

NOTICE OF ANNUAL GENERAL MEETING 2021



PEXA Group Limited
ABN 23 629 193 764



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Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of PEXA Group Limited (**PEXA Group** or **Company**) will be held:

Date: Friday, 19 November 2021

Time: 10:00am (AEDT)

Venue: To be held as a virtual AGM via the online platform at <https://meetings.linkgroup.com/PXA21>

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum and Voting Procedures comprise part of this Notice of Meeting.

Consideration of Reports

To receive and consider the Annual Financial Report, the Directors' Report and the Independent External Auditor's Report of the Company for the financial year ended 30 June 2021.

All shareholders can view the Annual Report which contains the Financial Report for the year ended 30 June 2021 on the PEXA Group Investor Centre website at <https://investors.pexa.com.au/investor-centre/?page=results-centre>.

Questions and Comments

Following consideration of the Reports, the Chair will provide shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chair will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent External Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent External Auditor's Report or the conduct of the audit.

The Chair of the Meeting will seek to address as many questions as possible with the more frequently raised topics answered in a single response. Please note that individual responses will not be sent to shareholders.

Items for Approval

Resolution 1. Re-election of Director – Mark Joiner

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

“That Mark Joiner, who retires in accordance with clause 4.7 of the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company.”

Resolution 2. Re-election of Director – Vivek Bhatia

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

“That Vivek Bhatia, who retires in accordance with clause 4.7 of the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company.”

Resolution 3. Remuneration Report

To consider and, if thought fit, pass the following as an advisory resolution of the Company:

“That the PEXA Group Remuneration Report for the financial year ended 30 June 2021 be adopted.”

The Remuneration Report is contained in the 2021 PEXA Group Annual Report, which is available on the PEXA Group Investor Centre website at <https://investors.pexa.com.au/investor-centre/?page=results-centre>. As PEXA Group was not an ASX listed entity at 30 June 2021, the Remuneration Report has been voluntarily prepared and audited in accordance with Section 300A of the Corporations Act to ensure it meets best practice remuneration practices for ASX listed companies. Please note that, in accordance with section 250R(3) of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on Resolution 3 must not be cast (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2021 Remuneration Report; or
- (b) a Closely Related Party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- (b) the vote is cast by the Chair of the Meeting and the appointment of the Chair as proxy:
 - a. does not specify the way the proxy is to vote on the resolution; and
 - b. expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In addition, a vote must not be cast on Resolution 3 as a proxy by a member of the KMP at the date of the AGM, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting because the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 4. Approval of the PEXA Group Limited Equity Incentive Plan

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

“That, pursuant to and in accordance with Listing Rule 7.2, exception 13(b) and for all other purposes, Shareholders approve the issue of securities, pursuant to the terms of the PEXA Group Limited Equity Incentive Plan, a summary of the terms of which are set out in the Explanatory Memorandum, as an exception to Listing Rule 7.1.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by any person who is eligible to participate in the employee incentive scheme or an Associate of those persons.

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

- (a) the proxy is either a member of the KMP or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution. However, this does not apply to a vote cast in favour of Resolution 4 by:
 - a. a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
 - b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
 - c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the resolution; and
 - ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Resolution 4 as a proxy by a member of the KMP at the date of the AGM, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting because the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 5. Approval for grant of Performance Rights to Glenn King

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval to be given for the issue of up to 60,000 Performance Rights to the Company’s Managing Director and Chief Executive Officer, Glenn King, pursuant to the PEXA Group Limited Equity Incentive Plan and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 5 by, or by behalf of:

- (a) a person referred to in Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Equity Incentive Plan in question; or
- (b) Glenn King or his Associates.

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

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

In addition, a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting because the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP. Glenn King is the only Director for whom approval is being sought for a grant of Performance Rights.

By order of the Board.



Andrew Metcalfe
Company Secretary

15 October 2021

VOTING PROCEDURES AT THE AGM

All Resolutions will be voted by way of a Poll

In accordance with clause 10.3 of the Company's Constitution (**Constitution**) and the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*, a poll will be held on each of the resolutions proposed at the AGM.

