

**Form 603**Corporations Act 2001  
Section 671B**Notice of initial substantial holder**

To Company Name/Scheme	Step One Clothing Limited
ACN/ARSN	616 696 318

**1. Details of substantial holder (1)**

Name	Step One Clothing Limited (Step One)
ACN/ARSN (if applicable)	616 696 318

The holder became a substantial holder on 28/10/21 (the obligation to file a substantial holder notice first arose on 28/10/2021 when Step One was admitted to the Official List of the Australian Securities Exchange)

**2. Details of voting power**

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

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (Shares)	132,196,500	132,196,500	71.3%

**3. Details of relevant interests**

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

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Step One	Deemed relevant interest held under section 608(8) of the Corporations Act arising from voluntary escrow deeds, over shares held by the registered holders referred to in paragraph 4 below, in favour of Step One in the form attached in the Annexure	132,196,500

**4. Details of present registered holders**

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

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Step One and Dallard Road Pty Ltd (ACN 616 695 393) as trustee for the Dallard Road Trust	Dallard Road Pty Ltd (ACN 616 695 393) as trustee for the Dallard Road Trust	Dallard Road Pty Ltd (ACN 616 695 393) as trustee for the Dallard Road Trust	123,000,000 Shares
Step One and Faraday Capital Pty Ltd (ACN 600 599 246) as trustee of the Faraday Capital	Faraday Capital Pty Ltd (ACN 600 599 246) as trustee of the Faraday Capital Trust	Faraday Capital Pty Ltd (ACN 600 599 246) as trustee of the Faraday Capital Trust	9,000,000 Shares

<b>Trust</b>			
<b>Step One and David Gallop</b>	<b>David Gallop</b>	<b>David Gallop</b>	<b>99,000 Shares</b>
<b>Step One and IICFT Pty Limited (ACN 653 522 171) as trustee for the Thompson Family Trust</b>	<b>IICFT Pty Limited (ACN 653 522 171) as trustee for the Thompson Family Trust</b>	<b>IICFT Pty Limited (ACN 653 522 171) as trustee for the Thompson Family Trust</b>	<b>67,500 Shares</b>
<b>Step One and Richard Dennis</b>	<b>Richard Dennis</b>	<b>Richard Dennis</b>	<b>30,000 Shares</b>

### 5. Consideration

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

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
<b>N/A</b>				

### 6. Associates

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

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

### 7. Addresses

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

Name	Address
<b>Step One Clothing Limited</b>	<b>5/69 Reservoir Street, Surry Hills NSW 2010 Australia</b>

## Signature

print name **William Hundy** capacity **Company Secretary**

sign here  date **01/11/2021**

### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.

- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
- (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person ( eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Step One Clothing Limited (ACN 616 696 318)

Annexure

This is Annexure of 74 pages referred to in Form 603 – Notice of initial substantial holder

Signed:

A handwritten signature in black ink, appearing to read 'W Hundy', with a stylized flourish at the end.

Name: William Hundy

Date: 1 November 2021

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HERBERT  
SMITH  
FREEHILLS

Deed

## Voluntary escrow deed (Dallard Road)

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The party specified in Item 1 of Schedule 1 (Holder)

The party specified in Item 3 of Schedule 1 (Controller)

Step One Clothing Limited



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## Voluntary escrow deed

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Date ► 7 October 2021

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Between the parties

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Company **Step One Clothing Limited**  
ABN 34 616 696 318 of 5/69 Reservoir Street, Surry Hills, NSW 2000

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Controller The party identified in Item 3 of Schedule 1

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Holder The party identified in Item 1 of Schedule 1

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This deed witnesses as follows:



# 1 Definitions and interpretation

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## 1.1 Definitions

The meanings of the terms used in this deed are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Allotment Date</b>	the date Shares are issued and transferred pursuant to the Prospectus.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the market it operates as the context requires.
<b>ASX Settlement</b>	means ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>Business Day</b>	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in Sydney.
<b>Business Hour</b>	9.00 am to 5.00 pm on any Business Day.
<b>Controller</b>	the party specified in Item 3 of Schedule 1.
<b>Controller Interest</b>	in respect of a Controller, the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has a direct or indirect interest and each intermediate entity through which that interest occurs, as set out in Item 3 of Schedule 1.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Dealing</b>	in respect of any Restricted Share or Controller Interest, means to directly or indirectly: <ul style="list-style-type: none"><li>• sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, that Restricted Share or Controller Interest or any legal, beneficial or economic</li></ul>



Term	Meaning
	<p>interest in that Restricted Share or Controller Interest;</p> <ul style="list-style-type: none"> <li>• create, or agree or offer to create, any Security Interest in that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest;</li> <li>• enter into or grant any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of that Restricted Share or Controller Interest; or</li> <li>• do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest.</li> </ul> <p>Deal and Dealt each have a corresponding meaning.</p>
<b>Dispose</b>	has the meaning given to that term in the Listing Rules.
<b>Escrow Period</b>	the period set out in Item 2 of Schedule 1.
<b>Governmental Agency</b>	any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory, self-regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.
<b>Holder</b>	the party specified in Item 1 of Schedule 1.
<b>Holding Lock</b>	has the meaning in Section 2 of the Settlement Operating Rules.
<b>Issuer Sponsored Subregister</b>	the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.
<b>Listing Rules</b>	the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX (or such other financial market on which



<b>Term</b>	<b>Meaning</b>
	the Company is listed).
<b>Offer</b>	means the offer of Shares pursuant to the Prospectus.
<b>Offer Price</b>	has the meaning given to that term in the Prospectus.
<b>Prospectus</b>	means the prospectus to be issued by the Company and SaleCo dated on or about 8 October 2021 and lodged with ASIC on that date.
<b>Restricted Shares</b>	<ol style="list-style-type: none"><li>1 all of the Shares in the Company held by the Holder on the Allotment Date excluding those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus; and</li><li>2 any securities in the Company attaching to or arising out of those Shares.</li></ol>
<b>SaleCo</b>	Step One SaleCo Limited ACN 654 256 881.
<b>Security Interest</b>	an interest or power: <ol style="list-style-type: none"><li>1 reserved in or over an interest in any securities including, but not limited to, any retention of title;</li><li>2 created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and</li><li>3 any agreement to grant or create any interest or power referred to in paragraphs (1) or (2) of this definition.</li></ol>
<b>Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Share</b>	a share in the Company.
<b>Trading Day</b>	a 'trading day' as defined in the Listing Rules.
<b>Voluntary Escrow Deed</b>	a voluntary escrow deed entered into in connection with the initial public offering of Shares in the Company.



## 1.2 Interpretation

In this deed including the recitals unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a party includes its successors, personal representatives and transferees;
- (c) words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules;
- (d) every warranty or agreement (expressed or implied) in which more than one person is joined, binds them individually and any combination of them as a group;
- (e) references to "applicable law" include all laws and regulations of jurisdictions applicable to the Company, or its related bodies corporate, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdiction outside Australia), and rules, policies, official directives, orders or requirements of any Governmental Agency, including the Listing Rules, Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances; and
- (f) the schedules form part of this deed.

