



Pacific Smiles Group Limited (ASX: PSQ)
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ABN 42 103 087 449 / ACN 103 087 449

ASX ANNOUNCEMENT

Pacific Smiles Group Limited (ASX: PSQ)

16 October 2020

2020 Annual General Meeting

In accordance with Listing Rule 3.17, attached are the following documents:

1. A Letter to Shareholders regarding arrangements for the 2020 Annual General Meeting as dispatched to Shareholders in lieu of the Notice of Meeting;
2. Notice of Meeting 2020;
3. Proxy Form; and
4. Virtual online guide.

Yours faithfully

Mark Licciardo
Company Secretary

For further information, please contact:

Investor Relations

Phil McKenzie
Chief Executive Officer
Email: investor.relations@pacificsmiles.com.au
Phone: 02 4930 2000

Authorised for release by the Company Secretary of PSQ.

16 October 2020

Pacific Smiles Group Limited (PSQ) – Annual General Meeting 2020

Dear Shareholder

Pacific Smiles Group Limited (**ASX:PSQ**) ("**the Company**") is pleased to invite shareholders to attend the Annual General Meeting ("**Meeting**") to be held on **Wednesday, 18 November 2020 at 3:30pm (AEDT)**.

Due to the coronavirus pandemic and related issues, the Meeting will be held virtually via a live audio webcast, provided by the Company's Share Registrar, Link Market Services.

In accordance with Section 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No.1) 2020 made by the Commonwealth Treasurer on 5 May 2020, the Notice of Meeting and accompanying Explanatory Memorandum ("Meeting Materials") are being made available to shareholders electronically. This means that:

- You are able to access the Meeting Materials online at the Company's website, <http://www.pacificsmilesgroup.com.au/>
- A complete copy of the Meeting Materials has been posted on the Company's Investors page.

In order to provide for an efficient virtual AGM, we request that any questions from Shareholders are provided to the Company Secretary at least 5 Business days in advance of the AGM by emailing those questions to info@mertons.com.au using the subject header "PSQ AGM 2020 Questions".

How to join the Meeting online

Shareholders will be able to attend the Meeting by going to <https://agmlive.link/PSQ20> using their web browser or internet enabled device.

Step 1:

Open your web browser and go to <https://agmlive.link/PSQ20> 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

How to submit your vote in advance of the Meeting

Shareholders may also vote at this Meeting by completing and lodging their Proxy Form online at www.linkmarketservices.com.au.

For your voting instructions to be valid and counted towards this Meeting, please ensure that your online lodgement is received no later than 3:30 pm (AEDT) Monday 16 November 2020.

Voting instructions received after this time will not be valid for the scheduled Meeting.

How to submit your vote during the Meeting

Arrangements have been made for shareholders who wish to vote at the Meeting.

Please follow the instructions below to register for a Voting Card:

Click on the 'Get a Voting Card' button, this will bring up a Voting Card box.

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.

An online voting user guide can be found at the Company's website, <http://www.pacificsmilesgroup.com.au/>

As a valued shareholder of the Company, we look forward to your participation in the Meeting.

Zita Peach
Chair



Pacific Smiles Group Limited

ACN 103 087 449

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Wednesday 18 November 2020

Time of Meeting

3:30pm

Place of Meeting

Virtual Meeting via <https://agmlive.link/PSQ20>

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Pacific Smiles Group Limited

ACN 103 087 449

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Pacific Smiles Group Limited ACN 103 087 449 (Company) will be held virtually via a live audio webcast via <https://agmlive.link/PSQ20> on Wednesday, 18 November 2020 at 3:30pm for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

CONDUCT AT THE MEETING

Our Annual General Meeting is intended to give our Shareholders the opportunity to:

- hear from the Chairperson and the CEO/Managing Director about the performance and operations of the Company;
- consider and, where eligible, vote on the resolutions before the Annual General Meeting;
- ask questions of the Board, Management and the Auditor. The Chairperson and the CEO/Managing Director will generally answer questions on behalf of the Board and Management team. If questions cannot be answered at the Meeting, we will seek to provide a response to the Shareholder as soon as possible after the Meeting.

To do this we will:

- give Shareholders the chance to raise questions before the Annual General Meeting. Any such written questions are required to be submitted at least 5 Business Days prior to the Meeting, pursuant to section 250PA(1) of the Corporations Act;
- Give Shareholders a reasonable opportunity during the Meeting to ask questions of the Board, Management and the Auditor about the performance, operations and management of the Company.

To assist us to achieve all of this, we ask that Shareholders:

- Are courteous and respectful to all Shareholders and others attending the Annual General Meeting, including those assisting in the running of the Meeting;
- Keep their questions to a reasonable length to allow as many Shareholders as possible to participate;
- Confine their questions to matters being considered at the Annual General Meeting and which are relevant to Shareholders as a whole;
- Not record the Annual General Meeting.