Direct Voting

In accordance with clause 10.7 of the Constitution, the Directors:

- have determined that at the AGM, a shareholder who is entitled to attend and vote on a resolution at the AGM is entitled to a direct vote in respect of that resolution; and
- have approved the use of Link Market Services' voting platform (**Online Platform**) as means by which shareholders can deliver their direct vote.

Casting your Direct Vote in real time using the Online Platform

To facilitate shareholder participation, and in accordance with its powers under clause 8.1 of the Constitution, the Board has determined that the 2021 AGM will be held as a virtual AGM with shareholders having the opportunity to participate in the Meeting through the Online Platform at <https://meetings.linkgroup.com/PXA21>. If you use the Online Platform, you will be able to view the AGM live, lodge a direct vote in real time and ask questions.

Eligibility to Vote

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (AEDT) on Wednesday, 17 November 2021 will be entitled to vote at the AGM as a shareholder.

How to Vote

Prior to the AGM

In accordance with clause 10.7 of the Constitution, shareholders will be able to vote directly or appoint a proxy on resolutions considered at the Meeting at any time between the date of this Notice of Meeting and no later than 10:00am (AEDT) on Wednesday, 17 November 2021. For details about how you can submit your vote prior to the Meeting, please refer to the section below titled 'Submitting your Vote prior to the AGM'.

If you lodge a direct vote you are voting directly and are not appointing a third party, such as a proxy, to act on your behalf.

During the AGM using the Online Platform

Shareholders and proxyholders using the Online Platform (<https://meetings.linkgroup.com/PXA21>) will be able to vote directly through the Online Platform at any time between the commencement of registration open (9:30am (AEDT) on Friday, 19 November 2021) and the closure of voting as announced by the Chair during the AGM.

More information about how to use the Online Platform (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide, which has been lodged with the ASX and is available on our website at <https://investors.pexa.com.au/agm/>. If you intend to use the Online Platform, then before the AGM we recommend that you ensure the Online Platform works on your device. Further instructions are provided in the Online Platform Guide.

Appointment of Proxy

If you are unable to participate virtually and vote at the AGM, and do not wish to use direct voting, you may appoint an individual or a body corporate as a proxy to attend the AGM online and vote as directed. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise one-half of that shareholder's votes.

Proxy appointments must be received by PEXA Group's share registry no later than 10:00am AEDT on Wednesday, 17 November 2021, by one of the following methods:

Online: www.linkmarketservices.com.au
(preferred method)

By post: PEXA Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

By facsimile: +61 2 9287 0303

By delivery in person: Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

* during business hours Monday to Friday (9:00am to 5:00pm) (Sydney time) and subject to public health orders and restrictions

After this time, you will still be able to vote during the AGM by submitting your direct vote using the Online Platform.

PEXA Group's share registry will contact any proxy appointed 24 hours prior to the start of the AGM to provide them with the proxyholder login information that they will need to join the virtual AGM.

Impact of your Proxy Appointment on your Proxy Voting Instructions

If you appoint a member of the Company's KMP (which includes each of the Directors) or one of the KMP's Closely Related Parties (such as close family members and any companies the KMP controls) as your proxy, the proxy will not be able to cast your votes on Resolutions 3, 4 and 5 unless you direct the proxy how to vote or the Chair of the Meeting is appointed as the shareholder's proxy.

If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on resolutions 3, 4 and 5, then by submitting the proxy appointment you will be expressly authorising the Chair to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

The Chair's voting intentions

The Chair intends to vote undirected proxies on, and in favour of, all the proposed resolutions.

Submitting your Vote prior to the AGM

The Chair's decision on the validity of a direct vote or vote cast by a proxy, is conclusive and the Company reserves the right to declare invalid any vote not received in this manner.

For your direct vote prior to the AGM to be effective, you must lodge your vote online no later than 10:00am (AEDT) on Wednesday, 17 November 2021 by following the instructions available on our Investor Centre (login via www.linkmarketservices.com.au). You will need your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**).

After this time, you will still be able to vote during the AGM by submitting your direct vote using the Online Platform.

Power of Attorney

A proxy appointment and the original power of attorney (if any) under which the proxy appointment is signed (or a certified copy of that power of attorney or other authority) must be received by PEXA Group's share registry no later than 10:00am (AEDT) on Wednesday, 17 November 2021.

