



16 October 2020

Dear Shareholder,

On behalf of the Board of Directors of ReadyTech Holdings Limited (**ReadyTech**), I am pleased to invite you to ReadyTech's Annual General Meeting (**2020 AGM**).

ReadyTech's 2020 AGM will be held on **Wednesday, 18 November 2020** commencing at **11.00am** (Sydney time).

Due to the COVID-19 pandemic, we have decided to make some changes to the way we host the 2020 AGM. ReadyTech is focussed on ensuring the health and safety of its shareholders and our people. Accordingly, like many other companies, our 2020 AGM will now be held online (virtually) rather than at a physical location.

Our virtual 2020 AGM will provide you with similar opportunities online as you would have attending a meeting in person. You will be able to view presentations from me and Mr Marc Washbourne, the Chief Executive Officer, as well as vote and ask questions live during the meeting.

Further details on how to participate in the 2020 AGM online are set out in the attached Notice of Meeting and in the Link Group Online Platform Guide. The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully logging in and navigating the site. The Online Platform Guide will be released to the ASX and is also available on our website at <https://investors.readytech.com.au/investor-centre/?page=asx-announcements>.

I encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and would also recommend you lodge a directed proxy in advance of the meeting by following the instructions in the Proxy Form.

Subject to the abstentions noted in the Explanatory Memorandum, the ReadyTech Directors unanimously recommend that shareholders vote in favour of all resolutions to be proposed at the 2020 AGM.

Thank you for your continued support of ReadyTech and I look forward to your online attendance.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Tony Faure".

**Tony Faure**  
Chair

**READYTECH HOLDINGS LIMITED**  
**ACN 632 137 216**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the 2020 Annual General Meeting of the shareholders of ReadyTech Holdings Limited ACN 632 137 216 (**ReadyTech** or the **Company**) will be held:

Date: **Wednesday, 18 November 2020**  
Time: **11.00am (Sydney time)**  
Venue: **<https://agmlive.link/RDY20>**

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on the matters to be considered at the 2020 AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

**CONSIDERATION OF REPORTS**

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2020.

All shareholders can view the Annual Report which contains the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the year ended 30 June 2020 on the Company's website at [www.readytech.com.au](http://www.readytech.com.au).

**QUESTIONS AND COMMENTS**

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

The Chair will also give 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 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 Auditor's Report or the conduct of the audit.

**ITEMS FOR APPROVAL**

**Resolution 1. Re-election of Mr Tim Ebbeck**

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

*"That Mr Tim Ebbeck, who retires in accordance with clause 60.1 of the Company's Constitution and being eligible, is re-elected as a Director of the Company."*

**Resolution 2. Remuneration Report**

To consider and, if thought fit, pass the following as a non-binding ordinary resolution of the Company:

*"That the Company's Remuneration Report for the financial year ended 30 June 2020, as set out in the Directors' Report, is adopted."*

The Remuneration Report is contained in the Company's 2020 Annual Report (available at [www.readytech.com.au](http://www.readytech.com.au)).

Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (**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 2 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 2020 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 2 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:
  - i. does not specify the way the proxy is to vote on the resolution; and
  - ii. 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 accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 2 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 where 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.

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act.

#### **Resolution 3. ReadyTech Equity Incentive Plan**

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

*“That for the purpose of ASX Listing Rule 7.2, exception 13 and all other purposes, the ReadyTech Equity Incentive Plan, as described in the Explanatory Memorandum accompanying the Notice of Meeting be approved for the issue of securities under the ReadyTech Equity Incentive Plan.”*

#### Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a. a person eligible to participate in the employee incentive scheme; or
- b. an associate of those persons.

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

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way; or
- b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- c. a shareholder 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 Resolution 3; and
  - ii. the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, 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 where 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. Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne**

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

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 173,630 performance rights to Marc Washbourne under the ReadyTech Equity Incentive Plan on the terms set out in the ReadyTech Equity Plan and as described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved.”*

#### Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- a. Marc Washbourne; or
- b. an associate of Marc Washbourne.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 4 by or on behalf of a person who is referred to in rule 10.14.1, 10.14.2, or 10.14.3 who is eligible to participate in the employee incentive scheme in question.

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 Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- c. a shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - iii. 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 Resolution 4; and
  - iv. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, 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 where 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. Financial Assistance**

To consider and, if thought fit, pass the following as a special resolution of the Company:

*“That:*

1. *for the purposes of section 260B(2) of the Corporations Act 2001 (Cth) (**Corporations Act**) and for all other purposes, approval is given for:*
  - a. *WageLink Australia Pty Ltd (ACN 071 900 788);*
  - b. *Zambion Pty Ltd (ACN 142 754 809); and*
  - c. *Zambion Limited (a New Zealand incorporated company),*  
*(together the “**Subsidiaries**”) to each give financial assistance as described in the Disclosure Statement set out in Annexure A of the Notice of Meeting; and*
2. *the Subsidiaries may enter into and give effect to the documents required to implement the financial assistance as described in the Disclosure Statement.”*

By Order of the Board



Nimesh Shah  
Chief Financial Officer and Company Secretary  
16 October 2020

## **ENTITLEMENT TO ATTEND AND 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 ReadyTech as at 7:00pm (Sydney time) on **Monday, 16 November 2020** will be entitled to attend and vote at the 2020 AGM as a shareholder.

If more than one joint holder of shares is present at the 2020 AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### *Appointment of Proxy*

If you are a Shareholder entitled to attend and vote, you may appoint a proxy to attend and act on your behalf at the 2020 AGM. A proxy need not be a shareholder of the Company and can be an individual or a body corporate.

