but in any event no later than 12 months from the date of the 2021 AGM.
Price for the securities being issued under the EIP	No cash amount is being paid by Mr Diamond for these STIP Shares. However, the STIP Shares do have a deemed issue price of \$7.2798 per STIP Share which was calculated pursuant to the terms of the EIP.	No cash amount is being paid by Mr Gray for these STIP Shares. However, the STIP Shares do have a deemed issue price of \$7.2798 per STIP Share which was calculated pursuant to the terms of the EIP.
Summary of the material terms of the EIP	A summary of the material terms of the EIP are set out in the Remuneration Report and in Annexure A to this Notice of Meeting	
Summary of the material terms of any loan that will be made available in relation to the allotment of the securities	No loans are being provided to Mr Diamond in relation to the allotment of the STIP Shares.	No loans are being provided to Mr Gray in relation to the allotment of the STIP Shares.

Details of any securities issued under the EIP will be published in the Annual Financial Report relating to the period in which securities are issued, along with a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

# Explanatory Notes

Continued

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the EIP after Items 7(a) and 7(b) are approved (and who were not named in this Notice of Meeting) will not participate in the EIP until approval is obtained under ASX Listing Rule 10.14.

## **DIRECTORS' RECOMMENDATION**

The Non-Executive Directors' recommend that the Shareholders **VOTE IN FAVOUR** of Items 7(a) and 7(b).

## **ITEM 8 - GRANT OF LONG-TERM EQUITY (LTE) PERFORMANCE RIGHTS UNDER THE EIP**

(a) Grant of LTE Performance Rights to Larry Diamond

(b) Grant of LTE Performance Rights to Peter Gray

## **ITEM 9 - GRANT OF LONG TERM INCENTIVE (LTI) PERFORMANCE RIGHTS UNDER THE EIP**

(a) Grant of LTI Performance Rights to Larry Diamond

(b) Grant of LTI Performance Rights to Peter Gray, Director of the Company

Items 8(a), 8(b), 9(a) and 9(b) seek Shareholder approval to grant to:

- Mr Larry Diamond, \$256,016 worth of Performance Rights under the EIP as part of the Long Term Equity plan (**LTE**) under Item 8(a);
- Mr Peter Gray, \$245,716 worth of Performance Rights under the EIP as part of the LTE plan under Item 8(b);
- Mr Larry Diamond, 105,504 Performance Rights under the EIP as part of the Long Term Incentive plan (**LTI**) under Item 9(a); and
- Mr Peter Gray, 101,260 Performance Rights under the EIP as part of the LTI plan under Item 9(b).

## **REASONS FOR GRANT OF PERFORMANCE RIGHTS**

As stated in the FY21 Remuneration Report, the Zip LTE plan is designed to supplement the modest cash fixed remuneration for Mr Diamond and Mr Gray which are sitting well below the median of Zip's market comparator set. This allows Zip to conserve cash while at the same time attracting and retaining talent. Therefore, LTE is seen as part of fixed remuneration helping to offset modest cash remuneration. For this reason the performance rights granted under the LTE plan are only subject to continued service and do not have any performance related vesting conditions.

The LTI aligns executive accountability and remuneration outcomes with the delivery of sustained group performance and Shareholder interests over the long term. It is designed to vary remuneration outcomes in line with the extent of longer-term (three year) performance achievement focused on Shareholder returns. The LTI measures the Company's performance on TSR as a clear alignment with Shareholder's long term interests.

The grant of Performance Rights to Mr Diamond and Mr Gray falls within ASX Listing Rule 10.14.1 and therefore requires approval of the Shareholders in accordance with Items 8(a), 8(b), 9(a) and 9(b).

If Items 8(a), 8(b), 9(a) and 9(b) are passed, the Company will be able to proceed with the grant of the Performance Rights to Mr Diamond and/or Mr Gray. Approval will not be required under ASX Listing Rule 7.1, and the grant of the Performance Rights to Mr Diamond and/or Mr Gray (as applicable) will not count towards the Company's existing placement capacity under ASX Listing Rule 7.1. Separate approval will also not be required under ASX Listing Rule 10.11.

If Items 8(a), 8(b), 9(a) and 9(b) are not passed, the Company will not be able to grant the Performance Rights. The Company will thereafter need to discuss and negotiate the remuneration packages of Mr Diamond and Mr Gray to reflect the intent of their employment agreements.

A summary of the Termination Benefits provisions of Part 2D.2, Division 2 is set out in the Explanatory Notes to Item 6(b) above.