Corporate Representatives

A body corporate that is a shareholder, or proxy/nominee, is entitled to appoint an individual to act as its representative to attend and vote at the virtual meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative must provide evidence of the appointment, a properly executed letter or other document confirming its authority to act as the body corporate's representative to PEXA Group's share registry no later than 10:00am (AEDT) on Wednesday, 17 November 2021. A 'Certificate of Appointment of Corporate Representative' form can be obtained from PEXA Group's share registry or online at www.linkmarketservices.com.au (under Resources then Forms). Corporate Representatives will be required to acknowledge their appointment in the Online Platform when voting or asking a question.

Questions from Shareholders

Shareholders who prefer to register questions in advance of the AGM can do this via our Investor Centre (log into your holding via www.linkmarketservices.com.au then select 'Voting' then click 'Ask a Question').

To allow time to collate questions and prepare answers, please submit any questions by 5:00pm (AEDT) on Monday, 15 November 2021.

Questions will be collated, and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

Shareholders and proxyholders may submit written questions during the meeting and will need to contact PEXA Group's share registry on +61 1800 990 363 prior to the meeting to obtain a personalised PIN number in order to ask a question via the telephone.

Conduct of the Meeting

PEXA Group is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders, attorneys or representatives) who participate in the AGM with the opportunity to participate in the business of the AGM in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about PEXA Group generally.

PEXA Group will not allow conduct at any meeting which is discourteous to those who are participating in the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chair of the Meeting will exercise his powers as the Chair to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of shareholders who are participating in the Meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on Friday, 19 November 2021.

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote on the resolutions.

Subject to the abstentions noted below in respect of each resolution, the Directors unanimously recommend shareholders vote in favour of all resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2, 4 and 5 are ordinary resolutions, which require a simple majority of votes cast by shareholders entitled to vote on the resolution. Resolution 3, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

Directors seeking re-election at the AGM will each briefly address the Meeting at the time the respective resolutions are considered.

Financial Statements and Reports

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Independent External Auditor's Report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://investors.pexa.com.au/investor-centre/?page=results-centre>.

Resolution 1. Re-Election of Director – Mark Joiner *Independent Chair*

Mark is an experienced director of listed companies, currently serving as a non-executive director of Latitude Group Holdings Limited and Chair of QBE Insurance Group Limited's AUSPAC subsidiaries. He was also Executive Director of Finance for NAB Group and held multiple directorships with NAB Group subsidiaries, including Clydesdale Bank Plc and JBWere.

As an executive, Mark was CFO and Head of Strategy and M&A for Citigroup's global wealth management business in New York and Associate Director of Australian Ratings (now Standard & Poor's). He also has 15 years of experience as a management consultant at Boston Consulting Group including as Senior Vice President, Global Head of Corporate Development.

Mark is a Chartered Accountant in England and Wales and holds an MBA from the University of Melbourne Business School.

If Mark Joiner is not re-elected, he will retire as a director of the Company. The Board may consider an alternative Director to be appointed, who will then seek election at the Company's next annual general meeting.

The Chair intends to vote all undirected proxies (where the Chair has been duly authorised to do so) in favour of this resolution.

The Directors, with Mark Joiner abstaining, unanimously recommend shareholders vote in favour of this Resolution.

Resolution 2. Re-Election of Director – Vivek Bhatia *Non-Executive Director and Link Group Nominee Director*

Vivek is the current Managing Director and Chief Executive Officer of the Link Group.

Vivek has over 20 years of experience in financial services, government and management consulting. Prior to joining Link Group, Vivek was Chief Executive Officer of the Australia Pacific division of QBE Insurance Group Ltd, and the inaugural Chief Executive Officer and Managing Director of iCare (Insurance and Care NSW).

Prior to this, Vivek co-led the Restructuring and Transformation (RTS) practice at McKinsey & Company across Asia Pacific and held senior executive roles at Wesfarmers Insurance, including responsibility for leading the Australian underwriting businesses of Lumley, WFI and Coles Insurance as CEO, Wesfarmers General Insurance Limited (WGIL).

Vivek holds an undergraduate degree in engineering, a post graduate degree in business administration and is a CFA (ICFAI).

If Vivek Bhatia is not re-elected, he will retire as a director of the Company. The Board may consider an alternative Director to be appointed, who will then seek election at the Company's next annual general meeting.