## 1.3 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## 2 Escrow

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### 2.1 Holder restrictions during Escrow Period

Subject to clause 2.4, the Holder must not Deal in the Restricted Shares during the Escrow Period.



## 2.2 Controller restrictions during Escrow Period

Subject to clause 2.4, the Controller must not Deal in the Controller Interests during the Escrow Period.

## 2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue or transfer of the Restricted Shares to the Holder, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Restricted Shares as soon as practicable after registration of the Restricted Shares on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is only released:
  - (1) to the extent necessary to permit disposals of Restricted Shares permitted by this deed; and
  - (2) in full at the conclusion of the Escrow Period,  
including notifying ASX that the Restricted Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

## 2.4 Exceptions

During the Escrow Period, the Holder or the Controller may Deal in any of its Restricted Shares or Controller Interests (as relevant) if the Dealing:

- (a) arises solely as a result of:
  - (1) the acceptance of a bona fide third party takeover bid made under chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares that are not subject to any Voluntary Escrow Deed, and to which the offers under the bid relate, have accepted the bid; or
  - (2) the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including all such necessary court and shareholder approvals,  
  
provided, in each case, that, if for any reason any or all Restricted Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement, then the Holder agrees that the restrictions applying to the Restricted Shares under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Restricted Shares not so transferred or cancelled;
- (b) is the participation by the Holder in an equal access share buyback, equal access capital return or equal access capital reduction, in each case made in respect of Restricted Shares held by it; or

- (c) arises solely as a result of a requirement of applicable law (including an order of a court of competent jurisdiction), provided that any recipient of the Restricted Shares will no longer be bound by any Holding Lock or restrictions on Dealing.

## 2.5 Notice

If the Holder or Controller becomes aware:

- (a) that a Dealing in any Restricted Shares or Controller Interests has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Dealing in any Restricted Shares or Controller Interests during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the actual or potential Dealing, providing full details.

## 3 Termination

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This deed terminates automatically if the Company is not admitted to the official list of the ASX by 31 December 2021.

## 4 Warranties and acknowledgment

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### 4.1 Giving of warranties

The Holder and the Controller each give the warranties and representations in clause 4.2 in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

### 4.2 Warranties

Each of the Holder and Controller jointly and severally represents and warrants that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or Controller have entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (1) any applicable law, regulation or authorisation;



- (2) its constitution or other constituent documents (or, if the Holder or Controller is a Trustee, the trust deed for the Trust); or
  - (3) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it Dealing in Restricted Shares such that it will take effect during the Escrow Period;
- (f) the Restricted Shares are free from all Security Interests and other third party interests or rights and will (except as permitted by clause 2.4) remain so during the Escrow Period;
- (g) there is no person who has, or will have at or immediately following completion of the issue and allotment of Shares under the Offer, any economic or beneficial interest in the equity or Restricted Shares of the Holder other than the Controller;
- (h) the Holder holds the Restricted Shares and the Controller holds the Controller Interests set out in Item 3 of Schedule 1;
- (i) the Restricted Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company (other than those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus);
- (j) the Controller Interests set out in Item 3 of Schedule 1 are all the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has an interest;
- (k) if the Holder or Controller is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (l) if the Holder or Controller is a Trustee:
  - (1) the Holder or Controller has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder or Controller has not released or disposed of its equitable lien over that trust; and
  - (2) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

### **4.3 Acknowledgment**

The Holder and the Controller each acknowledge that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

### **4.4 Survival of representations and warranties**

The representations and warranties in this clause 4 survive termination of this deed.



## 5 Consequences of breaching this deed

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- (a) If the Holder or Controller breaches this deed (a **Defaulting Party**), each of the following applies:
  - (1) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (2) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Restricted Shares (this is in addition to other rights and remedies of the Company).
- (b) If the Holder or Controller breach this deed, the Holder and Controller each acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 or clause 2.2 and each of the Holder and Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder and/or Controller's obligation under clause 2.1 or clause 2.2 without proof of actual damage and without prejudice to any of its other rights or remedies.

## 6 Amendment

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This deed may not be amended without the prior written consent of the parties.

## 7 Release of results

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The Company agrees to release its full year financial results for the financial year ending 30 June 2022 and the financial year ending 30 June 2023 in accordance with the timeframe required by the Corporations Act and ASX Listing Rules.

## 8 General

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### 8.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.
- (c) Each of the parties irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) Each of the parties irrevocably waives any immunity in respect of its obligations under this deed which that party may acquire from the jurisdiction of any court



or any legal process for any reason including, but not limited to, the service of notice, attachment prior to judgment, attachment in aid of execution or execution.

## **8.2 Counterparts**

This deed may be executed in any number of counterparts.

## **8.3 Further assurances**

Each party must do all things and execute all further documents required to give full effect to this deed.

## **8.4 Notices**

A Notice is taken to be received:

- (a) if sent by post, 6 days after posting (or 10 days after posting if sent from one country to another); or
- (b) If sent by email, the first to occur of:
  - (1) when the sender receives an automated message confirming delivery; or
  - (2) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not yet been delivered or an automated 'out of office' reply,

provided that if a Notice is received or taken to be received under this clause 8.4 after 5.00pm in the place of receipt or on a non-Business Day, then it will be taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

## **8.5 Time of Essence**

Time is of the essence to this deed.





## Schedule 1

### Details

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<b>Item 1</b>	1 Holder	1 Dallard Road Pty Ltd ACN 616 695 393 as trustee for the Dallard Road Trust
	2 Holder address	2 [REDACTED]
	3 Email	3 [REDACTED]

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<b>Item 2</b>	Escrow Period	The period commencing on the Allotment Date and, in respect of:
		<ol style="list-style-type: none"><li>20% of the Restricted Shares (rounded up to the nearest Share), ending at the close of trading on ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2022;</li><li>the remaining Restricted Shares, ending at the close of trading on the ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2023.</li></ol>

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<b>Item 3</b>	1 Controller	Greg Taylor
	2 Controller Interests	Sole shareholder of the Holder

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# Signing page

Executed as a deed


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## Company

Signed sealed and delivered by  
**Step One Clothing Limited**  
by

sign here ►   
\_\_\_\_\_  
Company Secretary/Director

print name \_\_\_\_\_ GREGORY TAYLOR \_\_\_\_\_

sign here ►   
\_\_\_\_\_  
Director

print name \_\_\_\_\_ MICHAEL REDDIE \_\_\_\_\_

---

## Holder

Signed sealed and delivered by  
**Dallard Road Pty Ltd ACN 616 695 393 as trustee for the Dallard Road Trust**  
by

sign here ►   
\_\_\_\_\_  
Director

print name \_\_\_\_\_



**Controller**

Signed sealed and delivered by  
**Greg Taylor**

sign here ►  \_\_\_\_\_

print name \_\_\_\_\_

in the presence of

sign here ►  \_\_\_\_\_

Witness

print name Michael Burrell \_\_\_\_\_

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I confirm that this document was signed in counterpart and witnessed over audio visual link in accordance with section 14G of the Electronic Transactions Act 2000 (NSW).