If a Shareholder is entitled to cast two or more votes at the 2020 AGM, the Shareholder may appoint one or two proxies. If two proxies are appointed, the appointing Shareholder may specify the proportion or number of their votes each proxy is appointed to exercise. In accordance with Rule 49.4 of the Company's Constitution, if no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

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 2020 AGM

To be effective, the proxy must be received at the Share Registry of the Company no later than 11.00am (Sydney time) on **Monday, 16 November 2020**. Proxies must be received before that time by one of the following methods:

#### **ONLINE (preferred method)**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

#### **BY MAIL**

ReadyTech Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia

#### **BY FAX**

+61 2 9287 0309

#### **BY HAND**

Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138  
Australia

#### **ALL ENQUIRIES TO**

Telephone: 1300 554 474 Overseas: +61 1300 554 474

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

### *Undirected proxies*

If the Chair of the meeting is appointed or taken to be appointed as a proxy and you do not specify in the Proxy Form the manner in which you wish the Chair to vote on the resolution to be considered at

the meeting, then by submitting your Proxy Form you will be expressly authorising the Chair to exercise your proxy on the relevant resolution. The Chair intends to exercise all available votes in favour of the resolution.

#### *Power of Attorney*

If you are a Shareholder entitled to attend and vote, you may appoint an attorney to act on your behalf at the 2020 AGM. Your appointment must be made by a duly executed power of attorney. The power of attorney (or a certified copy of it) must be received by ReadyTech no later than 11.00am (Sydney time) on **Monday, 16 November 2020**, being 48 hours before the 2020 AGM.

#### *Corporate Representatives*

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the 2020 AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the 2020 AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

#### *Voting at the Meeting*

It is intended that voting on each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

**IMPORTANT:** 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 2, 3 and 4 then by submitting the proxy form you will be expressly authorising the Chair to exercise your proxy on the resolution, even though the resolution is connected, directly or indirectly, with the remuneration of the KMP.

#### **SHAREHOLDER QUESTIONS**

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), select Voting then click 'Ask a Question', or alternatively submit the enclosed AGM Question Form.

To allow time to collate questions and prepare answers, please submit any questions by 5.00pm (Sydney time) on Wednesday, 11 November 2020. 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.

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared in relation to the business to be conducted at ReadyTech's 2020 AGM to be held at 11.00am on **Wednesday, 18 November 2020**.

The purpose of this Explanatory Memorandum is to provide shareholders of ReadyTech (**Shareholders**) with information that is reasonably required by Shareholders to decide how to vote upon the resolutions being put forward at the 2020 AGM.

The Chair of the 2020 AGM intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 3 and 4 are ordinary resolutions, which require a simple majority of votes cast by Shareholders entitled to vote on the resolution.

Resolution 2, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

Resolution 5 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

### **Re-election of Directors**

Under Rule 60.1 of the Company's Constitution, one third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one third of the Directors, must retire at each annual general meeting.

The Directors to retire by rotation at an annual general meeting are those Directors who have been longest in office since their last election. The Company's Constitution stipulates that where Directors were elected on the same day, they may agree among themselves or determine by lot which of them must retire.

In addition, Rule 60.4 of the Company's Constitution requires a Director (other than the Managing Director) to retire from office at the conclusion of the third annual general meeting after the Director was last elected.

### **Resolution 1. Re-election of Mr Tim Ebbeck**

Mr Timothy Ebbeck retires in accordance with Rule 60.1 of the Constitution and seeks re-election in accordance with Rule 60.5.

Mr Ebbeck was appointed to the Board on 8 March 2019 as an Independent Non-Executive Director and is also the Chair of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

Mr Ebbeck has over 30 years of board, executive and advisory experience across a breadth of industries including technology, media, consulting and finance industries.

Mr Ebbeck's previous executive experience includes being the Chief Financial Officer of Unisys South Pacific and Compaq Computers South Pacific, being Chief Financial Officer of TMP Worldwide (Asia Pacific and Japan), Chief Financial Officer and Chief Executive Officer of SAP (ANZ), Chief Commercial Officer of SAP Asia Pacific Japan, Chief Commercial Officer of NBN Co, Managing Director of Oracle (ANZ), and Managing Director and Senior Vice President of Automation Anywhere (ANZ). Mr Ebbeck is currently Principal of Ebbeck TIG Consulting.

Mr Ebbeck also has significant board experience having previously been a non-executive director for SkynetGlobal Limited, CPA Australia, Nextgen Distribution, NVOI Limited and GeoOp Limited. Mr Ebbeck has also been a non-executive Chair at Insite Organisation Pty Ltd, Co-Chair at NSW Maharashtra Cup, Syndicate Chair at the CEO Institute and Executive Chair at IXUP Limited.

Mr Ebbeck is also an experienced board advisor having advised DNS IT Pty Ltd, been a member of the Sustainable Growth Taskforce and member of the Innovation Taskforce for the Business Council of Australia and was previously a Trustee of the Museum of Applied Arts & Sciences NSW (Powerhouse Museum, Sydney Observatory) and an advisor to MyWave Limited and Techfront Australia.

Mr Ebbeck holds a Bachelor of Economics from Macquarie University, is a Fellow of CPA Australia, a Fellow of the Australian Institute of Management, a Graduate Member of the Australian Institute of Company Directors and a Member of the Australian Computer Society.

Mr Ebbeck's extensive experience has been of great benefit to the Company, particularly Mr Ebbeck's management and technology experience.

Prior to submitting himself for re-election, Mr Ebbeck has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports Mr Ebbeck's re-election as a Non-Executive Director as Mr Ebbeck provides a valuable contribution to the Board and Company, specifically in relation to management and technology matters, and therefore is recommended to shareholders for re-election.

*The Directors, with Mr Timothy Ebbeck abstaining, unanimously recommend that Shareholders vote in favour of Resolution 1.*

## **Resolution 2. Remuneration Report**

Section 250R(2) of the Corporations Act 2001 (Cth) (**Corporations Act**) requires that the section of ReadyTech's Directors' Report dealing with the remuneration of the key management personnel (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Key management personnel (**KMP**) are those persons having authority and responsibility for planning, directing and controlling the activities of ReadyTech including any executive or non-executive director.

Broadly, the Remuneration Report:

- discusses ReadyTech's policy in relation to remuneration of the KMP;
- discusses the relationship between the Board's remuneration policy and Company performance;
- details any performance conditions attached to KMP remuneration; and
- sets out remuneration details for each KMP.

Shareholders can view the full Remuneration Report on ReadyTech's website at [www.readytech.com.au](http://www.readytech.com.au).

Following consideration of the Remuneration Report, 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 consideration in setting remuneration policy for future years.