The Chair intends to vote all undirected proxies (where the Chair has been duly authorised to do so) in favour of this resolution.

The Directors, with Vivek Bhatia abstaining, unanimously recommend shareholders vote in favour of this Resolution.

Resolution 3. Remuneration Report

Section 250R(2) of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and KMP of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Broadly, the Remuneration Report details the remuneration policy for the Company and:

- (a) explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of executives and the Company's performance;
- (b) sets out remuneration details for each Director and for each senior executive with authority and responsibility for directing the affairs of the Company; and
- (c) discusses the relationship between the policy and Company performance.

Shareholders can view the full Remuneration Report in the Annual Report which is available on the Investors page of the PEXA Group website at <https://investors.pexa.com.au/investor-centre/?page=results-centre>.

The Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

The Chair intends to vote all undirected proxies (where the Chair has been duly authorised to do so) in favour of this resolution.

Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

Resolution 4. Approval of the PEXA Group Limited Equity Incentive Plan

Background

Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12-month period without requiring shareholder approval. Listing Rule 7.2 allows certain issues of securities to be excluded from the calculation of the number of securities issued in the 12 month period, including under exception 13(b), where an issue is made under an employee incentive plan, if within three years before the date of issue, the terms of the plan are approved by shareholders.

Resolution 4 proposes that shareholders consider and approve the PEXA Group Limited Equity Incentive Plan (**Plan**) in accordance with Listing Rule 7.2, exception 13(b), which would enable securities issued under the Plan over the next three years to be excluded from any calculation of securities for the purposes of Listing Rule 7.1.

Securities that may be issued under the Plan, when aggregated with offers made under other employee incentive schemes of the Company during the next three years, will not exceed 5% of the total issued capital of the Company. This equates to 8,866,290 securities as at the date of this Notice of Meeting. Where the total number of securities issued under the Plan exceeds 8,866,290 during the three-year period following approval of this resolution, those additional securities will be issued under the Company's Listing Rule 7.1 maximum of 15% permitted without seeking shareholder approval.

The Plan provides for the issuance of Equity Securities which may comprise any one or more of:

- (a) Performance Rights;
- (b) Options; and
- (c) Restricted Shares.

Equity Securities are entitled to be converted to ordinary shares in the Company upon a determination by the Board that the Conditions attached to the Equity Securities have been met.

Summary of the terms of the Plan

The object of the Plan is to:

- (a) align the interests of Eligible Employees with those of shareholders;
- (b) provide incentives to attract, retain and/or motivate Eligible Employees in the interests of the Company; and
- (c) provide Eligible Employees with the opportunity to acquire Equity Securities, and ultimately shares, in accordance with the Plan Rules the terms of the Offer under which a grant of Equity Securities is made.

A summary of the terms of the Plan are outlined below. Capitalised terms in this section refer to definitions in the Plan Rules.

Grant of Equity Securities: The Board has discretion to grant Equity Securities to Eligible Employees on the terms of the Plan and such additional terms and conditions that the Board determines. Unless the Board determines otherwise, no payment is required for the grant of Equity Securities under the Plan.

Eligible Employee: The eligible participants under the Plan are employees of the Company (including Directors) or other persons who are determined by the Board to be eligible participants for the purposes of the Plan. In accordance with the Listing Rules, prior securityholder approval will be required before any Director or related party can participate in the Plan and be granted Equity Securities.

Information to be provided: The Board will advise each Eligible Employee of the following minimum information regarding Equity Securities at the time of making an Offer:

- (a) the type or types of Equity Securities being offered;
- (b) the number or maximum value of Equity Securities being offered, or the method for determining the number or maximum value;
- (c) the number of Shares that will be issued or transferred on exercise of Performance Rights or Options or the formula for determining the number of Shares to be issued or transferred on exercise of the Performance Rights or Options;
- (d) any applicable Conditions;
- (e) the time or times at which Equity Securities may vest;
- (f) the amount that will be payable upon exercise of a Performance Right or Option, if any, or the method for calculating that amount;
- (g) the period or periods during which Performance Rights or Options may be exercised and the procedure for exercising the Performance Rights or Options;
- (h) the date, time and circumstances when Performance Rights or Options lapse;
- (i) the circumstances in which Shares allocated to the Eligible Employee (including Restricted Shares) may be forfeited; and
- (j) any other relevant terms and conditions attaching to Equity Securities held under the Plan, including any Disposal Restrictions or forfeiture conditions.