HERBERT  
SMITH  
FREEHILLS

Deed

## Voluntary escrow deed (Faraday)

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The party specified in Item 1 of Schedule 1 (Holder)

The party specified in Item 3 of Schedule 1 (Controller)

Step One Clothing Limited



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## Voluntary escrow deed

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Date ► 7 October 2021

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Between the parties

---

Company **Step One Clothing Limited**  
ABN 34 616 696 318 of 5/69 Reservoir Street, Surry Hills, NSW 2000

---

Controller The party identified in Item 3 of Schedule 1

---

Holder The party identified in Item 1 of Schedule 1

---

This deed witnesses as follows:



# 1 Definitions and interpretation

---

## 1.1 Definitions

The meanings of the terms used in this deed are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Allotment Date</b>	the date Shares are issued and transferred pursuant to the Prospectus.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the market it operates as the context requires.
<b>ASX Settlement</b>	means ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>Business Day</b>	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in Sydney.
<b>Business Hour</b>	9.00 am to 5.00 pm on any Business Day.
<b>Controller</b>	the party specified in Item 3 of Schedule 1.
<b>Controller Interest</b>	in respect of a Controller, the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has a direct or indirect interest and each intermediate entity through which that interest occurs, as set out in Item 3 of Schedule 1.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Dealing</b>	in respect of any Restricted Share or Controller Interest, means to directly or indirectly: <ul style="list-style-type: none"><li>• sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, that Restricted</li></ul>

Term	Meaning
	<p>Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest;</p> <ul style="list-style-type: none"> <li>• create, or agree or offer to create, any Security Interest in that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest;</li> <li>• enter into or grant any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of that Restricted Share or Controller Interest; or</li> <li>• do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest.</li> </ul> <p>Deal and Dealt each have a corresponding meaning.</p>
<b>Dispose</b>	has the meaning given to that term in the Listing Rules.
<b>Escrow Period</b>	the period set out in Item 2 of Schedule 1.
<b>Governmental Agency</b>	any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory, self-regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.
<b>Holder</b>	the party specified in Item 1 of Schedule 1.
<b>Holding Lock</b>	has the meaning in Section 2 of the Settlement Operating Rules.
<b>Issuer Sponsored Subregister</b>	the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.
<b>Listing Rules</b>	the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express





<b>Term</b>	<b>Meaning</b>
	written waiver by the ASX (or such other financial market on which the Company is listed).
<b>Offer</b>	means the offer of Shares pursuant to the Prospectus.
<b>Offer Price</b>	has the meaning given to that term in the Prospectus.
<b>Prospectus</b>	means the prospectus to be issued by the Company and SaleCo dated on or about 8 October 2021 and lodged with ASIC on that date.
<b>Restricted Shares</b>	<ol style="list-style-type: none"><li>1 all of the Shares in the Company held by the Holder on the Allotment Date excluding those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus; and</li><li>2 any securities in the Company attaching to or arising out of those Shares.</li></ol>
<b>SaleCo</b>	Step One SaleCo Limited ACN 654 256 881.
<b>Security Interest</b>	an interest or power: <ol style="list-style-type: none"><li>1 reserved in or over an interest in any securities including, but not limited to, any retention of title;</li><li>2 created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and</li><li>3 any agreement to grant or create any interest or power referred to in paragraphs (1) or (2) of this definition.</li></ol>
<b>Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Share</b>	a share in the Company.
<b>Trading Day</b>	a 'trading day' as defined in the Listing Rules.
<b>Voluntary Escrow Deed</b>	a voluntary escrow deed entered into in connection with the initial public offering of Shares in the Company.



## 1.2 Interpretation

In this deed including the recitals unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a party includes its successors, personal representatives and transferees;
- (c) words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules;
- (d) every warranty or agreement (expressed or implied) in which more than one person is joined, binds them individually and any combination of them as a group;
- (e) references to "applicable law" include all laws and regulations of jurisdictions applicable to the Company, or its related bodies corporate, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdiction outside Australia), and rules, policies, official directives, orders or requirements of any Governmental Agency, including the Listing Rules, Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances; and
- (f) the schedules form part of this deed.

## 1.3 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## 2 Escrow

---

### 2.1 Holder restrictions during Escrow Period

Subject to clause 2.4, the Holder must not Deal in the Restricted Shares during the Escrow Period.



## 2.2 Controller restrictions during Escrow Period

Subject to clause 2.4, the Controller must not Deal in the Controller Interests during the Escrow Period.

## 2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue or transfer of the Restricted Shares to the Holder, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Restricted Shares as soon as practicable after registration of the Restricted Shares on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is only released:
  - (1) to the extent necessary to permit disposals of Restricted Shares permitted by this deed; and
  - (2) in full at the conclusion of the Escrow Period,  
including notifying ASX that the Restricted Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

## 2.4 Exceptions

During the Escrow Period, the Holder or the Controller may Deal in any of its Restricted Shares or Controller Interests (as relevant) if the Dealing:

- (a) arises solely as a result of:
  - (1) the acceptance of a bona fide third party takeover bid made under chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares that are not subject to any Voluntary Escrow Deed, and to which the offers under the bid relate, have accepted the bid; or
  - (2) the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including all such necessary court and shareholder approvals,  
provided, in each case, that, if for any reason any or all Restricted Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement, then the Holder agrees that the restrictions applying to the Restricted Shares under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Restricted Shares not so transferred or cancelled;
- (b) is the participation by the Holder in an equal access share buyback, equal access capital return or equal access capital reduction, in each case made in respect of Restricted Shares held by it; or



- (c) arises solely as a result of a requirement of applicable law (including an order of a court of competent jurisdiction) , provided that any recipient of the Restricted Shares will no longer be bound by any Holding Lock or restrictions on Dealing.

## 2.5 Notice

If the Holder or Controller becomes aware:

- (a) that a Dealing in any Restricted Shares or Controller Interests has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Dealing in any Restricted Shares or Controller Interests during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the actual or potential Dealing, providing full details.

## 3 Termination

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This deed terminates automatically if the Company is not admitted to the official list of the ASX by 31 December 2021.

## 4 Warranties and acknowledgment

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### 4.1 Giving of warranties

The Holder and the Controller each give the warranties and representations in clause 4.2 in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

### 4.2 Warranties

Each of the Holder and Controller jointly and severally represents and warrants that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or Controller have entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (1) any applicable law, regulation or authorisation;



- (2) its constitution or other constituent documents (or, if the Holder or Controller is a Trustee, the trust deed for the Trust); or
  - (3) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it Dealing in Restricted Shares such that it will take effect during the Escrow Period;
- (f) the Restricted Shares are free from all Security Interests and other third party interests or rights and will (except as permitted by clause 2.4) remain so during the Escrow Period;
- (g) there is no person who has, or will have at or immediately following completion of the issue and allotment of Shares under the Offer, any economic or beneficial interest in the equity or Restricted Shares of the Holder other than the Controller;
- (h) the Holder holds the Restricted Shares and the Controller holds the Controller Interests set out in Item 3 of Schedule 1;
- (i) the Restricted Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company (other than those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus);
- (j) the Controller Interests set out in Item 3 of Schedule 1 are all the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has an interest;
- (k) if the Holder or Controller is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (l) if the Holder or Controller is a Trustee:
  - (1) the Holder or Controller has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder or Controller has not released or disposed of its equitable lien over that trust; and
  - (2) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

### **4.3 Acknowledgment**

The Holder and the Controller each acknowledge that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

### **4.4 Survival of representations and warranties**

The representations and warranties in this clause 4 survive termination of this deed.