The non-conflicted Non-Executive Directors of the Company (being Ms Diane Smith-Gander, Mr John Batistich and Ms Pippa Downes) carefully considered the grant of the LTE and LTI Performance Rights to Mr Diamond and Mr Gray (or their nominees), 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 both

Mr Diamond and Mr Gray in the Company. The Non-Executive Directors consider that the grant of the Performance Rights is a more cost-effective way to remunerate Mr Diamond and Mr Gray, as opposed to other forms of remuneration, such as additional cash bonuses.

Accordingly, the Non-Executive Directors of the Company believe that the grant of the LTE and LTI Performance Rights to Mr Diamond and Mr Gray under Items 8(a), 8(b), 9(a) and 9(b) fall within the “reasonable remuneration” exception in section 211 of the Corporations Act, and rely on this exception for the purposes of these Resolutions.

The following information is provided to Shareholders in relation to the grant of Performance Rights under Item 8(a) and 8(b) for the purposes of ASX Listing Rule 10.15:

INFORMATION REQUIRED BY ASX LISTING RULE 10.15	DETAILS	
Name of person being issued the securities	<b>Mr Larry Diamond (Item 8(a))</b>	<b>Mr Peter Gray (Item 8(b))</b>
Category in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 the person falls within	Managing Director and Chief Executive Officer.	Executive Director and Global Chief Operations Officer.
Securities to be issued	Being \$256,016 divided by the Conversion Price. <sup>6</sup>  Each Performance Right represents an entitlement, upon vesting and exercise, to receive a Share.	Being \$245,716 divided by the Conversion Price.  Each Performance Right represents an entitlement, upon vesting and exercise, to receive a Share.
Summary of material terms of the securities	<p>(a) <b>Maximum number of rights to be granted:</b> The number of Performance Rights to be granted to Mr Diamond and Mr Gray will be calculated by dividing their incentive amount, being \$256,016 for Mr Diamond and \$245,716 for Mr Gray, by the 30-day VWAP of the Shares up to and including the date of announcement of the Company’s half year results as at 31 December 2021 (the Conversion Price).</p> <p>(b) <b>Exercise Price:</b> The Performance Rights will each have a nil exercise price.</p> <p>(c) <b>Vesting Condition:</b> Under the EIP, Performance Rights granted can vest subject to the achievement (or waiver) of specific vesting conditions. The vesting condition set by the Board for the Performance Rights is a time-based vesting condition that provides the Performance Rights will vest in 4 separate and equal tranches annually after the date of the grant, and will automatically lapse if they are not exercised within 6 years after the date of the grant, subject to Mr Diamond and Mr Gray (as applicable) having not resigned as employees of the Company before each vesting date (or the vesting condition is otherwise waived by the Board).</p> <p>(d) <b>Exercise of Performance Right:</b> Each Performance Right will be deemed to be exercised on, or the business day following, the date on which the Performance Right vests (or, if the participant is not permitted to exercise that Performance Right under the Company’s <i>‘Code of Conduct for Dealing with Securities’</i>, the first subsequent day that they are permitted to exercise the Performance Right).</p> <p>(e) <b>Cash settlement of Performance Rights:</b> The Board may determine to settle a Performance Right with a cash equivalent amount equal to the VWAP of a Share for the 10 trading days up to and including the date that the Performance Right vests.</p> <p>(f) <b>Board Discretion:</b> The Board retains an overriding discretion to determine that the exercise of any Performance Rights will be satisfied by the Company making a cash payment in lieu of an issue of new Shares.</p> <p>(g) <b>Malus and Clawback:</b> The Board retains the overriding power to forfeit any unvested Performance Rights (i.e. malus) and/or seek to recover any vested Performance Rights and/or resulting Shares (i.e. clawback) in certain circumstances (including, without limitation, in the event of serious misconduct, material misstatement of financial statements and material reputational damage).</p>	

# Explanatory Notes

Continued

## INFORMATION REQUIRED BY ASX LISTING RULE 10.15

## DETAILS

Explanation of why the type of securities have been issued

The proposed grant of Performance Rights is seen by the Board as a means of ensuring that Mr Diamond and Mr Gray's remuneration packages align with those received by senior executives in peer ASX listed companies and reducing the cash payments that would otherwise be payable to Mr Diamond and Mr Gray during the relevant period, as part of the Company's initiatives to reduce cash outflows. In addition, the Board considers that the Performance Rights are an appropriate form of incentive on the basis that:

- Mr Diamond and Mr Gray will only obtain the value of the Performance Rights upon the satisfaction of the relevant Vesting Conditions; and
- Performance Rights are simple to understand, likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives).

The Performance Rights will be accounted for using the principles set out in Australian Accounting Standards Board AASB2 Share Based Payments. The calculated value of the Performance Rights at the time of grant will be amortised over the relevant vesting periods. The estimated value of each Performance Right pursuant is \$256,016 for Mr Diamond's proposed Performance Rights and \$245,716 for Mr Gray's proposed Performance Rights.