BUSINESS OF THE MEETING

1 Financial Statements and Reports

To receive and consider the Financial Report of the Company and its controlled entities for the year ended 30 June 2020, together with the Directors' Report and the Auditors' Report (together set out in the Annual Report).

2 Resolutions

Resolution 1 Non-Binding Resolution to adopt Remuneration Report

To consider and if thought fit to pass as a **non-binding resolution**:

The Remuneration Report for the year ended 30 June 2020 as set out in the Annual Report is adopted.

Note – the vote on this Resolution is advisory only and does not bind the Directors of the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter (being Key Management Personnel whose remuneration details are included in the Remuneration Report and their Closely Related Parties, as defined in the Glossary section of this Notice of Meeting). However, the Company will not disregard a vote by a Restricted Voter if:

- (a) it is cast by the Restricted Voter as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1 or the proxy is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and 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 Key Management Personnel; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2 Re-election of Hilton Brett as a Director

To consider and if thought fit to pass as an **ordinary resolution**:

Hilton Brett who retires in accordance with Rule 6.1(f) of the Company's Constitution and, being eligible for re-election, be re-elected as a Director.

Details of Hilton Brett are set out in the Explanatory Notes to this Notice of Meeting.

Resolution 3 Grant of Performance Rights to Philip McKenzie

To consider and if thought fit to pass as an **ordinary resolution**:

For the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and all other purposes the Directors are authorised to issue 700,000 Performance Rights to Philip McKenzie (Managing Director of the Company) or his nominee, as soon as practicable following the conclusion of the Company's 2020 Annual General Meeting, and in any case, by no later than 12 months after the conclusion of the Company's 2020 Annual General Meeting, on the terms and conditions set out in the Explanatory Memorandum.

Voting exclusion statement: The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour on Resolution 3 by Philip McKenzie and his Associates.

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

- (a) a person as a 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 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:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Under the Corporations Act, a vote must not be cast on Resolution 3 (in any capacity) by or on behalf of:

- (a) a Related Party of the Company to whom the Resolution would permit a financial benefit to be given; or
- (b) an Associate of such a Related Party.

Further, under the Corporations Act, a Restricted Voter who is appointed as a proxy will not vote on Resolution 3 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 3; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 3.

Shareholders may also choose to direct the Chair to vote against Resolution 3 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 4 Approval of the Long Term Incentive Plan Rules

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

That the shareholders renew the approval of the Company's existing Long Term Incentive Plan Rules (LTIP) for the purposes of ASX Listing Rules 7.1 and 7.2 Exception 13(b), sections 200B and 200E of the Corporations Act 2001, and for all other purposes, as laid before the meeting, a copy of which is available for inspection at the registered office of the Company (during normal business hours).

Voting exclusion statement: The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour on Resolution 4 by a director or employee of the Company (except a director or employee who is ineligible to participate in the Long Term Incentive Plan in relation to the Company (or any of their associates).

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

- (a) a person as a 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 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:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further Voting restrictions

As Resolution 4 could relate to the provision of an Employment Retirement Benefit, in accordance with section 200E(2A) of the Corporations Act, a vote on Resolution 5 must not be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company (or any related body corporate), or an associate of that person. However, a person is entitled to cast a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and
- (b) it is not cast on behalf of the retiree or an associate of that person

As at the date of this Notice, the Board has not identified any particular person to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company. As such, no existing Shareholders shall be excluded from voting on Resolution 4.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4.

Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 5 Approval of additional 10% Placement Capacity

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

“That for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totalling up to 10% of the Company's share capital calculated in accordance with ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this notice of Meeting.”

Voting exclusion statement: The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour on Resolution 5 by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) and any of their associates, unless the vote is cast:

- (a) by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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

- (a) a person as a 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 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:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Note: In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this notice of meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board of Pacific Smiles Group Limited



Belinda Cleminson

Company Secretary

Dated: 16 October 2020

Instructions on How to vote

Shareholders can vote by either:

- attending the Meeting virtually or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

Voting in person (or by attorney)

A detailed Virtual Online Meeting guide can be found on the company's website at <http://www.pacificsmilesgroup.com.au/>.

Shareholders, or their attorneys, who plan to attend the Meeting are asked to join 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should provide evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 3, 4 or 5, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any Resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that Resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a

proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.

- To be effective, proxies must be lodged by 3:30pm (AEDT time) on Monday 16 November 2020. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - online at www.linkmarketservices.com.au (by using the “Holder Identifier” (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form);
 - by returning a completed Proxy Form in person, during business hours (Monday to Friday, 9am to 5pm), to:
Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138;
 - by returning a completed Proxy Form by post to:
Pacific Smiles Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia; or
 - by faxing a completed Proxy Form to Link Market Services Limited on facsimile number +61 2 9287 0309,

so that the Proxy Form is received no later than 3.30pm (AEDT time) on Monday 16 November 2020.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 3.30pm (AEDT time) on Monday 16 November 2020. If facsimile transmission is used, the Power of Attorney must be certified. Please mark them to the attention of the Company Secretary.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7pm (AEDT time) on Monday 16 November 2020.