Title to Equity Securities: Unless the Board determines otherwise, Equity Securities may only be registered in the name of a Participant. Equity Securities granted under, and subject to, the Plan Rules are only transferable with the consent of the Board or by a court of law. Where a Participant purports to transfer Equity Securities other than in accordance with the Plan Rules, the Equity Security immediately lapses or is forfeited unless the Board determines otherwise.

Prohibition against hedging: A participant in the Plan must not enter into any scheme, arrangement or agreement (including options and derivative products) under which the economic benefit to be derived from Equity Securities that remain subject to the Plan Rules are affected, otherwise the Equity Securities will immediately lapse or be forfeited.

Vesting and lapse of Performance Rights and Options: Subject to Board discretion, cessation of employment, fraud or dishonesty, reorganisations and divestments, change of control and Board powers, a Performance Right or Option granted under the Plan will not vest unless the conditions advised to the Participant have been satisfied. The Board may, in its discretion, determine that a Performance Right or Option vests prior to the date specified by the Board.

Subject to the Board's overriding discretion, an unvested Performance Right or Option granted to a Participant will lapse upon the earliest to occur of:

- (a) the date specified by the Board;
- (b) any event relating to title of the rights, cessation of employment, fraud or dishonesty, reorganisations and divestments or change of control;
- (c) failure to meet the Conditions; or
- (d) the fifteenth anniversary of the date the Performance Right or Option was granted.

Cessation of restrictions and forfeiture of Restricted Shares: Subject to any express rule to the contrary, a Share only ceases to be a Restricted Share where the Conditions advised to the Participant by the Board have been satisfied or otherwise waived by the Board, and the Company notifies the Participant that the restrictions in respect of the Restricted Share have ceased or no longer apply.

Subject to the Board's overriding discretion, a Restricted Share will be forfeited upon the earliest to occur of:

- (a) the Restricted Share being forfeited in accordance with a provision of the Plan Rules;
- (b) the failure to meet a Condition applicable to the Restricted Share; or
- (c) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Restricted Share.

Satisfaction of vested Performance Rights and Options: The Board will from time to time determine whether the Company will, with respect to each Performance Right or Option that is exercised:

- (a) issue or procure the transfer to:
 - i. the Participant (or his or her personal representative); or
 - ii. a trustee who is to hold Shares on behalf of the Participant,
 of the number of Shares (including fractions of a Share) to which the Participant is entitled in respect of each Performance Right or Option as outlined in the Offer which may include a formula for calculating the relevant number of Shares (**Equity Settled**); or
- (b) pay a cash amount equivalent to the market price of a Share on the vesting date multiplied by the number of Securities contemplated in the grant or invitation, less the amount of Exercise Price, if applicable, in full satisfaction of the Shares that would otherwise have been allocated on exercise of the Performance Rights or Options (**Cash Settled**).

Ranking of Shares: All Shares issued under the Plan will rank equally in all respects with other Shares for the time being on issue, except with regard to any rights attaching to such other Shares by reference to a record date prior to the date of allocation of those Shares.

Listing on ASX: The Company will apply for quotation of Shares issued under the Plan within the period required by ASX.

Transfer restrictions: The Board may, in its discretion, impose any trading or other restrictions in respect of Shares issued or transferred on the exercise of Performance Rights or Options. The Board must provide a Participant with details of any such restrictions at the time of Offer. The Board may implement any procedure it considers appropriate to restrict a Participant from trading in Shares while they remain subject to the Plan Rules including, without limitation, imposing a holding lock on the Shares or arranging for the Shares to be held on trust.

Cessation of employment: Where a Participant holding unvested Equity Securities ceases to be an employee of the Company, those Equity Securities immediately lapse or are forfeited unless the Offer prescribes a treatment other than the immediate lapse or forfeiture of unvested Equity Securities. Notwithstanding this, where a Participant holding unvested Equity Securities ceases to be an employee of the Company, the Board may, in its discretion, determine the treatment of those unvested Equity Securities.