The Board has determined this valuation on the basis of valuation advice obtained from PricewaterhouseCoopers New Zealand. The LTE grants do not have attached performance conditions and have a zero exercise price. Based on the fact that Zip is not expected to pay dividends over the life of the grants, risk neutral valuation principles imply that the value of the grant is value of the share price at the date of issue. The calculated value to be amortised is therefore equal to the value of the securities to be issued detailed in the table above.

As required under AASB2 Share Based Payments, the final valuation will be required at the actual grant date of the Performance Rights.

Current total remuneration package	Refer to disclosures provided in connection with Item 7(a) and 7(b) above.	Refer to disclosures provided in connection with Item 7(a) and 7(b) above.
Number of securities previously issued under EIP	Refer to disclosures provided in connection with Item 7(a) and 7(b) above.	Refer to disclosures provided in connection with Item 7(a) and 7(b) above.
Date or dates by which securities will be issued by the Company	If Items 8(a) and 8(b) are approved, the Company intends to issue the Performance Rights to Mr Diamond and Mr Gray within one (1) month of the Company announcing its half year results and in any event no later than 12 months from the date of this Meeting.	
Price for the securities being issued under the EIP	The Performance Rights will be granted for no consideration. Following exercise of the Performance Rights, the Company must issue, allocate or procure the transfer of one Share for every Performance Right, unless settled in cash at the Board's overriding discretion in accordance with their terms. The Shares will be issued for no consideration. No funds will be raised by the Company from the grant of the Performance Rights.	
Summary of the material terms of the EIP	The material terms of the EIP are set out in the Remuneration Report.	
Summary of the material terms of any loan that will be made available in relation to the allotment of the securities	No loans are being provided to Mr Diamond in relation to the grant of the Performance Rights.	No loans are being provided to Mr Gray in relation to the grant of the Performance Rights.



The following information is provided to Shareholders in relation to the grant of Performance Rights under Items 9(a) and 9(b) for the purposes of ASX Listing Rule 10.15:

INFORMATION REQUIRED BY ASX LISTING RULE 10.15		DETAILS										
Name of person being issued the securities	Mr Larry Diamond (Item 9(a))	Mr Peter Gray (Item 9(b))										
Category in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 the person falls within	Managing Director and Chief Executive Officer	Executive Director and Global Chief Operations Officer										
Securities to be issued	105,504 Performance Rights.  Each LTI Performance Right represents an entitlement, upon vesting and exercise, to a Share.	101,260 Performance Rights.  Each LTI Performance Right represents an entitlement, upon vesting and exercise, to a Share.										
Summary of material terms of the securities	<p>(a) <b>Exercise Price:</b> The Performance Rights will each have a nil exercise price.</p> <p>(b) <b>Vesting Condition:</b> Under the EIP, Performance Rights granted can vest subject to the achievement (or waiver) of specific vesting conditions. The vesting conditions set by the Board for the Performance Rights are as follows (noting that the Board has discretion to waive any vesting conditions that apply in respect of the Performance Rights):</p> <p>(i) <b>Vesting Period:</b> The Performance Rights will vest 3 years from the date of grant of the Performance Rights (the <b>Testing Date</b>), subject to the achievement (or waiver) of the below Vesting Conditions;</p> <p>(ii) <b>Vesting Condition (Employment):</b> Mr Diamond and Mr Gray (as applicable) must remain continuously employed by the Company or its subsidiary in substantially the same capacity during the Vesting Period (unless otherwise determined by the Board).</p> <p>(iii) <b>Vesting Condition (TSR):</b> The Company must achieve average compound annual growth in the price of its Shares (TSR) measured over the Vesting Period, as follows (unless waived by the Board):</p> <table><tr><td><b>Minimum TSR</b></td><td>15% per annum</td></tr><tr><td><b>Pro-rata straight line vesting between 0–100%</b></td><td>Between 15–20% per annum</td></tr><tr><td><b>TSR for 100% to vest</b></td><td>At or above 20% per annum</td></tr><tr><td><b>Share price to calculate TSR</b></td><td>\$7.2798 (being the volume weighted average price of the Company’s Shares on the ASX in the 10 trading days prior to release of the Company’s FY21 results)</td></tr><tr><td><b>Basis for calculation of the Company’s Share price on the Testing Date</b></td><td>2020-day VWAP of the Company’s shares on the ASX, being 10 days before to 10 days after the lodgement of the Appendix 4E for the year ended 30 June 2024</td></tr></table> <p>Any Performance Rights meeting the vesting criteria at the Testing Date will be able to be exercised and converted into Shares at any time up until the sixth anniversary of the date of grant of the Performance Rights, after which time they will expire.</p>		<b>Minimum TSR</b>	15% per annum	<b>Pro-rata straight line vesting between 0–100%</b>	Between 15–20% per annum	<b>TSR for 100% to vest</b>	At or above 20% per annum	<b>Share price to calculate TSR</b>	\$7.2798 (being the volume weighted average price of the Company’s Shares on the ASX in the 10 trading days prior to release of the Company’s FY21 results)	<b>Basis for calculation of the Company’s Share price on the Testing Date</b>	2020-day VWAP of the Company’s shares on the ASX, being 10 days before to 10 days after the lodgement of the Appendix 4E for the year ended 30 June 2024
<b>Minimum TSR</b>	15% per annum											
<b>Pro-rata straight line vesting between 0–100%</b>	Between 15–20% per annum											
<b>TSR for 100% to vest</b>	At or above 20% per annum											
<b>Share price to calculate TSR</b>	\$7.2798 (being the volume weighted average price of the Company’s Shares on the ASX in the 10 trading days prior to release of the Company’s FY21 results)											
<b>Basis for calculation of the Company’s Share price on the Testing Date</b>	2020-day VWAP of the Company’s shares on the ASX, being 10 days before to 10 days after the lodgement of the Appendix 4E for the year ended 30 June 2024											