## 5 Consequences of breaching this deed

---

- (a) If the Holder or Controller breaches this deed (a **Defaulting Party**), each of the following applies:
  - (1) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (2) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Restricted Shares (this is in addition to other rights and remedies of the Company).
- (b) If the Holder or Controller breach this deed, the Holder and Controller each acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 or clause 2.2 and each of the Holder and Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder and/or Controller's obligation under clause 2.1 or clause 2.2 without proof of actual damage and without prejudice to any of its other rights or remedies.

## 6 Amendment

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This deed may not be amended without the prior written consent of the parties.

## 7 Release of results

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The Company agrees to release its full year financial results for the financial year ending 30 June 2022 and the financial year ending 30 June 2023 in accordance with the timeframe required by the Corporations Act and ASX Listing Rules.

## 8 General

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### 8.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.
- (c) Each of the parties irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) Each of the parties irrevocably waives any immunity in respect of its obligations under this deed which that party may acquire from the jurisdiction of any court



or any legal process for any reason including, but not limited to, the service of notice, attachment prior to judgment, attachment in aid of execution or execution.

## **8.2 Counterparts**

This deed may be executed in any number of counterparts.

## **8.3 Further assurances**

Each party must do all things and execute all further documents required to give full effect to this deed.

## **8.4 Notices**

A Notice is taken to be received:

- (a) if sent by post, 6 days after posting (or 10 days after posting if sent from one country to another); or
- (b) If sent by email, the first to occur of:
  - (1) when the sender receives an automated message confirming delivery; or
  - (2) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not yet been delivered or an automated 'out of office' reply,

provided that if a Notice is received or taken to be received under this clause 8.4 after 5.00pm in the place of receipt or on a non-Business Day, then it will be taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

## **8.5 Time of Essence**

Time is of the essence to this deed.



## Schedule 1

### Details

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<b>Item 1</b>	1 Holder	1 Faraday Capital Pty Ltd as trustee for the Faraday Capital Trust
	2 Holder address	2 [REDACTED]
	3 Email	3 [REDACTED]

---

<b>Item 2</b>	Escrow Period	The period commencing on the Allotment Date and, in respect of:
		<ol style="list-style-type: none"><li>20% of the Restricted Shares (rounded up to the nearest Share), ending at the close of trading on ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2022;</li><li>the remaining Restricted Shares, ending at the close of trading on the ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2023.</li></ol>

---

<b>Item 3</b>	1 Controller	Michael Reddie
	2 Controller Interests	Sole shareholder of the Holder

---





## Signing page

Executed as a deed


---

### Company

Signed sealed and delivered by

**Step One Clothing Limited**

by

*sign here* ▶   
\_\_\_\_\_  
Company Secretary/Director

*print name* Greg Taylor

*sign here* ▶   
\_\_\_\_\_  
Director

*print name* Michael Reddie

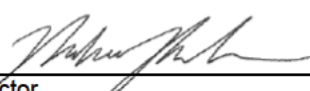
---

### Holder

Signed sealed and delivered by

**Faraday Capital Pty Ltd as trustee for the Faraday Capital Trust**

by

*sign here* ▶   
\_\_\_\_\_  
Director

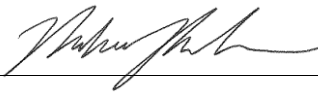
*print name* Michael Reddie

---




**Controller**

Signed sealed and delivered by  
**Michael Reddie**

sign here ►  \_\_\_\_\_

print name Michael Reddie

in the presence of

sign here ►  \_\_\_\_\_  
Witness

print name Michael Burrell

---

I confirm that this document was signed in counterpart and witnessed over audio visual link in accordance with section 14G of the Electronic Transactions Act 2000 (NSW).



HERBERT  
SMITH  
FREEHILLS

Deed

## Voluntary escrow deed (Catherine Thompson)

---

The party specified in Item 1 of Schedule 1 (Holder)

The party specified in Item 3 of Schedule 1 (Controller)

Step One Clothing Limited



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## Voluntary escrow deed

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Date ► 7 October 2021

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Between the parties

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Company **Step One Clothing Limited**  
ABN 34 616 696 318 of 5/69 Reservoir Street, Surry Hills, NSW 2000

---

Controller The party identified in Item 3 of Schedule 1

---

Holder The party identified in Item 1 of Schedule 1

---

This deed witnesses as follows:



# 1 Definitions and interpretation

---

## 1.1 Definitions

The meanings of the terms used in this deed are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Allotment Date</b>	the date Shares are issued and transferred pursuant to the Prospectus.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the market it operates as the context requires.
<b>ASX Settlement</b>	means ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>Business Day</b>	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in Sydney.
<b>Business Hour</b>	9.00 am to 5.00 pm on any Business Day.
<b>Controller</b>	the party specified in Item 3 of Schedule 1.
<b>Controller Interest</b>	in respect of a Controller, the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has a direct or indirect interest and each intermediate entity through which that interest occurs, as set out in Item 3 of Schedule 1.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Dealing</b>	in respect of any Restricted Share or Controller Interest, means to directly or indirectly: <ul style="list-style-type: none"><li>• sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, that Restricted</li></ul>



<b>Term</b>	<b>Meaning</b>
	<p>Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest;</p> <ul style="list-style-type: none"><li>• create, or agree or offer to create, any Security Interest in that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest;</li><li>• enter into or grant any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of that Restricted Share or Controller Interest; or</li><li>• do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Restricted Share or Controller Interest or any legal, beneficial or economic interest in that Restricted Share or Controller Interest.</li></ul> <p>Deal and Dealt each have a corresponding meaning.</p>
<b>Dispose</b>	has the meaning given to that term in the Listing Rules.
<b>Escrow Period</b>	the period set out in Item 2 of Schedule 1.
<b>Governmental Agency</b>	any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory, self-regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.
<b>Holder</b>	the party specified in Item 1 of Schedule 1.
<b>Holding Lock</b>	has the meaning in Section 2 of the Settlement Operating Rules.
<b>Issuer Sponsored Subregister</b>	the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.
<b>Listing Rules</b>	the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express



<b>Term</b>	<b>Meaning</b>
	written waiver by the ASX (or such other financial market on which the Company is listed).
<b>Offer</b>	means the offer of Shares pursuant to the Prospectus.
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<b>SaleCo</b>	Step One SaleCo Limited ACN 654 256 881.
<b>Security Interest</b>	an interest or power: <ol style="list-style-type: none"><li>1 reserved in or over an interest in any securities including, but not limited to, any retention of title;</li><li>2 created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and</li><li>3 any agreement to grant or create any interest or power referred to in paragraphs (1) or (2) of this definition.</li></ol>
<b>Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Share</b>	a share in the Company.
<b>Trading Day</b>	a 'trading day' as defined in the Listing Rules.
<b>Voluntary Escrow Deed</b>	a voluntary escrow deed entered into in connection with the initial public offering of Shares in the Company.