*The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this Resolution.*

## **Resolution 3. ReadyTech Equity Incentive Plan**

The following information is provided for the purpose of Listing Rule 7.2 exception 13.

A voting exclusion statement is included in the Notice of Meeting accompanying this Explanatory Memorandum.

## The ASX Listing Rules

The ASX Listing Rules generally restrict listed companies from issuing more than 15% of their issued share capital in any 12 month period without shareholder approval.

However, there are exceptions to this restriction, one of which states that general Listing Rule requirements for shareholder approval will not apply to an issue under an employee incentive scheme if, within three years before the date of the issue, shareholders approve the issue of securities under the scheme as an exception to the rule.

If the ReadyTech Equity Incentive Plan is approved by shareholders, issues under the ReadyTech Equity Incentive Plan over the next three years will fall under this ASX Listing Rule exception and will not affect the Company's ability to separately issue up to 15% of its total ordinary securities in any 12 month period (without having to obtain further shareholder approval). However, the exception does not apply to Directors and their associates, who are deemed related parties of the Company, and issues to such persons will require separate approval under Listing Rule 10.14.

## The purpose of the ReadyTech Equity Incentive Plan

The ReadyTech Equity Incentive Plan is:

- a long term incentive plan established to assist in the motivation, retention and reward of senior management; and
- designed to align the interests of Executives and senior management with the interests of Shareholders by providing an opportunity for the participants to receive an equity interest in the Company.

## Terms of the ReadyTech Equity Incentive Plan

The terms of the ReadyTech Equity Incentive Plan are set out in the Plan Rules. The key elements of the ReadyTech Equity Incentive Plan are as follows:

<b>Eligibility to participate</b>	Offers may be made at the Board's discretion to a director, employee, contractor or consultant of ReadyTech or its subsidiaries (as defined in the Corporations Act) ( <b>Group</b> ) or any other person whom the Board determines to be eligible to participate in the Plan and who is invited to participate in the Plan by the Company.
<b>Types of securities</b>	One or more of the following may be granted to eligible participants under the ReadyTech Equity Incentive Plan: <ul style="list-style-type: none"><li>• <b>performance rights:</b> the right to be allocated or issued a share subject to the satisfaction of any applicable performance conditions or trading restrictions and the terms of the individual offer;</li><li>• <b>options:</b> the right to a share subject to the payment of the applicable exercise price, the satisfaction of any applicable performance conditions or trading restrictions and the terms of the individual offer; and/or</li><li>• <b>restricted shares:</b> a share issued to an eligible participant subject to the restrictions set out in the ReadyTech Equity Incentive Plan, which may include a trading restriction and the right of ReadyTech to buy back or facilitate the transfer to a third party to discharge any financial assistance applicable to the grant of the restricted shares.</li></ul>
<b>Offers</b>	The Board, in its absolute discretion, may make offers to eligible participants to:

	<ul style="list-style-type: none"> <li>participate in a grant of performance rights or options on the terms set out in the ReadyTech Equity Incentive Plan and additional terms and conditions that the Board determines apply to an individual offer; and/or</li> <li>acquire restricted shares (separate to, and independent from, any shares acquired under a performance right or option) subject to the specific terms contained in an individual invitation letter.</li> </ul>
<b>Consideration payable</b>	Unless otherwise determined by the Board, no payment is payable by an eligible participant on grant of a performance right, option or restricted share.
<b>Vesting</b>	<p>Each grant of security under the ReadyTech Equity Incentive Plan is subject to the terms of the individual offer.</p> <p>Subject to the Board's discretion and the participant complying with the conduct requirements under the ReadyTech Equity Incentive Plan, performance rights vest on satisfaction of the performance conditions that apply to an individual offer, unless otherwise waived by the Board acting in its sole discretion.</p> <p>Subject to the participant complying with the conduct requirements under the ReadyTech Equity Incentive Plan, options only become exercisable if the performance conditions and other relevant conditions applicable to an individual offer are satisfied. The exercise of an option will be effected in the manner determined by the Board and must be accompanied by the exercise price.</p> <p>The Board may determine in its absolute discretion that a performance right or option will be satisfied by the payment of a cash payment to the participant in lieu of allocating shares to the participant.</p>
<b>Cessation of employment</b>	Generally, if a participant ceases to be an eligible participant before the vesting date of a performance right or the exercise of an option, the performance right or option lapses, unless otherwise determined by the Board in its discretion or in accordance with the specific terms contained in an invitation letter.
<b>Restriction on dealing with shares</b>	<p>The Board may, in its discretion, impose restrictions on dealing with:</p> <ul style="list-style-type: none"> <li>shares allocated or issued on vesting of a performance right or option; or</li> <li>restricted shares.</li> </ul>
<b>Change of control</b>	On the occurrence of a change of control event, the Board may, in its absolute discretion, determine that all or a specified number of a participant's performance rights immediately vest or options be immediately exercisable.

This is the first time ReadyTech has sought approval of the Equity Incentive Plan.

If approval is obtained from Shareholders, the maximum number of equity securities (as defined by the ASX Listing Rules) proposed to be issued under the Equity Incentive Plan for the three years following the approval is 4,000,268, which is 5% of the current number of fully paid ordinary shares on issue. The maximum number of equity securities is not intended to be a prediction of the actual number of equity securities to be issued under the Equity Incentive Plan but is specified for the purposes of setting a ceiling on the number of equity securities approved to be issued under and for the purposes of ASX Listing Rule 7.2, Exception 13(b). It is not envisaged that the maximum number of equity securities for which approval is obtained will be issued immediately.

*The Directors unanimously recommend Shareholders vote in favour of this Resolution.*

#### **Resolution 4. Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne**

This resolution deals with the proposed grant of options under the Equity Incentive Plan (**Plan**) to Mr Marc Washbourne, Chief Executive Officer and a Director of the Company.

The Plan is intended to align the interest of Mr Washbourne with the interests of Shareholders and is governed by the rules of the ReadyTech Equity Incentive Plan.

Awards under the Plan are structured as a Performance Right to receive Shares in the Company at a future date subject to satisfaction of the applicable vesting conditions (**Performance Right**).

The Company has agreed, subject to obtaining shareholder approval to grant a total of 173,630 Performance Rights to Mr Washbourne.