# Explanatory Notes

Continued

## INFORMATION REQUIRED BY ASX LISTING RULE 10.15

## DETAILS

- (c) **Good Leaver treatment:** If Mr Diamond or Mr Gray (as applicable) ceases employment with the Group in 'Good Leaver' circumstances (which include redundancy, retirement, death and permanent incapacity), their vested Performance Rights may be exercised during the 30 day period (or such longer period as is specified in the applicable documentation) following the date of cessation of employment, after which those Performance Rights will automatically lapse and their unvested Performance Rights will not automatically lapse but rather will be at the discretion of the Board.
- (d) **Cash settlement of Performance Rights:** The Board retains an overriding discretion to determine that the exercise of any Performance Rights will be satisfied by the Company making a cash payment in lieu of an issue of new Shares.
- (e) **Malus and Clawback:** The Board retains the overriding power to forfeit any unvested Performance Rights (i.e. malus) and/or seek to recover any vested Performance Rights and/or resulting Shares (i.e. clawback) in certain circumstances (including, without limitation, in the event of serious misconduct, material misstatement of financial statements and material reputational damage).

Explanation of why  
the type of securities  
have been issued

As noted above, the proposed grant of Performance Rights is seen by the Board as a means of ensuring that Mr Diamond and Mr Gray's remuneration packages align with those received by senior executives in peer ASX listed companies and reducing the cash payments that would otherwise be payable to Mr Diamond and Mr Gray during the relevant period, as part of the Company's initiatives to reduce cash outflows. In addition, the Board considers that the Performance Rights are an appropriate form of incentive on the basis that:

- The Performance Rights retain and reward Mr Diamond and Mr Gray for the achievement of long-term business objectives; and
- Performance Rights are simple to understand, likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives).

The Performance Rights will be accounted for using the principles set out in Australian Accounting Standards Board AASB2 Share Based Payments. The calculated value of the Performance Rights at the time of grant will be amortised over the relevant vesting periods. The estimated value of the Performance Rights is \$443,417 for Mr Diamond's proposed Performance Rights and \$425,292 for Mr Gray's proposed Performance Rights.

The Board has determined this valuation on the basis of an independent indicative valuation obtained from PricewaterhouseCoopers New Zealand, using Monte Carlo simulation methodology, where the Performance Rights are considered zero exercise price options and are valued under risk neutral principles.

Assumptions used in deriving the valuation are:

- Closing Share price on the ASX as at 15 September 2021 of \$6.75
- zero exercise price;
- risk free rate used was the 3yr AUD swap rate as at 15 September 2021 of 00.39%;
- assumption that no dividends are expected to be announced or paid by the Company during the term of the Performance Rights; and
- assumed volatility factors for the Company's Shares for the 3 year period to 15 September 2024 of 81%.

As required under AASB2 Share Based Payments, the final valuation will be required at the actual grant date of the Performance Rights.

Current total  
remuneration package

Refer to disclosures provided in connection  
with Items 7(a) and 7(b) above.

Refer to disclosures provided in connection  
with Items 7(a) and 7(b) above.