Forfeiture of Shares including Restricted Shares subject to disposal restrictions: The Board may, at its discretion, determine that a Participant will forfeit his or her interest in any Shares that are allocated to the Participant, subject to disposal restrictions, if, during such restriction period, the Participant:

- (a) resigns;
- (b) is dismissed for cause; or
- (c) is terminated in circumstances that, in the opinion of the Board, involve a failure by the Participant to meet acceptable performance requirements in connection with his or her employment.

For the purposes of this Plan, a Participant will only be treated as ceasing employment when the Participant is no longer an employee of the Group.

Capital reorganisation: If:

- (a) Shares are issued pro rata to Shareholders generally by way of a bonus issue;
- (b) Shares are offered to Shareholders by way of a rights issue; or
- (c) any reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company is effected, then:

the number of Shares to be delivered to each Participant in respect of each Equity Security (or other terms and conditions applicable to the Equity Securities, including any amount payable for the Shares) will be adjusted in the manner determined by the Board in order to minimise or eliminate any material advantage or disadvantage to the Participant.

Divestment of material business or subsidiary: Where the Company divests a business designated by the Board for this purpose as 'material', the Board may determine special rules that apply to Participants of that business in relation to the Equity Securities or Shares held pursuant to the Plan (and any other entitlements that may arise in relation to those Shares). Without limiting the Board's discretion, such rules may include:

- (a) varying the Conditions applying to the Participant's Equity Securities to take into account the divestment of the business; and
- (b) deeming that the Participant remains a Group employee for a specified period.

Takeover bid or scheme of arrangement: If an Event occurs prior to Equity Securities vesting then the Board may, in its absolute discretion, determine whether:

- (a) some or all unvested Equity Securities vest, lapse, or be forfeited (whether subject to Conditions or not); or
- (b) some or all of the unvested Equity Securities remain subject to the applicable Conditions (or substitute Conditions), having regard to any matter the Board considers relevant, including, without limitation, the circumstances of the Event, the extent to which the applicable Conditions have been satisfied and/or the proportion of the period that has elapsed from grant to the date of the Event.

If an Event occurs after Equity Securities vest, all Shares including Restricted Shares that remain subject to a disposal restriction under the Plan will be released from restriction.

"An Event" is defined as having occurred where:

- (a) in the case of a Takeover Bid, a person who previously had voting power in the Company of less than 50% obtains voting power of more than 50%; or
- (b) a Takeover Bid is made for the Company and the bid is declared unconditional at a time prior to the bidder being entitled to 50% of the issued Shares; or

- (c) a court convenes a meeting of Shareholders to be held to vote on a proposed scheme of arrangement pursuant to which control of the majority of Shares may change; or
- (d) any transaction or event is proposed that, in the opinion of the Board, may result in a person becoming entitled to exercise control over the Company.

Acquisition of shares in another company: If a company (the **Acquiring Company**) obtains control of the Company and each of the Company, the Acquiring Company and the Participant agree, then a Participant may be provided with shares in the Acquiring Company (or its parent or subsidiary) in substitution for Equity Securities, on substantially the same terms and conditions as the Equity Securities, but with appropriate adjustments to the number and kind of shares the subject of the Equity Securities.

Amendment of the Plan Rules: The Board may at any time, amend, add to, vary, omit from or substitute any of the Plan Rules, provided that any such amendment may not materially reduce or otherwise prejudicially affect the rights attaching to the Equity Securities granted or the Shares issued or transferred (as applicable) pursuant to, and still subject to, the Plan, other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Commonwealth, or relevant foreign jurisdiction legislation;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications for the Company or the Participant arising from, amongst other things, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court or tribunal of competent jurisdiction.

Board powers: The Board has absolute and unfettered discretion in exercising any power or discretion concerning the Plan.

The Chair intends to vote all undirected proxies (where the Chair has been duly authorised to do so) in favour of this resolution.

Resolution 5. Approval for grant of Performance Rights to Glenn King

ASX Listing Rule 10.14 requires shareholder approval for the acquisition of securities by a director under an employee incentive scheme. Securities include shares and rights to acquire shares.

Approval is sought to grant Glenn King, the Company's Managing Director and Chief Executive Officer, Performance Rights under the PEXA Group Limited Equity Incentive Plan (**Plan**) as his FY22 Long-Term Incentive (**LTI**) award.