The ASX Listing Rules (**Listing Rules**) and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below.

Listing Rule 10.14 requires the approval of ordinary shareholders to issue securities under an employee incentive scheme to a Director of the Company. Accordingly, approval for the grant of the Performance Rights to Mr Washbourne is required.

Approval of this resolution will result in the grant of Performance Rights to Mr Washbourne falling within exception 14 in Listing Rule 7.2 (in addition to exception 13). Therefore, the issue of securities to Mr Washbourne will not be included in the 15% calculation for the purposes of Listing Rule 7.1. The issue of Shares in the Company on vesting of the Performance Rights will also be excluded from Listing Rule 7.1.

#### *Purpose of the Plan*

The Company has established the Plan to assist in the motivation, retention and reward of senior executives.

The Plan is designed to align the interests of senior executives with Shareholders by providing an opportunity for the participants to receive an equity interest in the Company.

Other members of senior management, selected by the Board, will be granted Performance Rights under the Plan on similar terms to Mr Washbourne.

#### *Calculation of the Proposed Number of Performance Rights*

The number of Performance Rights to be granted has been calculated by dividing the total value of the award by \$1.249779, which is volume weighted average price (**VWAP**) for the three months prior to the commencement of the Performance Period (so 1 April 2020 to 30 June 2020), with a 10% discount. The value of the award is \$217,000, which is 70% of Mr Washbourne's base salary.

It is proposed that Mr Washbourne be granted 173,630 Performance Rights. If approved, the Performance Rights will be granted to Mr Washbourne for nil financial consideration.

#### *Vesting period*

The Performance Period will commence on 1 July 2020 and conclude on 30 June 2023, noting that:

- 50% of the Performance Rights awarded will be tested against the performance conditions and vest (subject to performance against the applicable vesting conditions) following the release of the results for ReadyTech for the period ended 30 June 2022; and
- 50% of the Performance Rights awarded will be tested against the performance conditions and vest (subject to performance against the applicable vesting conditions) following the release of the results for ReadyTech for the period ended 30 June 2023.

If any Performance Rights vest following the period ended 30 June 2022, the Shares allocated to Mr Washbourne will remain subject to a holding lock and Mr Washbourne will not be permitted to deal in Shares until the holding lock has been removed.

*Performance conditions*

Vesting of the Performance Rights will be subject to:

- an earnings per share (**EPS**) compounded annual growth rate performance condition – applicable to 50% of the Performance Rights; and
- a total shareholder return (**TSR**) performance condition – applicable to 50% of the Performance Rights.

*EPS performance condition – applicable to 50% of the Performance Rights*

50% of the Performance Rights are based on an EPS performance hurdle, tested based on the compound annual growth rate (**CAGR**) of the Company's EPS over the two and three year period commencing 1 July 2020 and ending on 30 June 2022 and 30 June 2023 respectively.

EPS measures the earnings generated by the Company attributable to each share on issue on a fully diluted basis.

Calculation of the CAGR of the EPS and achievement against the EPS Hurdle will be determined by the Remuneration and Nomination Committee of the Company in its absolute discretion, having regard to any matters that it considers relevant.

The percentage of Rights that vest in the EPS tranche, if any, will be determined by reference to the following vesting schedule, subject to any adjustments for abnormal or unusual profit items that the Board, in its discretion, considers appropriate:

<b>EPS Hurdle</b>	<b>Percentage of Performance Rights vesting</b>
Compound annual growth rate of 14% or more	100%
Compound annual growth rate between 9% and below 14%	Pro-rata vesting of the Performance Rights between 50% and 100%
Compound annual growth rate of 9%	50%
Compound annual growth rate of less than 9%	0%

*TSR performance condition – applicable to 50% of the Performance Rights*

50% of the Performance Rights are based on a Relative Total Shareholder Return performance condition tested over the two and three year periods commencing 1 July 2020 and ending on 30 June 2022 and 30 June 2023 respectively.

Performance will be tested relative to S&P/ASX All Tech Index.

The share prices used to calculate the respective TSR performance of ReadyTech and the Tech Index will be measured by the VWAP ordinary securities traded on ASX (and, if applicable, the Chi-X market) for the 20 trading days up to and including the end of the relevant period.

The TSR ranking for the Performance Period will be determined by the Board having regard to calculations provided by an independent external consultant.

The percentage of Rights that vest in the TSR tranche, if any, will be determined by reference to the following vesting schedule, subject to any adjustments for abnormal or unusual items that the Board, in its discretion, considers appropriate:

Company's Relative TSR over the Performance Period	% of Rights that Vest in the TSR tranche
Less than 50% Relative TSR	Nil
50% Relative TSR	50%
Between 50% and 75% Relative TSR	Straight line pro rata Vesting between 50% and 100%
At or above 75% Relative TSR	100%

Testing of the EPS Hurdle and TSR Hurdle will occur shortly after the end of the relevant performance period and release of the Company's full year audited results for the preceding financial year, and the number of Performance Rights that vest (if any) will be determined.

#### *Additional Terms of the Performance Rights*

- Performance Rights do not carry any dividend or voting rights prior to vesting.
- In respect of vested Performance Rights, the Board may in its absolute and unfettered discretion determine to make a cash payment in lieu of allocating some or all of the Shares (**Cash Equivalent Value**) and any Cash Equivalent Value paid will be calculated in accordance with the Plan Rules.
- The Company's obligation to allocate Shares on vesting of the Performance Rights may be satisfied by issuing new shares, procuring the transfer to, or procuring the setting aside for the participant the number of shares in respect of which Performance Rights have vested.
- The Plan contains provisions which give the Board the ability, in certain circumstances, to impose clawback, including the lapse of unvested Performance Rights and forfeit of shares allocated upon vesting of Performance Rights (e.g. in the event of fraud, dishonesty or material breach of obligations to the Group).
- The Performance Rights will vest in two tranches over a three year performance period from the grant date in the following proportions (subject to satisfaction of the applicable performance conditions):
  - Year 2 – 50%
  - Year 3 – 50%
- Performance will be tested at the end of each relevant period (in years 2 and 3) to determine the extent to which ReadyTech has satisfied the performance conditions.
- In the event, in the Board's opinion, there is the likely result of a change in the control (as defined in the Plan rules) of the Company, the Board has discretion to determine that all or a specified number of the Performance Rights vest.
- In the event there is any corporate action by, or capital reconstruction in relation to the Company (including but not limited to return of capital), adjustments may be made to the number of Performance Rights and/or the number of Shares to which Mr Washbourne is entitled upon vesting in accordance with the Listing Rules or in a manner that the Board considers appropriate.
- In the event of cessation of employment, unvested Performance Rights will be treated as follows:
  - If Mr Washbourne ceases employment prior to the vesting date other than as a Good Leaver (detailed below), all of the unvested Performance Rights will lapse unless the Board determines otherwise; and
  - If Mr Washbourne ceases employment prior to the vesting date due to death, total and permanent disability or redundancy or any other circumstances in which the Board determines Mr Washbourne to be a Good Leaver (**Good Leaver**), the unvested