**INFORMATION  
REQUIRED BY ASX  
LISTING RULE 10.15****DETAILS**

Number of securities previously issued under EIP	Refer to disclosures provided in connection with Items 7(a) and 7(b) above.	Refer to disclosures provided in connection with Items 7(a) and 7(b) above.
Date or dates by which securities will be issued by the Company	If Items 9(a) and 9(b) are approved, the Company intends to issue the Performance Rights to Mr Diamond and Mr Gray within one (1) month of the Company announcing its half year results and in any event no later than 12 months from the date of this Meeting.	
Price for the securities being issued under the EIP	The Performance Rights will be granted for no consideration. Following exercise of the Performance Rights, the Company must issue one Share for every Performance Right, unless settled in cash at the Board's overriding discretion in accordance with their terms. The Shares will be issued for no consideration. No funds will be raised by the grant of the Performance Rights.	
Summary of the material terms of the EIP	The material terms of the EIP are set out in 2021 Zip Remuneration Report	
Summary of the material terms of any loan that will be made available in relation to the allotment of the securities	No loans are being provided to Mr Diamond in relation to the grant of the Performance Rights.	No loans are being provided to Mr Gray in relation to the grant of the Performance Rights.

Details of any securities issued under the EIP will be published in the Annual Financial Report relating to the period in which securities are issued, along with a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the EIP after Items 8(a), 8(b), 9(a) and 9(b) are approved (and who were not named in this Notice of Meeting) will not participate in the EIP until approval is obtained under ASX Listing Rule 10.14.

**DIRECTORS' RECOMMENDATION**

The Non-Executive Directors' unanimously recommend that the Shareholders **VOTE IN FAVOUR** of Items 8(a), 8(b), 9(a) and 9(b).

**ITEM 10 - INCREASE NON-EXECUTIVE DIRECTORS' FEE POOL**

Shareholder approval is sought to increase the maximum aggregate amount available for Non-Executive Directors' remuneration in any financial year by \$500,000, thereby increasing the available funds to a total of \$1,500,000.

The current aggregate remuneration amount was last approved at the Company's 2019 AGM, and details of fees paid to Non-Executive Directors for the financial year ended 30 June 2021 are included in the Remuneration Report.

The Executive Directors of the Company seek Shareholder approval to increase the aggregate amount of Directors' fees for Non-Executive Directors for the following key reasons:

- it is important to ensure that the Company maintains the ability to pay competitive fees and attract and retain high calibre non-executive directors;
- in FY22 the Company proposes to appoint two further Non-Executive Directors based in the United States to support the ongoing growth of the business in that region; and
- the size of the proposed increase would be consistent with peer ASX-listed companies.

This aggregate fee pool is a maximum limit only. The proportion remaining unused will provide the Company with the ability to attract and retain high quality Directors, to make any appropriate increases to the size of the Board, and to increase fees in the future in line with market conditions.

# Explanatory Notes

Continued

It is proposed that the increase in the aggregate amount of fees for Non-Executive Directors will take effect immediately after this Meeting.

The Company confirms that the following securities have been issued to Non-Executive Directors in the preceding three years (from the date of this Meeting) under ASX Listing Rules 10.11 and 10.14:

DATE OF ISSUE	NON-EXECUTIVE DIRECTOR	TERMS AND NUMBER OF SECURITIES ISSUED
6/12/2018	John Batistich	ASX Listing Rule 10.11: Issued 97,561 Shares in connection with John Batistich' prior consultancy agreement with the Company (as approved by Shareholders on 30 November 2018).

## DIRECTORS' RECOMMENDATION

Each of the Directors is a potential recipient and therefore, in the interest of good governance, **NO RECOMMENDATION** is made on how to vote in respect of Item 10.

# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2021 Annual Report to Shareholders for the period ended 30 June 2021 as lodged by the Company with ASX on 29 September 2021.

**AGM or Meeting** means the 2021 Annual General Meeting of the Company, being the meeting of the Company's members convened by this Notice of Meeting.

**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** means the official ASX Listing Rules of the ASX as amended or replaced from time to time.

**Auditor's Report** means the auditor's report of 30 June 2021 as included in the Annual Financial Report.

**Board** means the current board of Directors of the Company.

**Completion** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Consideration Shares** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Conversion Price** has the meaning given to that term on page 21 of the Explanatory Notes.

**Convertible Note Raising** has the meaning given to that term in the Explanatory Notes under the heading 'Ratification of prior issues of securities'.

**Convertible Notes** has the meaning given to that term in the Explanatory Notes under the heading 'Ratification of prior issues of securities'.

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (i) a spouse or child of the member;
- (ii) a child of the member's spouse;
- (iii) a dependant of the member or of the member's spouse;
- (iv) 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;
- (v) a company the member controls; or
- (vi) a person prescribed by the *Corporation Regulations 2001 (Cth)*.