The Board established the Plan in the lead up to the IPO to facilitate grants of equity to its executive leadership team and certain employees. Key features of the Plan are described in resolution 4 in this Explanatory Memorandum. The Board has developed the FY22 LTI framework to grant awards under the Plan which will support the Company's entrepreneurial, innovative, collaborative and high-performance culture and encourage superior business performance.

FY22 LTI award

It is proposed that a maximum of 60,000 Performance Rights will be granted to Glenn King. Performance Rights entitle Glenn King to receive shares, or a cash equivalent payment, as determined by the Board, subject to vesting conditions, including satisfaction of performance hurdles as set out below over the period from 1 July 2021 to 30 June 2024 (**Performance Period**).

The proposed grant of Performance Rights represents Glenn King's LTI opportunity for FY22. The number of Performance Rights granted will be the lesser of 60,000 or the number calculated based on Glenn King's maximum LTI opportunity of 100% of fixed annual remuneration of \$925,000 divided by the 10-day VWAP of shares for the period commencing on the second trading day after the Company's Annual Report for FY21 was released to the market. Performance Rights will be granted for no consideration.

Performance Rights will vest subject to achievement of performance conditions. There is no re-testing of performance conditions. Any Performance Rights granted under this award that do not vest when tested at the end of the Performance Period will lapse. The performance conditions will be based on growth in Earnings Per Share (**EPS CAGR**) and relative total shareholder return (**Relative TSR**) as set out below:

1. EPS CAGR

75% of the award, to a maximum of 45,000 Performance Rights, will be subject to underlying EPS compound annual growth rate hurdles. Underlying EPS is calculated by dividing the Company's NPATA¹ by the undiluted weighted average number of shares on issue. EPS CAGR will be measured based on FY24 compared to FY21 audited results.² To not disincentivise executives from completing value-added strategies including acquisitions that are in the long-term interests of shareholders, the Board will remove the impact of acquisitions or capital raisings in the final 12 months of the Performance Period when determining EPS performance. Adjustments arising from these matters will be fully disclosed after testing.

The number of Performance Rights that vest will be determined as set out below:

EPS CAGR	% of Performance Rights that vest
At or above 25.0%	100%
Between 15.0% and 25.0%	Pro-rata vesting from 50% to 100%
At 15.0%	50%
Less than 15.0%	0%

2. Relative Total Shareholder Return (TSR)

25% of the award, to a maximum of 15,000 Performance Rights, will be subject to hurdles based on the Company's TSR relative to companies in the S&P/ASX 200 Information Technology Index (**Comparator Group**). The Relative TSR performance assessment will take into account changes in the Comparator Group during the performance period to ensure it remains valid for performance measurement purposes, for example, if one of the companies in the group ceases to be listed on the ASX during the Performance Period.

The number of Performance Rights that vest will be determined as set out below:

Company's TSR ranking compared to Comparator Group	% of Performance Rights that vest
At or above the 75th percentile	100%
Between the 50th percentile and 75th percentile	Pro-rata vesting from 50% to 100%
At the 50th percentile	50%
Below 50th percentile	0%

- NPATA is net profit after tax and after adding back tax-effected amortisation of acquired intangible assets. The Board considers NPATA to be a fair reflection of the Company's after-tax profitability as it excludes the impact of non-cash amortisation of acquired intangibles reflected in NPAT.
- FY21 reported results on a pro forma basis that are based on statutory audit results, then removing one-off costs relating to the listing of PEXA Group and adding public company costs to be comparable to the business in FY24. See page 21 of the PEXA Group Annual Report Table 1 for Pro Forma Financial Results for more information relating to the FY21 pro forma adjustments and Table 2 for Statutory Financial Results for audited information.

Further information

ASX Listing Rule 10.14 provides that a listed company may only permit a director to acquire securities under an employee incentive scheme where the acquisition by the director has been approved by an ordinary resolution of shareholder.