Performance Rights remain on foot and subject to the original performance conditions, and tested in the normal course following the end of the Performance Period, vesting on a pro-rata basis.

- The Board has the discretion to lapse any or all unvested Performance Rights it deems appropriate in the circumstances.
- Under the Plan rules, any dealing in respect of a Performance Right is prohibited, unless the Board determines otherwise or the dealing is required by law.

*Technical information for the purposes of the ASX Listing Rules*

ASX Listing Rule 10.15 contains requirements as to the contents of a Notice sent to Shareholders for the purposes of ASX Listing Rule 10.14 and the following information is included in this Explanatory Statement for that purpose:

- Mr Washbourne is the Chief Executive Officer of ReadyTech and is also a Director of ReadyTech and accordingly, shareholder approval for Mr Washbourne to acquire securities under an employee incentive scheme is required.
- It is proposed that 173,630 Performance Rights be allocated to Mr Washbourne. The Performance Rights may convert to Shares on a one-for-one basis subject to the achievement of the vesting conditions.
- Mr Washbourne's total remuneration package for FY2020 comprised:
  - a fixed base salary of \$310,000;
  - a cash bonus of \$24,800; and
  - nil long-term incentive.

*Further information regarding the remuneration of Mr Washbourne is set out in the Company's Remuneration Report which forms part of the 2020 Annual Report.*

- No securities have previously been issued to Mr Washbourne under the Plan.
- The Performance Rights are not quoted on ASX and carry no voting or dividend rights. Any Shares allocated on vesting of the Performance Rights will rank equally with ordinary shares on issue at the time. A summary of the material terms of the Performance Rights are included above in this Explanatory memorandum.
- The Performance Rights are being issued to incentivise Mr Washbourne to deliver the Company's growth strategy and drive financial performance in the interests of shareholders. The Board is satisfied that Mr Washbourne's remuneration arrangements are competitive relative to ASX market and industry peers.
- The value that the Company attributes to the Performance Rights being issued is \$217,000 and is calculated by reference to 70% of Mr Washbourne's base salary.
- It is currently expected that the Performance Rights will be issued to Mr Washbourne on or around 18 November 2020 subject to shareholder approval. The Performance Rights will be issued no later than three years after the date of the Meeting.
- The Performance Rights will be issued to Mr Washbourne for nil cash consideration and no cash consideration will be payable upon the conversion of the Performance Rights or the subsequent issue of Shares (if any). Accordingly, no funds will be raised from the issue or conversion of the Performance Rights.
- A summary of the material terms of the Plan are included above in this Explanatory memorandum.
- No loan will be provided to Mr Washbourne in relation to the Performance Rights to be issued under the Plan.

- Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under 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 the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
- A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting.

Resolution 4 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

*The Directors, with Mr Marc Washbourne abstaining, unanimously recommend Shareholders vote in favour of the Resolution.*

*The Directors (apart from Mr Washbourne), who do not have an interest in the outcome of the relevant resolution, unanimously recommend that Shareholders vote in favour of this Resolution for the reasons set out below:*

- *The Directors consider that it is important for the Company to be able to attract and retain experienced Directors and that the proposed grant of Performance Rights to Mr Washbourne is appropriate taking into account his level of experience and contribution to the Company.*
- *The Directors consider that the proposed number of Performance Rights to be granted to Mr Washbourne is appropriate to:*
  - *Motivate Mr Washbourne to pursue long-term growth and success of the Company (within an appropriate control framework);*
  - *Align the interests of key leadership with the long-term interests of the Company's shareholders; and*
  - *Ensure a clear correlation between performance and remuneration, in accordance with the Company's remuneration policy.*
- *The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) note that equity-based remuneration can be an effective form of remuneration for executives when linked to hurdles that are aligned to short, medium and longer-term objectives.*

## **Resolution 5. Financial Assistance**

### **Background**

In 2019, ReadyTech Holdings Limited acquired:

- WageLink Australia Pty Ltd; and
- Zambion Pty Ltd; and
- Zambion Limited,

(together the **Subsidiaries**) (**Acquisitions**).

The Acquisitions were funded by a combination of existing cash and debt.

The Company and certain other Group members (**Borrowers**) are borrowers under a Facility Agreement originally dated 22 December 2016 (**Facility Agreement**).

Pursuant to the Facility Agreement, the Borrowers have access to certain debt facilities from the lending bank (**Financier**).

Borrowings under the Facility Agreement were used in part to fund each of the Acquisitions.

## **Rationale for the Financial Assistance**

Under the terms of the Group's financing arrangements, it is a requirement that certain wholly owned subsidiaries of the Company become a party to the Facility Agreement and provide guarantees and security for the benefit of the Financier.

It is proposed that the Subsidiaries become a party to the Facility Agreement and provide guarantees and security to ensure the terms of the bank financing arrangements are satisfied now or in the future.

It is a legal requirement under section 260B(2) of the Corporations Act that a special resolution of the Company's shareholders (**Financial Assistance Resolution**) be passed prior to the guarantees and security being given by the Subsidiaries.

The Financial Assistance Resolution, if passed, will approve the Subsidiaries becoming a guarantor and security provider as described above.