**Company** means Zip Co Limited ACN 139 546 428.

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

**Explanatory Notes** means the Explanatory Notes accompanying this Notice of Meeting.

**EIP** means the Zip Employee Incentive Plan has the meaning given to that term in the Company's FY21 Remuneration Report.

**EUR** means Euro.

**Group** means the Company and each subsidiary of the Company and **Group Company** means any of them.

**Holdback Consideration** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Holdback Consideration Shares** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Holdback Date** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Key Management Personnel or KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**Notice of Meeting** means this notice of annual general meeting including the Explanatory Notes.

**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 an Option granted under the EIP for which the exercise price is zero.

**Placement** has the meaning given to that term in the Explanatory Notes under the heading 'Ratification of prior issues of securities'.

**Placement Shares** has the meaning given to that term in the Explanatory Notes under the heading 'Ratification of prior issues of securities'.

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

**Remuneration Report** means the remuneration report as set out in the 2021 Annual Financial Report.

# Glossary

Continued

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, 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 Computershare Investor Services Pty Limited.

**Spill Meeting** means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**STIP Shares** means Short Term Incentive Plan Shares, which are issued pursuant to the EIP.

**Termination Benefit** has the meaning given to that term in the Explanatory Notes on page 16.

**Testing Date** has the meaning given to that term in the Explanatory Notes on page 23.

**TSR** means Total Shareholder Return and is calculated by taking into account the change in a company's share price over the relevant measurement period as well as the dividends received (and assumed to be reinvested back into the company's shares) during that period.

**Twisto** means Twisto Payments a.s.

**Twisto Acquisition** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Twisto Acquisition Agreement** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Twisto Sellers** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**Upfront Consideration Shares** has the meaning given to that term in the Explanatory Notes under the heading 'Twisto Acquisition'.

**US\$** means US dollars.

**VWAP** means, in relation to a period, the volume weighted average price of a Share on the ASX over that period.

**Zip** means Zip Co Limited (ACN 139 546 428).

# Annexure A – Summary of Terms of Employee Incentive Plan

<b>Defined terms</b>	<p>Incentive means:</p> <ul style="list-style-type: none"> <li>• a Performance Right;</li> <li>• a STIP Option;</li> <li>• a STIP Share; and</li> <li>• a LTIP Option.</li> </ul> <p>Option means an option to subscribe for Share(s) and includes:</p> <ul style="list-style-type: none"> <li>• a Performance Right;</li> <li>• a STIP Option; and</li> <li>• a LTIP Option.</li> </ul> <p>Performance Right means an Option granted under the Employee Incentive Plan for which the exercise price is zero.</p> <p>STIP Share means a Short Term Incentive Plan Share, which is intended to improve the shorter-term performance of the Company and focus on the short term goals of the Company.</p> <p>Share means a fully paid ordinary share in the capital of the Company and includes a STIP Share.</p> <p>Trust means a trust established by the Company for the purpose of subscribing for and holding and/or acquiring (whether on or off-market) and holding Options, Shares or other securities in the Company for use in connection with the Employee Incentive Plan.</p> <p>Trustee means a trustee (if any) appointed by the Board under the Employee Incentive Plan.</p>
<b>Eligibility and grant of securities</b>	<p>The Board may, from time to time grant Incentives to an Eligible Employee (as defined below) upon the terms set out in the Employee Incentive Plan and upon such additional terms and conditions, including any Performance Hurdles, as the Board determines.</p>
<b>Eligible Employees</b>	<p>An Eligible Employee means an employee of any Group Company who the Board determines to be eligible to participate in the Employee Incentive Plan. An Eligible Person may include an executive director of the Company, a non-executive director of the Company and/or a contractor or consultant who provides services to a Group Company.</p>
<b>Options and Performance Rights</b>	<p>Unless the Board determines otherwise, in respect of Options and Performance Rights granted under the Employee Incentive Plan:</p> <ul style="list-style-type: none"> <li>• each Option and Performance Right entitles its holder, upon vesting and exercise of that Option or Performance Right to one Share;</li> <li>• no payment is required for the grant of an Option or Performance Right;</li> <li>• each Option and Performance Right is unlisted and will not be quoted on the ASX; and</li> <li>• Options and Performance Rights do not confer on the holder any entitlement to any dividends or other distributions by the Company or any right to attend or vote at any general meeting of the Company.</li> </ul>
<b>Vesting of Options and Performance Rights</b>	<p>An Option and/or Performance Right will not vest unless:</p> <ul style="list-style-type: none"> <li>• the Vesting Conditions attaching to the Option or Performance Right have been satisfied or have otherwise been waived by the Board; or</li> <li>• the Board otherwise determines in accordance with the terms of the Employee Incentive Plan (which includes in the event of a merger, a takeover or scheme of arrangement as summarised below).</li> </ul>