The following additional information is provided pursuant to ASX Listing Rule 10.15:

- (a) Glenn King is a director of the Company and therefore falls within Listing Rule 10.14 such that shareholder approval is required for Glenn King to acquire securities under an employee incentive scheme.
- (b) The maximum number of Performance Rights for which approval is sought is 60,000 as set out above.
- (c) There is no loan proposed in relation to the proposed grant of Performance Rights to Glenn King.
- (d) The Performance Rights will be allocated at no cost to Glenn King and the Board has determined that no amount is payable on exercise of vested Performance Rights.
- (e) Performance Rights are an entitlement to receive an ordinary share for nil consideration on satisfaction of specified conditions. Adjustments may be made to the number of shares that Glenn King would be entitled to receive on exercise of Performance Rights in the event of a bonus issue or pro-rata issue to holders of shares or a reorganisation of capital, subject to the ASX Listing Rules and all applicable laws. The Board has the discretion to settle vested Performance Rights with a cash equivalent payment on exercise. Vested Performance Rights can be exercised up to 10 years from grant.
- (f) Performance Rights will not be quoted on the ASX and do not carry any voting rights or right to dividends. Performance Rights will be granted to Glenn King as soon as practicable after the AGM, but in any event within 12 months of the AGM.
- (g) The details of Glenn Kings' current remuneration package are set out below:
 - a. Fixed annual remuneration, including superannuation (**FAR**): \$925,000
 - b. Maximum Short-Term Incentive: 70% of FAR
 - c. Maximum Long-Term Incentive: 100% of FAR
- (h) Glenn King is required to hold interests in shares equal in value to 200% of FAR. If the requirement is not met, Performance Rights from incentive awards are to be automatically exercised on vesting and shares arising from the exercise, plus any shares vested from any other awards, are restricted and must be held until the holding requirement is met.
- (i) No securities have previously been issued to Glenn King under the Plan.
- (j) A summary of the material terms of the Plan can be found in resolution 4 in this Explanatory Memorandum.
- (k) Details of any Performance Rights issued under the Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14, who become entitled to participate in an issue of securities under the scheme after this resolution 5 is approved and who were not named in this Notice of Meeting, will not participate in the scheme until approval is obtained under Listing Rule 10.14.

If this resolution is not approved by shareholders, the proposed grant will not proceed. In such circumstances, issues may arise in regard to the total remuneration package of Glenn King and the alignment of rewards between Glenn King and the other senior executives in the Company. The Board would need to consider alternative remuneration arrangements, which are consistent with the Company's remuneration principles, including providing an equivalent cash long term incentive subject to the risk of forfeiture, performances conditions and performance period as outlined above.

The Chair intends to vote all undirected proxies (where the Chair has been duly authorised to do so) in favour of this resolution.

GLOSSARY OF TERMS

AEDT	Australian Eastern Daylight-savings Time
ASIC	means the Australian Securities and Investments Commission.
Associate	has the meaning given to it in the ASX Listing Rules.
ASX	means ASX Limited or its financial market, the Australian Securities Exchange, as the context requires.
ASX Listing Rules	means the listing rules of ASX as they are amended from time to time.
Board	means the board of directors of PEXA Group Limited from time to time.
Closely Related Party	has the meaning given to it in the Corporations Act.
Company	means PEXA Group Limited ACN 629 193 764.
Constitution	means the Company's constitution.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory notes to the Resolutions that forms part of the Notice of Meeting.
Key Management Personnel or KMP	has the meaning given to it in the Corporations Act.
Meeting	means the annual general meeting of Shareholders called by the Notice of Meeting.
Notice or Notice of Meeting or Notice of Annual General Meeting	means this notice of annual general meeting and explanatory memorandum.
Proxy Form	means the proxy form accompanying the Notice.
Remuneration Report	means the remuneration report set out in the Company's 2021 Annual Report.
Resolutions	means the resolutions set out in the Notice.
Share	means a fully paid ordinary share in the capital of PXA.
Shareholder	means a holder of one or more Shares.

ACCESSING INFORMATION ON PEXA GROUP

Investor Centre

Visit the Investor Centre at www.linkmarketservices.com.au to:

- view your shareholding
- review and update your contact details, payment instructions and communication preferences
- access all your securities in one portfolio by setting up a personal account
- make online enquiries

You can also contact PEXA Group's share registry via:

Email: registrars@linkmarketservices.com.au

Phone: 1300 554 474

Mail: Locked Bag A14
Sydney South
NSW 1235 Australia

Reports

PEXA Group's Annual Report can be viewed or downloaded at
<https://investors.pexa.com.au/investor-centre/?page=results-centre>