## 1.2 Interpretation

In this deed including the recitals unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a party includes its successors, personal representatives and transferees;
- (c) words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules;
- (d) every warranty or agreement (expressed or implied) in which more than one person is joined, binds them individually and any combination of them as a group;
- (e) references to "applicable law" include all laws and regulations of jurisdictions applicable to the Company, or its related bodies corporate, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdiction outside Australia), and rules, policies, official directives, orders or requirements of any Governmental Agency, including the Listing Rules, Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances; and
- (f) the schedules form part of this deed.

## 1.3 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## 2 Escrow

---

### 2.1 Holder restrictions during Escrow Period

Subject to clause 2.4, the Holder must not Deal in the Restricted Shares during the Escrow Period.



## 2.2 Controller restrictions during Escrow Period

Subject to clause 2.4, the Controller must not Deal in the Controller Interests during the Escrow Period.

## 2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue or transfer of the Restricted Shares to the Holder, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Restricted Shares as soon as practicable after registration of the Restricted Shares on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is only released:
  - (1) to the extent necessary to permit disposals of Restricted Shares permitted by this deed; and
  - (2) in full at the conclusion of the Escrow Period,  
including notifying ASX that the Restricted Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

## 2.4 Exceptions

During the Escrow Period, the Holder or the Controller may Deal in any of its Restricted Shares or Controller Interests (as relevant) if the Dealing:

- (a) arises solely as a result of:
  - (1) the acceptance of a bona fide third party takeover bid made under chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares that are not subject to any Voluntary Escrow Deed, and to which the offers under the bid relate, have accepted the bid; or
  - (2) the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including all such necessary court and shareholder approvals,  
provided, in each case, that, if for any reason any or all Restricted Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement, then the Holder agrees that the restrictions applying to the Restricted Shares under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Restricted Shares not so transferred or cancelled;
- (b) is the participation by the Holder in an equal access share buyback, equal access capital return or equal access capital reduction, in each case made in respect of Restricted Shares held by it; or



- (c) arises solely as a result of a requirement of applicable law (including an order of a court of competent jurisdiction) , provided that any recipient of the Restricted Shares will no longer be bound by any Holding Lock or restrictions on Dealing.

## 2.5 Notice

If the Holder or Controller becomes aware:

- (a) that a Dealing in any Restricted Shares or Controller Interests has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Dealing in any Restricted Shares or Controller Interests during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the actual or potential Dealing, providing full details.

## 3 Termination

---

This deed terminates automatically if the Company is not admitted to the official list of the ASX by 31 December 2021.

## 4 Warranties and acknowledgment

---

### 4.1 Giving of warranties

The Holder and the Controller each give the warranties and representations in clause 4.2 in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

### 4.2 Warranties

Each of the Holder and Controller jointly and severally represents and warrants that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or Controller have entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (1) any applicable law, regulation or authorisation;



- (2) its constitution or other constituent documents (or, if the Holder or Controller is a Trustee, the trust deed for the Trust); or
  - (3) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it Dealing in Restricted Shares such that it will take effect during the Escrow Period;
- (f) the Restricted Shares are free from all Security Interests and other third party interests or rights and will (except as permitted by clause 2.4) remain so during the Escrow Period;
- (g) there is no person who has, or will have at or immediately following completion of the issue and allotment of Shares under the Offer, any economic or beneficial interest in the equity or Restricted Shares of the Holder other than the Controller;
- (h) the Holder holds the Restricted Shares and the Controller holds the Controller Interests set out in Item 3 of Schedule 1;
- (i) the Restricted Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company (other than those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus);
- (j) the Controller Interests set out in Item 3 of Schedule 1 are all the securities, economic interests or other interests in the Holder or the Restricted Shares in which the Controller has an interest;
- (k) if the Holder or Controller is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (l) if the Holder or Controller is a Trustee:
  - (1) the Holder or Controller has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder or Controller has not released or disposed of its equitable lien over that trust; and
  - (2) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

### **4.3 Acknowledgment**

The Holder and the Controller each acknowledge that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

### **4.4 Survival of representations and warranties**

The representations and warranties in this clause 4 survive termination of this deed.

## 5 Consequences of breaching this deed

---

- (a) If the Holder or Controller breaches this deed (a **Defaulting Party**), each of the following applies:
  - (1) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (2) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Restricted Shares (this is in addition to other rights and remedies of the Company).
- (b) If the Holder or Controller breach this deed, the Holder and Controller each acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 or clause 2.2 and each of the Holder and Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder and/or Controller's obligation under clause 2.1 or clause 2.2 without proof of actual damage and without prejudice to any of its other rights or remedies.

## 6 Amendment

---

This deed may not be amended without the prior written consent of the parties.

## 7 Release of results

---

The Company agrees to release its full year financial results for the financial year ending 30 June 2022 and the financial year ending 30 June 2023 in accordance with the timeframe required by the Corporations Act and ASX Listing Rules.

## 8 General

---

### 8.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.
- (c) Each of the parties irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) Each of the parties irrevocably waives any immunity in respect of its obligations under this deed which that party may acquire from the jurisdiction of any court



or any legal process for any reason including, but not limited to, the service of notice, attachment prior to judgment, attachment in aid of execution or execution.

## **8.2 Counterparts**

This deed may be executed in any number of counterparts.

## **8.3 Further assurances**

Each party must do all things and execute all further documents required to give full effect to this deed.

## **8.4 Notices**

A Notice is taken to be received:

- (a) if sent by post, 6 days after posting (or 10 days after posting if sent from one country to another); or
- (b) If sent by email, the first to occur of:
  - (1) when the sender receives an automated message confirming delivery; or
  - (2) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not yet been delivered or an automated 'out of office' reply,

provided that if a Notice is received or taken to be received under this clause 8.4 after 5.00pm in the place of receipt or on a non-Business Day, then it will be taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

## **8.5 Time of Essence**

Time is of the essence to this deed.