# Annexure A – Summary of Terms of Employee Incentive Plan

Continued

<b>Vesting Conditions</b>	<p>A Vesting Condition is the period of time, Performance Hurdles and other vesting conditions determined by the Board at the time of the offer of the Options or Performance Rights (as applicable) which are required to be satisfied before the Option or Performance Right becomes a vested Option or Performance Right.</p> <p>A Performance Hurdle is any condition or event which must be satisfied before Options or Performance Rights (as applicable) 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 Options or Performance Rights (as applicable) able to be vested be reduced, or that some or all the Options or Performance Rights (as applicable) are forfeited or lapse in circumstances determined by the Board.</p>
<b>Lapsing of Options and Performance Rights</b>	<p>Except in limited circumstances or the Board otherwise determines, unvested Options and Performance Rights will lapse where a participant ceases to be an Eligible Employee. If a participant is a good leaver, then all vested Options and Performance Rights may be exercised by the participant during the 30 day period (or such longer period as is specified in the applicable documentation) following the date of cessation of employment, after which those Options and Performance Rights will automatically lapse. If a participant is a bad leaver, then all Options and Performance Rights will be automatically forfeited and automatically lapse, unless the Board determines otherwise. However, there is no lapse or forfeiture of STIP Options held by a participant (or, for the avoidance of doubt, STIP Shares).</p>
<b>STIP Shares</b>	<p>The Board may from time to time issue, transfer or allocate (as applicable) STIP Shares to an Eligible Employee upon the terms set out in the Employee Incentive Plan and upon such additional terms and conditions as the Board determines.</p> <p>Unless the Board determines otherwise, in respect of STIP Shares issued, transferred or allocated (as applicable) under the Employee Incentive Plan:</p> <ul style="list-style-type: none"> <li>• no payment is required for the issue, transfer or allocation of a STIP Share;</li> <li>• the STIP Shares will be quoted on the ASX; and</li> <li>• the STIP Shares will rank equally in all respects with all existing Shares from the date of allotment, including in relation to voting rights and entitlements to participate in distributions and dividends and future rights issues and bonus issues.</li> </ul>
<b>No transfer</b>	<p>Incentives granted under the Employee Incentive Plan may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered without the prior written approval of the Board. However, this restriction shall not apply to any STIP Shares (or, for the avoidance of doubt, any Shares issued, transferred or allocated (as applicable) from the exercise of a Performance Right or Option).</p>
<b>Exercise of Options and Performance Rights</b>	<p>The period of exercise of each Option and Performance Right is determined by the Board and set out in the relevant offer letters. The exercise of an Option or Performance Right is conditional upon the Option or Performance Right having vested. Following exercise of an Option or Performance Right, the Company must, within such time as the Board determines, issue, transfer or allocate (as applicable) to the person exercising the Option or Performance Right, that number of Shares in respect of which the Option or Performance Right has been exercised.</p>

<b>Alterations to capital and reconstructions and new issues</b>	<p>Subject to the applicable law:</p> <ul style="list-style-type: none"> <li>• 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 make adjustments to the rights attaching to those Options or Performance Rights (including, without limitation, to the number of Shares which may be acquired on exercise of the Options or Performance Rights and the Exercise Price (if any)) on any basis it deems fit in its discretion;</li> <li>• unless the Board determines otherwise, a holder is only entitled to participate (in respect of Options or Performance Rights granted under the Employee Incentive Plan) in a new issue of Shares to existing shareholders of the Company if the holder has validly exercised the Options or Performance Rights and become a Shareholder prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the holder is the registered holder.</li> </ul>
<b>Merger, Takeover and Scheme of Arrangement</b>	<p>The Board may determine that an Option or Performance Right granted under the Employee Incentive Plan will become vested, 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:</p> <ul style="list-style-type: none"> <li>• the merger or consolidation of the Company into another company;</li> <li>• if a takeover bid is made in respect of the Company and the Board recommends acceptance to shareholders;</li> <li>• if a scheme of arrangement is made or undertaken in respect of the Company, and the Board in its absolute discretion determines exercise to be appropriate;</li> <li>• any event similar to those described above involving a change in ownership or control of the Company or all or substantial part of the assets of the Company; or</li> <li>• any other event as determined by the Board in its absolute discretion.</li> </ul>
<b>Shares issued under the Employee Incentive Plan</b>	<p>Unless the terms provide otherwise, all Shares (including STIP Shares and Shares issued, transferred or allocated (as applicable) on the exercise of Options or Performance Rights) will rank equally in all respects with all existing Shares from the date of issue, transfer or allocation (as applicable), including in relation to voting rights and entitlements to participate in distributions and dividends and future rights issues and bonus issues. The Company will make application to ASX for official quotation of Shares issued, transferred or allocated under the Employee Incentive Plan (unless otherwise determined by the Board).</p>
<b>Trustee</b>	<p>The Company may, at the sole discretion of the Board, determine that any Options and Shares (including STIP Shares and Shares issued from the exercise of a Performance Right or Option) be acquired by a Trustee and then, from time to time, transferred to or allocated on behalf of a participant after satisfaction (whether by performance or by exercise of the Board's discretion) of any Vesting Conditions and the conditions of any Holding Lock (if any). The Company may appoint the Trustee on terms and conditions as considered appropriate to enable the implementation of the Employee Incentive Plan and the Board may do all things necessary for the establishment, administration, operation and funding of the Trustee and Trust.</p>
<b>Limit on number of securities</b>	<p>Unless otherwise determined by the Board, taking into account what it considers to be all relevant factors, an offer of Incentives may only be made under the Employee Incentive Plan at any particular time, if:</p> <ul style="list-style-type: none"> <li>• the number of Shares that may be acquired on exercise of rights or options on issue under any Employee Incentive Scheme (including the Employee Incentive Plan) in the last three years; plus</li> <li>• the number of Shares which would be issued if each already issued and outstanding offer with respect to rights or options over Shares under any Employee Incentive Scheme (including the Employee Incentive Plan) was to be accepted,</li> </ul> <p>does not exceed 5% (five percent) of the total number of issued Shares as of the time of the offer.</p>