It will also approve other transactions which the Subsidiaries may enter into in connection with the Group's financing arrangements which could constitute "financial assistance" within the meaning of section 260A of the Corporations Act.

Even though the Acquisitions have already occurred, the entry by the Subsidiaries into financing arrangements and the performance by the Subsidiaries of their rights and obligations under those documents, the Facility Agreement and any associated finance documents (the **Finance Documents**) (see Annexure A – Disclosure Statement for further information), may constitute the giving of financial assistance in connection with the Acquisition within the meaning of Part 2J.3 of the Corporations Act.

Under section 260A of the Corporations Act, the Subsidiaries may only provide the financial assistance referred to above if certain exceptions apply.

One of these exceptions is if the financial assistance is approved in accordance with section 260B of the Corporations Act.

This requires, among other things, the shareholders of the Company (being the listed Australian holding company of the Subsidiaries) to approve the giving of the financial assistance.

This is why the Financial Assistance Resolution is required to be passed before the financial assistance may be given.

In addition, the shareholders of the Subsidiaries will be required to pass an equivalent resolution approving the financial assistance. That resolution will be sought separately.

## **Effect, Advantages, Disadvantages**

As the Company and certain of its subsidiaries are already parties under the Facility Agreement, the giving of the financial assistance described above by the Subsidiaries is unlikely to have any adverse effect on the Company.

The substantial effect of the financial assistance described above on the Subsidiaries is that the Subsidiaries will have guaranteed all amounts payable under the Finance Documents and will have provided security over their assets.

The operations of the Subsidiaries will also be restricted by the representations and undertakings given by the Subsidiaries in the Facility Agreement and the other Finance Documents. The Directors:

- Note that by giving the financial assistance, the Subsidiaries will have substantially the same obligations under the Finance Documents as the other subsidiaries of the Company which are currently parties under the Facility Agreement; and
- Do not currently believe that either the Company or any of its subsidiaries (including the Subsidiaries) are likely to default in their obligations under the Finance Documents.

The financial assistance described above will allow the Company to comply with its obligations under the Facility Agreement and, accordingly, avoid the Company triggering an “Event of Default” under the Facility Agreement either now or in the future.

If an Event of Default occurs under the Finance Documents, the funding under the Finance Documents may be required to be immediately repaid. The Directors do not believe there are any disadvantages to the Company of the proposed resolution.

### **Further Information**

The Financial Assistance Resolution is set out in the Notice that accompanies this Explanatory Statement.

The Financial Assistance Resolution will be passed if at least 75% of the votes cast by shareholders entitled to vote on the resolution are in favour of the resolution. Shareholders may vote either for or against the Financial Assistance Resolution.

As required by section 260B(5) of the Corporations Act, copies of the Notice and this Explanatory Statement as sent to shareholders were lodged with the Australian Securities & Investments Commission prior to their dispatch to shareholders.

### **Disclosure**

The Directors consider that this explanation of special Resolution 5 – Financial Assistance contains all information known to the Company that would be material to shareholders in deciding how to vote on the proposed Financial Assistance Resolution, other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

The Directors note that the financial assistance contemplated by the Financial Assistance Resolution:

- a. Relates to the Acquisitions of the Subsidiaries
- b. Is required to assist the Company to comply with its obligations under its financing arrangements with the Financier now or in the future; and
- c. Will not result in the amount of the facilities provided by the Financier to, or the consolidated indebtedness of, the Company and its subsidiaries being increased.

The Directors unanimously recommend that the shareholders vote in favour of this resolution to approve the giving of financial assistance described in this Notice of Meeting.

## Annexure A – Disclosure Statement

This Disclosure Statement has been prepared in connection with proposed Resolution 5: Financial Assistance of the Company to approve the giving of financial assistance by WageLink Australia Pty Ltd, Zambion Pty Ltd and Zambion Limited (together the **Subsidiaries**) within the meaning of section 260A of the Corporations Act 2001 (Cth) (**Corporations Act**) (**Financial Assistance Resolution**).

### 1 Background to the requirement for the Financial Assistance Resolution

#### 1.1 Restrictions on companies giving financial assistance

Pursuant to section 260A(1) of the Corporations Act, a company may financially assist a person to acquire shares (or units of shares) in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

The requirements for shareholder approval under section 260B of the Corporations Act are described in section 1.2 below.

#### 1.2 Shareholder approval of financial assistance

Under section 260B(1) of the Corporations Act, for a company to financially assist a person to acquire shares (or units of shares) in itself or its holding company, the financial assistance must be approved by:

- (a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

If, immediately after the acquisition, the company will be a subsidiary of another domestic corporation that is listed in Australia (**Ultimate Australian Holding Company**), then the financial assistance must also be approved by a special resolution passed under section 260B(2) of the Corporations Act at a general meeting of that Ultimate Australian Holding Company.

#### 1.3 Shareholder approval

The purpose of this Disclosure Statement is to explain in further detail the proposed Financial Assistance Resolution set out in the Notice of Meeting which must be passed under section 260B(2) of the Corporations Act to enable the Subsidiaries to provide the financial assistance in connection with the Acquisition (as further described in section 2 below).

## 2 Transaction

### 2.1 Acquisitions

ReadyTech Holdings Limited (**Acquirer**) has acquired all of the issued share capital of the Subsidiaries pursuant to the share sale agreements in 2019.

After doing so, the Company became the Ultimate Australian holding company of the Subsidiaries immediately after the Acquisitions.

### 2.2 Financing

In connection with the Acquisition and other associated transactions, it is proposed that the Subsidiaries will enter into one or more finance documents as described in Schedule 1 to the Disclosure Statement (as defined below), including without limitation the accession deed to the Facility Agreement (as defined below) (**Accession Deed**) pursuant to which, among other things:

- (a) the Subsidiaries will accede to the Facility Agreement dated 22 December 2016 (as amended from time to time); and
- (b) the Subsidiaries will provide certain representations, warranties, undertakings, covenants and indemnities in favour of the Financier and will provide a guarantee and indemnity in favour of the Financier for all amounts owing under the Facility Agreement and any other Finance Documents (as defined in the Facility Agreement).