## Schedule 1

### Details

---

<b>Item 1</b>	1 Holder	1 IIFCT Pty Limited as trustee for the Thompson Family Trust
	2 Holder address	2 [REDACTED]
	3 Email	3 [REDACTED]

---

<b>Item 2</b>	Escrow Period	The period commencing on the Allotment Date and, in respect of:
		<ol style="list-style-type: none"><li>20% of the Restricted Shares (rounded up to the nearest Share), ending at the close of trading on ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2022;</li><li>the remaining Restricted Shares, ending at the close of trading on the ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2023.</li></ol>

---

<b>Item 3</b>	1 Controller	Catherine Thompson
	2 Controller Interests	Sole shareholder of the Holder

---



## Signing page

Executed as a deed


---

### Company

Signed sealed and delivered by

**Step One Clothing Limited**

by

*sign here ▶*   
\_\_\_\_\_  
Company Secretary/Director

*print name* Greg Taylor

*sign here ▶*   
\_\_\_\_\_  
Director

*print name* Michael Reddie


---

### Holder

Signed sealed and delivered by

**IIFCT Pty Limited as trustee for the Thompson Family Trust**

by

*sign here ▶*   
\_\_\_\_\_  
Director

*print name* Catherine Thompson

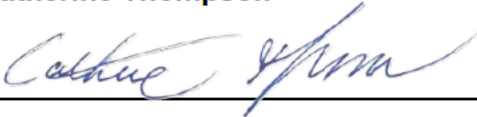
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**Controller**

Signed sealed and delivered by  
**Catherine Thompson**

sign here ►   
\_\_\_\_\_

print name \_\_\_\_\_ **Catherine Thompson** \_\_\_\_\_

in the presence of

sign here ►   
\_\_\_\_\_

Witness

print name \_\_\_\_\_ **Michael Burrell** \_\_\_\_\_

---

I confirm that this document was signed in counterpart and witnessed over audio visual link in accordance with section 14G of the Electronic Transactions Act 2000 (NSW).



HERBERT  
SMITH  
FREEHILLS

Deed

# Voluntary escrow deed (Richard Dennis)

---

The party specified in Item 1 of Schedule 1 (Holder)

Step One Clothing Limited



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## Voluntary escrow deed

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Date ► 7 October 2021

---

Between the parties

---

Company **Step One Clothing Limited**  
ABN 34 616 696 318 of 5/69 Reservoir Street, Surry Hills, NSW 2000

---

Holder The party identified in Item 1 of Schedule 1

---

This deed witnesses as follows:

# 1 Definitions and interpretation

---

## 1.1 Definitions

The meanings of the terms used in this deed are set out below.

Term	Meaning
<b>Allotment Date</b>	the date Shares are issued and transferred pursuant to the Prospectus.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the market it operates as the context requires.
<b>ASX Settlement</b>	means ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>Business Day</b>	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in Sydney.
<b>Business Hour</b>	9.00 am to 5.00 pm on any Business Day.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Dealing</b>	<p>in respect of any Restricted Share, means to directly or indirectly:</p> <ul style="list-style-type: none"> <li>• sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, that Restricted Share or any legal, beneficial or economic interest in that Restricted Share;</li> <li>• create, or agree or offer to create, any Security Interest in that Restricted Share or any legal, beneficial or economic interest in that Restricted Share;</li> <li>• enter into or grant any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of that Restricted Share; or</li> <li>• do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that</li> </ul>



<b>Term</b>	<b>Meaning</b>
	<p>Restricted Share or any legal, beneficial or economic interest in that Restricted Share.</p> <p>Deal and Dealt each have a corresponding meaning.</p>
<b>Dispose</b>	has the meaning given to that term in the Listing Rules.
<b>Escrow Period</b>	the period set out in Item 2 of Schedule 1.
<b>Governmental Agency</b>	any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory, self-regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.
<b>Holder</b>	the party specified in Item 1 of Schedule 1.
<b>Holding Lock</b>	has the meaning in Section 2 of the Settlement Operating Rules.
<b>Issuer Sponsored Subregister</b>	the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.
<b>Listing Rules</b>	the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX (or such other financial market on which the Company is listed).
<b>Offer</b>	means the offer of Shares pursuant to the Prospectus.
<b>Offer Price</b>	has the meaning given to that term in the Prospectus.

<b>Term</b>	<b>Meaning</b>
<b>Prospectus</b>	means the prospectus to be issued by the Company and SaleCo dated on or about 8 October 2021 and lodged with ASIC on that date.
<b>Restricted Shares</b>	<ol style="list-style-type: none"> <li>1 all of the Shares in the Company held by the Holder on the Allotment Date excluding those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus; and</li> <li>2 any securities in the Company attaching to or arising out of those Shares.</li> </ol>
<b>SaleCo</b>	Step One SaleCo Limited ACN 654 256 881.
<b>Security Interest</b>	<p>an interest or power:</p> <ol style="list-style-type: none"> <li>1 reserved in or over an interest in any securities including, but not limited to, any retention of title;</li> <li>2 created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and</li> <li>3 any agreement to grant or create any interest or power referred to in paragraphs (1) or (2) of this definition.</li> </ol>
<b>Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Share</b>	a share in the Company.
<b>Trading Day</b>	a 'trading day' as defined in the Listing Rules.
<b>Voluntary Escrow Deed</b>	a voluntary escrow deed entered into in connection with the initial public offering of Shares in the Company.

## 1.2 Interpretation

In this deed including the recitals unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a party includes its successors, personal representatives and transferees;
- (c) words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules;



- (d) every warranty or agreement (expressed or implied) in which more than one person is joined, binds them individually and any combination of them as a group;
- (e) references to "applicable law" include all laws and regulations of jurisdictions applicable to the Company, or its related bodies corporate, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdiction outside Australia), and rules, policies, official directives, orders or requirements of any Governmental Agency, including the Listing Rules, Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances; and
- (f) the schedules form part of this deed.

### **1.3 Compliance with Listing Rules**

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## **2 Escrow**

---

### **2.1 Holder restrictions during Escrow Period**

Subject to clause 2.3, the Holder must not Deal in the Restricted Shares during the Escrow Period.

### **2.2 Escrow restrictions**

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue or transfer of the Restricted Shares to the Holder, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Restricted Shares as soon as practicable after registration of the Restricted Shares on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock; and





- (c) the Company will do all things necessary to ensure that the Holding Lock is only released:
- (1) to the extent necessary to permit disposals of Restricted Shares permitted by this deed; and
  - (2) in full at the conclusion of the Escrow Period,
- including notifying ASX that the Restricted Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

## 2.3 Exceptions

During the Escrow Period, the Holder may Deal in any of its Restricted Shares if the Dealing:

- (a) arises solely as a result of:
- (1) the acceptance of a bona fide third party takeover bid made under chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares that are not subject to any Voluntary Escrow Deed, and to which the offers under the bid relate, have accepted the bid; or
  - (2) the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including all such necessary court and shareholder approvals,
- provided, in each case, that, if for any reason any or all Restricted Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement, then the Holder agrees that the restrictions applying to the Restricted Shares under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Restricted Shares not so transferred or cancelled;
- (b) is the participation by the Holder in an equal access share buyback, equal access capital return or equal access capital reduction, in each case made in respect of Restricted Shares held by it; or
- (c) arises solely as a result of a requirement of applicable law (including an order of a court of competent jurisdiction), provided that any recipient of the Restricted Shares will no longer be bound by any Holding Lock or restrictions on Dealing.

## 2.4 Notice

If the Holder becomes aware:

- (a) that a Dealing in any Restricted Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Dealing in any Restricted Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the actual or potential Dealing, providing full details.

### 3 Termination

---

This deed terminates automatically if the Company is not admitted to the official list of the ASX by 31 December 2021.