# Annexure A – Summary of Terms of Employee Incentive Plan

Continued

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**Withholding and cash settlement**

The Company may require the participant to reimburse the Company for any tax or superannuation which is required to be withheld by the Company in relation to Options or Shares issued, transferred or allocated under the Employee Incentive Plan (or sell on behalf of the participant the number of Shares required to secure such funds).

If the Company is permitted under the terms of an offer letter to pay a cash amount to a participant in lieu of delivering Shares to the participant on vesting or exercise of their Options, the Company may make such a cash payment to that participant, with the value of such cash payment being calculated in accordance with the Employee Incentive Plan rules.

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**Other**

The Employee Incentive Plan may be suspended or terminated at any time by resolution of the Board.

The Board has the power to resolve and bind the Company and participants absolutely regarding any question of fact, interpretation, effect or application arising in connection with the Employee Incentive Plan.

The Board may amend, add to, delete, revoke or otherwise vary any or all of the Vesting Conditions, the terms of issue of an Incentive, or the Employee Incentive Plan rules at any time in any manner it thinks fit in its absolute discretion. However, no amendment to the provisions of the Employee Incentive Plan rules may be made which reduces the rights of participants in respect of Incentives acquired by them prior to the date of the amendment, other than an amendment introduced primarily:

- for the purpose of complying with or conforming to present or future applicable law;
- to correct any manifest error or mistake; or
- for the purpose of enabling participants to receive a more favourable taxation treatment in respect of their participation in the Employee Incentive Plan.

The Board may waive in whole or in part any terms or conditions (including any Vesting Condition) in relation to any Incentives granted under the Employee Incentive Plan.

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zip.co



**Zip Co Limited**  
ABN 50 139 546 428

Z1P

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AEDT) on Tuesday, 2 November 2021.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders 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 form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Zip Co Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Zip Co Limited to be held as a virtual meeting on Thursday, 4 November 2021 at 10:00 AM (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 6 to 10 (except where I/we have indicated a different voting intention in step 2) even though Items 2, 6 to 10 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2, 6 to 10 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain		For	Against	Abstain
2. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6(b). Potential termination benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Election and Re-election of Directors</b>				<b>STI Plan Shares</b>			
3(a). Election of Ms Diane Smith-Gander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7(a). Grant of Shares to Larry Diamond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(b). Re-election of Mr John Batistich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7(b). Grant of Shares to Peter Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Approval to issue Shares to the Twisto Sellers</b>				<b>LTE Performance Rights</b>			
4(a). Issue Shares as the Upfront Consideration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8(a). Grant of Rights to Larry Diamond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4(b). Issue Shares as the Holdback Consideration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8(b). Grant of Rights to Peter Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Ratification of prior issues of securities</b>				<b>LTI Performance Rights</b>			
5(a). In connection with the Convertible Note Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(a). Grant of Rights to Larry Diamond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5(b). In connection with the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9(b). Grant of Rights to Peter Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Employee Incentive Plan</b>				<b>Directors' fee pool</b>			
6(a). Employee Incentive Plan and issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Increase Non-Executive Directors' fee pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

/ /

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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Computershare



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