## 3 Effect of the proposed financial assistance

The provision of guarantees and indemnities under the Facility Agreement, the grant of security and/or the execution of one or more of the documents described in Schedule 1 to this Disclosure Statement (each a "**Document**") may involve the provision of financial assistance by the Subsidiaries in connection with the Transaction including, without limitation:

- (a) (**joint and several liability**): the Subsidiaries will assume joint and several liability with the Company (as borrower) and/or other guarantors;
- (b) (**guarantee and indemnities**): the Financier may be entitled to claim by way of guarantee and indemnities provided by the Subsidiaries, in whole or in part, any amounts owed under the Facility Agreement or other finance documents;
- (c) (**representations and warranties and undertakings**): the Subsidiaries will provide certain representations, warranties and undertakings, and have certain restrictions imposed on the ability to:
  - (i) grant further security over its assets or dispose of assets;
  - (ii) make distributions to its shareholders; and
  - (iii) incur further financial indebtedness;
- (d) (**event of default**): the Subsidiaries will be subject to certain events of default under the Facility Agreement or other finance documents; and
- (e) (**other support**): the Subsidiaries may be required to make available directly or indirectly its cash flows (whether through dividends, capital distributions, intercompany loans or otherwise) or other resources in order to enable the borrowers and/or other guarantors to comply with their payment and other obligations under the Facility Agreement or other finance documents.

#### **4 Reasons for giving financial assistance**

The main reasons for the giving of the financial assistance described are:

- (a) it benefits the Subsidiaries to assist its holding company to raise money in order to later provide its subsidiaries with finance on better terms than would be available to each Subsidiary on a stand-alone basis;
- (b) the Subsidiaries is interested in the financial wellbeing of its holding company, and so it is in the Subsidiaries' interests to assist its holding company to raise money, because the holding company provides its subsidiaries with skill or with management and with other services;
- (c) it is a condition of the Financing that the Subsidiaries accede and provide security and guarantees. If the Subsidiaries does not comply with that condition in the time specified in the Facility Agreement, this will be an event of default and the Company will be forced to refinance on worse terms (which may include not being able to provide the Subsidiaries with finance); and
- (d) it is fair and reasonable and necessary part of obtaining finance on the most favourable terms. Obtaining a facility of this nature without that requirement would have been difficult, and would have resulted in funding being obtained on more restrictive and expensive terms.

#### **5 Prior notice to Australian Securities & Investments Commission**

As required by section 260B(5) of the Corporations Act, copies of the Notice of Meeting and this Disclosure Statement as sent to the shareholders were lodged with the Australian Securities & Investments Commission before their dispatch to the shareholders.

#### **6 Disclosure**

The directors of the Company consider that the Notice of Meeting and this Disclosure Statement contains all information known to the Company that would be material to the shareholders in deciding how to vote on the proposed resolution other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

#### **7 Directors' recommendation**

Based on information available at this time, the Directors of the Company believe that the Acquisitions and the financing arrangements are not materially prejudicial to the interests of the Subsidiaries or its shareholders, or the ability of the Subsidiaries to pay its creditors.

However, the directors consider it prudent and consistent with good business practice to seek shareholder approval.

The directors of the Company have approved this Disclosure Statement and recommend shareholder approval as set out in the Notice of Meeting.

If the Financial Assistance Resolution is not passed, the Directors of the Company will be asked, in accordance with section 260A(1) of the Corporations Act, to confirm that the financial assistance does not materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors and the giving of the financial assistance described above by the Subsidiaries will likely still occur.

## Schedule 1 – Documents

Any and all agreements, deeds, instruments, consents, forms, notices, letters and other documents in connection with the financing, including without limitation, any of the documents listed below to which a Subsidiary is expressed to be a party:

- (a) accession deed;
- (b) any other accession documents to the Facility Agreement and/or other Finance Documents (as defined in the Facility Agreement);
- (c) any other Finance Document (as defined in the Facility Agreement);
- (d) any Verification Certificate (as defined in the Facility Agreement);
- (e) any other document under which the Subsidiaries raises debt facilities, provides a guarantee, indemnity and/or security, including in relation to obligations in connection with any subsequent refinancing or replacement of the facilities under the Facility Agreement or other Finance Document (as defined in the Facility Agreement) from time to time;
- (f) any document referred to in, defined or scheduled in or appended to any of the above;
- (g) any direction, request, consent, notice or other written communication to be given under any document referred to in or contemplated by any of the above;
- (h) any document amending, varying, supplementing, replacing or novating any of the above;
- (i) any other document which is substantially the same in form and substance to any of the above but has a different title or description or different parties; and
- (j) any other document which is required or contemplated by or which may be necessary or desirable to give effect to the transactions contemplated by the above.

**LODGE YOUR VOTE**

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
ReadyTech Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

**ALL ENQUIRIES TO**  
Telephone: 1300 554 474 Overseas: +61 1300 554 474



**X999999999999**

**PROXY FORM**

I/We being a member(s) of ReadyTech Holdings Limited (Company) and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

the Chairman of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Sydney time) on Wednesday, 18 November 2020** (the Meeting) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/RDY20> (refer to details in the Virtual Annual General Meeting Online Guide).

**Important for Resolutions 2, 3 & 4:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 3 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

**VOTING DIRECTIONS**

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

**Resolutions**

	For	Against	Abstain*		For	Against	Abstain*
1 Re-election of Mr Tim Ebbeck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Financial Assistance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 ReadyTech Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

**i** \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)  Joint Shareholder 2 (Individual)  Joint Shareholder 3 (Individual)   
Sole Director and Sole Company Secretary  Director/Company Secretary (Delete one)  Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIR OF THE MEETING

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

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au) prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Sydney time) on Monday, 16 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

ReadyTech Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

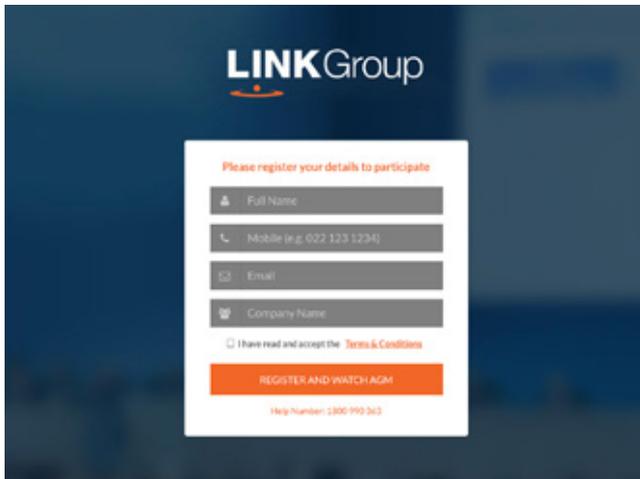
- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

**To attend and vote you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**

# Virtual Meeting Online Guide



## Step 1

Open your web browser and go to <https://agmlive.link/RDY20> and select the relevant meeting.

## Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## 1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.

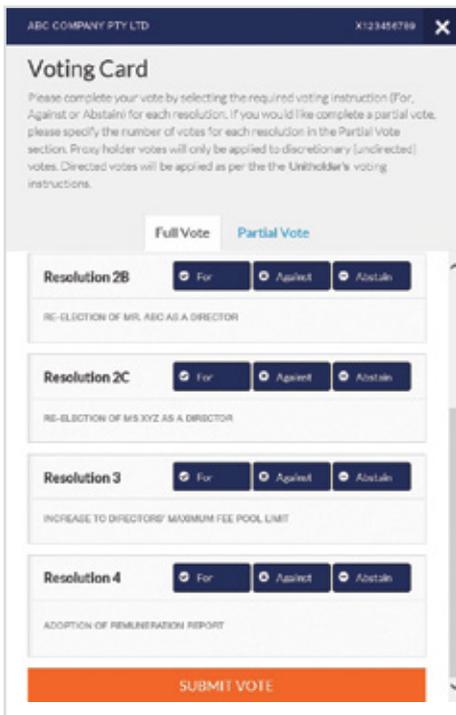
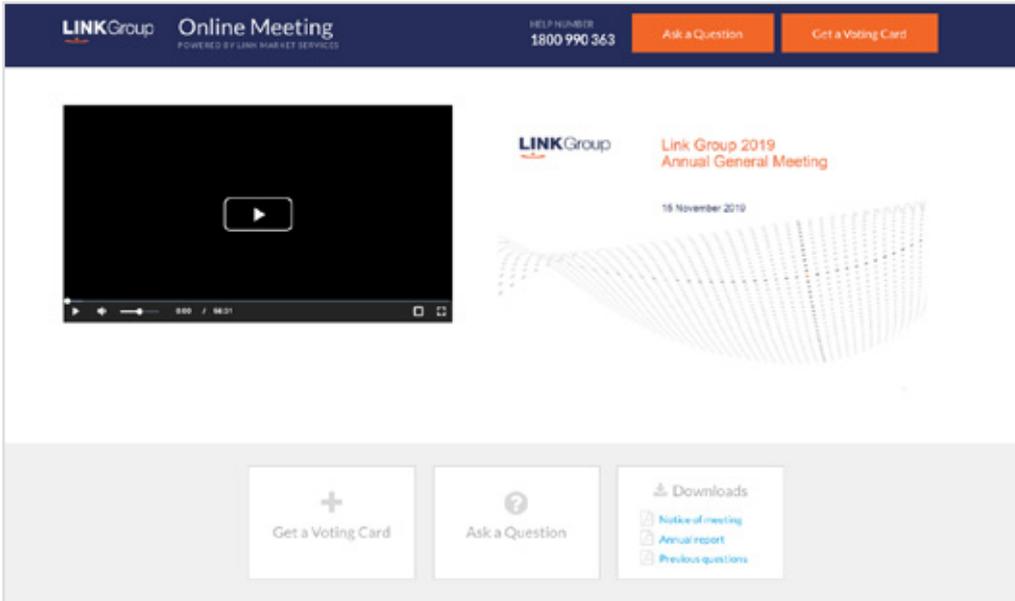
A screenshot of the "Voting Card" registration form. The form is titled "Voting Card" and includes a sub-header "Please provide your Shareholder or Proxy details". It is divided into two sections: "SHAREHOLDER DETAILS" and "PROXY DETAILS". The "SHAREHOLDER DETAILS" section has fields for "Shareholder Number" and "Post Code", with a note "Outside Australia" and an orange button "SUBMIT DETAILS AND VOTE". The "PROXY DETAILS" section has a field for "Proxy Number" and an orange button "SUBMIT DETAILS AND VOTE". A "OR" separator is located between the two sections.

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



## Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

## Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

**Note:** If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

**Note:** You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

Once voting has been closed all voting cards will automatically be submitted and cannot be changed.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

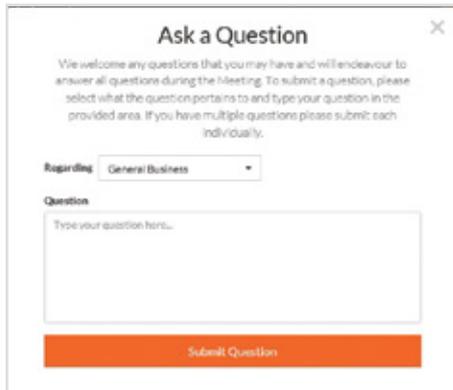
## 2. How to ask a question

**Note:** Only securityholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

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The '**Ask a Question**' box will then pop up with two sections for completion.



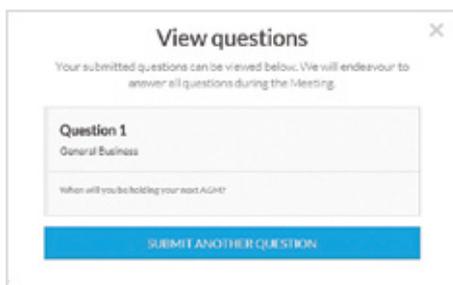
In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



## 3. Downloads

View relevant documentation in the Downloads section.

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## Voting closing

Voting will end 5 minutes after the close of the Meeting.

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At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

At the close of the meeting any votes you have placed will automatically be submitted.

## Contact us

### Australia

T 1300 554 474

E info@linkmarketservices.com.au

### New Zealand

T +64 9 375 5998

E enquiries@linkmarketservices.co.nz