### 4 Warranties and acknowledgment

---

#### 4.1 Giving of warranties

The Holder gives the warranties and representations in clause 4.2 in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

#### 4.2 Warranties

The Holder represents and warrants that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (1) any applicable law, regulation or authorisation;
  - (2) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
  - (3) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it Dealing in Restricted Shares such that it will take effect during the Escrow Period;
- (f) the Restricted Shares are free from all Security Interests and other third party interests or rights and will (except as permitted by clause 2.3) remain so during the Escrow Period;
- (g) there is no person who has, or will have at or immediately following completion of the issue and allotment of Shares under the Offer, any economic or beneficial interest in the equity or Restricted Shares of the Holder;
- (h) the Holder holds the Restricted Shares set out in Item 3 of Schedule 1;
- (i) the Restricted Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company (other than



those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus);

- (j) if the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (k) if the Holder is a Trustee:
  - (1) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder has not released or disposed of its equitable lien over that trust; and
  - (2) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

### 4.3 Acknowledgment

The Holder acknowledges that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

### 4.4 Survival of representations and warranties

The representations and warranties in this clause 4 survive termination of this deed.

## 5 Consequences of breaching this deed

---

- (a) If the Holder breaches this deed (a **Defaulting Party**), each of the following applies:
  - (1) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (2) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Restricted Shares (this is in addition to other rights and remedies of the Company).
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.



## 6 Amendment

---

This deed may not be amended without the prior written consent of the parties.

## 7 Release of results

---

The Company agrees to release its full year financial results for the financial year ending 30 June 2022 and the financial year ending 30 June 2023 in accordance with the timeframe required by the Corporations Act and ASX Listing Rules.

## 8 General

---

### 8.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.
- (c) Each of the parties irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) Each of the parties irrevocably waives any immunity in respect of its obligations under this deed which that party may acquire from the jurisdiction of any court or any legal process for any reason including, but not limited to, the service of notice, attachment prior to judgment, attachment in aid of execution or execution.

### 8.2 Counterparts

This deed may be executed in any number of counterparts.

### 8.3 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

### 8.4 Notices

A Notice is taken to be received:

- (a) if sent by post, 6 days after posting (or 10 days after posting if sent from one country to another); or
- (b) If sent by email, the first to occur of:
  - (1) when the sender receives an automated message confirming delivery; or
  - (2) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated



message that the email has not yet been delivered or an automated 'out of office' reply,

provided that if a Notice is received or taken to be received under this clause 8.4 after 5.00pm in the place of receipt or on a non-Business Day, then it will be taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

## **8.5 Time of Essence**

Time is of the essence to this deed.



## Schedule 1

### Details

---

<b>Item 1</b>	1	Holder	1	Richard Dennis
	2	Holder address	2	██
	3	Email	3	██

---

<b>Item 2</b>	Escrow Period	The period commencing on the Allotment Date and, in respect of:
		1 100% of the Restricted Shares (rounded up to the nearest Share), ending at the close of trading on ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2022;

---



## Signing page

Executed as a deed

---

### Company

Signed sealed and delivered by

**Step One Clothing Limited**

by

sign here ►   
\_\_\_\_\_  
Company Secretary/Director

print name Greg Taylor

sign here ►   
\_\_\_\_\_  
Director

print name Michael Reddie

---


### Holder

Signed sealed and delivered by

**Richard Dennis**

in the presence of

sign here ►   
\_\_\_\_\_

sign here ►   
\_\_\_\_\_

Witness

print name Richard John Dennis

print name Michael Burrell

I confirm that this document was signed in counterpart and witnessed over audio visual link in accordance with section 14G of the Electronic Transactions Act 2000 (NSW).



HERBERT  
SMITH  
FREEHILLS

Deed

# Voluntary escrow deed (David Gallop)

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The party specified in Item 1 of Schedule 1 (Holder)

Step One Clothing Limited





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## Voluntary escrow deed

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Date ► 7 October 2021

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Between the parties

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Company **Step One Clothing Limited**  
ABN 34 616 696 318 of 5/69 Reservoir Street, Surry Hills, NSW 2000

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Holder The party identified in Item 1 of Schedule 1

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This deed witnesses as follows:



# 1 Definitions and interpretation

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## 1.1 Definitions

The meanings of the terms used in this deed are set out below.

<b>Term</b>	<b>Meaning</b>
<b>Allotment Date</b>	the date Shares are issued and transferred pursuant to the Prospectus.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the market it operates as the context requires.
<b>ASX Settlement</b>	means ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>Business Day</b>	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in Sydney.
<b>Business Hour</b>	9.00 am to 5.00 pm on any Business Day.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Dealing</b>	in respect of any Restricted Share, means to directly or indirectly: <ul style="list-style-type: none"><li>• sell, assign, transfer or otherwise Dispose of, or agree or offer to sell, assign, transfer or otherwise Dispose of, that Restricted Share or any legal, beneficial or economic interest in that Restricted Share;</li><li>• create, or agree or offer to create, any Security Interest in that Restricted Share or any legal, beneficial or economic interest in that Restricted Share;</li><li>• enter into or grant any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise Dispose of that Restricted Share; or</li><li>• do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Restricted Share or any legal, beneficial or economic interest in</li></ul>

<b>Term</b>	<b>Meaning</b>
	<p>that Restricted Share.</p> <p>Deal and Dealt each have a corresponding meaning.</p>
<b>Dispose</b>	has the meaning given to that term in the Listing Rules.
<b>Escrow Period</b>	the period set out in Item 2 of Schedule 1.
<b>Governmental Agency</b>	any government (in any jurisdiction, whether federal, state, territorial or local), or representative of a government (including any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or in which any government is interested) or any governmental, semi-governmental, administrative, fiscal, regulatory, self-regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in Australia. It includes without limitation, ASIC, any non-government regulatory authority including the ASX and any other stock exchange.
<b>Holder</b>	the party specified in Item 1 of Schedule 1.
<b>Holding Lock</b>	has the meaning in Section 2 of the Settlement Operating Rules.
<b>Issuer Sponsored Subregister</b>	the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.
<b>Listing Rules</b>	the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX (or such other financial market on which the Company is listed).
<b>Offer</b>	means the offer of Shares pursuant to the Prospectus.
<b>Offer Price</b>	has the meaning given to that term in the Prospectus.
<b>Prospectus</b>	means the prospectus to be issued by the Company and SaleCo dated on or about 8 October 2021 and lodged with ASIC on that



<b>Term</b>	<b>Meaning</b>
	date.
<b>Restricted Shares</b>	<ol style="list-style-type: none"><li>1 all of the Shares in the Company held by the Holder on the Allotment Date excluding those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus; and</li><li>2 any securities in the Company attaching to or arising out of those Shares.</li></ol>
<b>SaleCo</b>	Step One SaleCo Limited ACN 654 256 881.
<b>Security Interest</b>	<p>an interest or power:</p> <ol style="list-style-type: none"><li>1 reserved in or over an interest in any securities including, but not limited to, any retention of title;</li><li>2 created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and</li><li>3 any agreement to grant or create any interest or power referred to in paragraphs (1) or (2) of this definition.</li></ol>
<b>Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Share</b>	a share in the Company.
<b>Trading Day</b>	a 'trading day' as defined in the Listing Rules.
<b>Voluntary Escrow Deed</b>	a voluntary escrow deed entered into in connection with the initial public offering of Shares in the Company.

## 1.2 Interpretation

In this deed including the recitals unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a party includes its successors, personal representatives and transferees;
- (c) words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules;



- (d) every warranty or agreement (expressed or implied) in which more than one person is joined, binds them individually and any combination of them as a group;
- (e) references to "applicable law" include all laws and regulations of jurisdictions applicable to the Company, or its related bodies corporate, as the case may be (including the Corporations Act and any other laws and regulations of a jurisdiction outside Australia), and rules, policies, official directives, orders or requirements of any Governmental Agency, including the Listing Rules, Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favour of a person in the relevant circumstances; and
- (f) the schedules form part of this deed.

### **1.3 Compliance with Listing Rules**

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## **2 Escrow**

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### **2.1 Holder restrictions during Escrow Period**

Subject to clause 2.3, the Holder must not Deal in the Restricted Shares during the Escrow Period.

### **2.2 Escrow restrictions**

The parties acknowledge and agree that:

- (a) as soon as practicable following the issue or transfer of the Restricted Shares to the Holder, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to the Restricted Shares as soon as practicable after registration of the Restricted Shares on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock; and



- (c) the Company will do all things necessary to ensure that the Holding Lock is only released:
- (1) to the extent necessary to permit disposals of Restricted Shares permitted by this deed; and
  - (2) in full at the conclusion of the Escrow Period,
- including notifying ASX that the Restricted Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

## 2.3 Exceptions

During the Escrow Period, the Holder may Deal in any of its Restricted Shares if the Dealing:

- (a) arises solely as a result of:
- (1) the acceptance of a bona fide third party takeover bid made under chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares that are not subject to any Voluntary Escrow Deed, and to which the offers under the bid relate, have accepted the bid; or
  - (2) the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including all such necessary court and shareholder approvals,
- provided, in each case, that, if for any reason any or all Restricted Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement, then the Holder agrees that the restrictions applying to the Restricted Shares under this deed will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Restricted Shares not so transferred or cancelled;
- (b) is the participation by the Holder in an equal access share buyback, equal access capital return or equal access capital reduction, in each case made in respect of Restricted Shares held by it; or
- (c) arises solely as a result of a requirement of applicable law (including an order of a court of competent jurisdiction), provided that any recipient of the Restricted Shares will no longer be bound by any Holding Lock or restrictions on Dealing.

## 2.4 Notice

If the Holder becomes aware:

- (a) that a Dealing in any Restricted Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a Dealing in any Restricted Shares during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the actual or potential Dealing, providing full details.



## 3 Termination

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This deed terminates automatically if the Company is not admitted to the official list of the ASX by 31 December 2021.

## 4 Warranties and acknowledgment

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### 4.1 Giving of warranties

The Holder gives the warranties and representations in clause 4.2 in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

### 4.2 Warranties

The Holder represents and warrants that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (1) any applicable law, regulation or authorisation;
  - (2) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
  - (3) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it Dealing in Restricted Shares such that it will take effect during the Escrow Period;
- (f) the Restricted Shares are free from all Security Interests and other third party interests or rights and will (except as permitted by clause 2.3) remain so during the Escrow Period;
- (g) there is no person who has, or will have at or immediately following completion of the issue and allotment of Shares under the Offer, any economic or beneficial interest in the equity or Restricted Shares of the Holder;
- (h) the Holder holds the Restricted Shares set out in Item 3 of Schedule 1;
- (i) the Restricted Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company (other than





those Shares which are to be transferred by the Holder to SaleCo for sale by SaleCo under the Prospectus and as disclosed in the Prospectus);

- (j) if the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (k) if the Holder is a Trustee:
  - (1) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and Holder has not released or disposed of its equitable lien over that trust; and
  - (2) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

#### 4.3 Acknowledgment

The Holder acknowledges that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

#### 4.4 Survival of representations and warranties

The representations and warranties in this clause 4 survive termination of this deed.

## 5 Consequences of breaching this deed

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- (a) If the Holder breaches this deed (a **Defaulting Party**), each of the following applies:
  - (1) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (2) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Restricted Shares (this is in addition to other rights and remedies of the Company).
- (b) If the Holder breaches this deed, the Holder acknowledges and agrees that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.



## 6 Amendment

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This deed may not be amended without the prior written consent of the parties.

## 7 Release of results

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The Company agrees to release its full year financial results for the financial year ending 30 June 2022 and the financial year ending 30 June 2023 in accordance with the timeframe required by the Corporations Act and ASX Listing Rules.

## 8 General

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### 8.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales, Australia.
- (b) Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.
- (c) Each of the parties irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) Each of the parties irrevocably waives any immunity in respect of its obligations under this deed which that party may acquire from the jurisdiction of any court or any legal process for any reason including, but not limited to, the service of notice, attachment prior to judgment, attachment in aid of execution or execution.

### 8.2 Counterparts

This deed may be executed in any number of counterparts.

### 8.3 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

### 8.4 Notices

A Notice is taken to be received:

- (a) if sent by post, 6 days after posting (or 10 days after posting if sent from one country to another); or
- (b) If sent by email, the first to occur of:
  - (1) when the sender receives an automated message confirming delivery; or
  - (2) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated



message that the email has not yet been delivered or an automated 'out of office' reply,

provided that if a Notice is received or taken to be received under this clause 8.4 after 5.00pm in the place of receipt or on a non-Business Day, then it will be taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

## **8.5 Time of Essence**

Time is of the essence to this deed.



## Schedule 1

### Details

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<b>Item 1</b>	1	Holder	1	David Gallop
	2	Holder address	2	[REDACTED]
	3	Email	3	[REDACTED]

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<b>Item 2</b>	Escrow Period	The period commencing on the Allotment Date and, in respect of:
		1 100% of the Restricted Shares (rounded up to the nearest Share), ending at the close of trading on ASX on the fifth day following the announcement to the ASX of the Company's financial results for the financial year ending on 30 June 2022;

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# Signing page

Executed as a deed

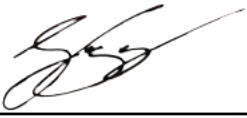
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## Company


Signed sealed and delivered by

**Step One Clothing Limited**

by

sign here ►   
\_\_\_\_\_  
Company Secretary/Director

print name Greg Taylor

sign here ►   
\_\_\_\_\_  
Director

print name Michael Reddie

---


## Holder

Signed sealed and delivered by

**David Gallop**

in the presence of

sign here ►   
\_\_\_\_\_

sign here ►   
\_\_\_\_\_  
Witness

print name David Gallop

print name Michael Burrell

---

I confirm that this document was signed in counterpart and witnessed over audio visual link in accordance with section 14G of the Electronic Transactions Act 2000 (NSW).