Pacific Smiles Group Limited

ACN 103 087 449

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

ANNUAL REPORT

The first item of the Notice deals with the presentation of the Annual Report of the Company for the financial year ended 30 June 2020, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the Financial Report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No Resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit 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 allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act. Any such written questions are required to be submitted at least 5 Business Days prior to the Meeting, pursuant to section 250PA(1) of the Corporations Act.

Written questions must be submitted at the address below not later 5 business days in advance of the Annual General Meeting:

Hand deliveries:	LEVEL 1, 6 MOLLY MORGAN DRIVE, GREENHILLS, NSW
Postal address:	PO BOX 2246, GREENHILLS, NSW, 2323
Fax number:	(02) 4930 2099
Email:	michelle.smith@pacificsmiles.com.au

The Annual Report for the year ended 30 June 2020 may be viewed online at:
www.pacificsmilesgroup.com.au/Investors.

RESOLUTION 1 – NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2020 Annual Report be adopted. The Remuneration Report is set out in the Company's 2020 Annual Report and is also available on the Company's website: www.pacificsmilesgroup.com.au.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

However, if at least 25% of the votes cast are against adoption (**Strike**) of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a Resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 - RE-ELECTION OF HILTON BRETT AS A DIRECTOR

The Company's Constitution prescribes a process by which Directors regularly retire from office. Retiring Directors may offer themselves for re-election. Pursuant to Clause 6.1(f) of the Company's Constitution, Hilton Brett, Director of the Company, retires by way of rotation and, being eligible, offer themselves for re-election as a Director of the Company.

Mr Brett was appointed in 2018 and is a member of the Nomination and Remuneration Committee.

Hilton Brett is an Operating Advisor at TDM Growth Partners (TDM), a private investment firm founded in 2004 which invests in fast growing companies run by passionate management teams.

Up until March 2018, Hilton was Co-Chief Executive Officer of Accent Group Limited (formerly RCG Corporation Ltd) which is the regional leader in the retail and distribution of performance and lifestyle footwear with over 420 stores across 10 retail banners and exclusive distribution rights for 10 international brands across Australia and New Zealand. Accent's brands include The Athlete's Foot, Hype DC, Platypus Shoes, Podium Sports, Skechers, Merrell, CAT, Vans, Dr. Martens, Saucony, Timberland, Sperry Top – Sider, Palladium and Stance. Hilton joined Accent in 2006 when the business had a market capitalisation of \$8m. Over the 12 years, the team grew the business to a \$800m market capitalisation and delivered total shareholder returns in excess of 25% CAGR.

Hilton is a Non-Executive Director of Guzman Y Gomez Mexican Taqueria.

The Board (with Hilton Brett abstaining in respect of his own re-election) unanimously recommends to Shareholders the re-election of Hilton Brett as a Director of the Company.

RESOLUTION 3 – GRANT OF PERFORMANCE RIGHTS TO MD

The Company proposes to grant a total of 700,000 Performance Rights to Philip McKenzie, current Managing Director of the Company, as soon as practicable following the conclusion of the 2020 Annual General Meeting, and in any case, by no later than 12 months after the conclusion of the 2020 Annual General Meeting, being 18 November 2021.

The Company proposes to grant the Performance Rights on the following terms and subject to the Plan Rules:

- The Performance Rights granted to Philip McKenzie will vest after four years (**Performance Period**), conditional on the achievement of relevant performance and service conditions measured from the date of grant of the Performance Rights.
- Vesting of the Performance Rights will be subject to:
 - satisfaction of earnings per share (EPS) performance hurdles (measured using the FY2020 year as a base year and FY2024 as the final year) for the Performance Period. The number of Performance Rights vesting will be determined on a sliding scale from 15% vesting for an EPS compound annual growth rate (CAGR) of 10.0% per annum and 100% vesting for an EPS CAGR of 20% per annum; and
 - the Director remaining employed by the Company (or its subsidiaries) on the vesting date, subject to certain “good leaver” exemptions.
- Performance Rights that do not vest on the relevant vesting date will lapse. Performance Rights will also lapse if total Shareholder return (TSR) does not reach a minimum of 10.0% per annum over the Performance Period. The Share price baseline for TSR calculation will be calculated by reference to the volume weighted average price for the Shares for the last ten days of trading on the ASX prior to the grant date.

The EPS Hurdle for the performance period will be determined in accordance with the methodology set out in the table below:

Percentage of Performance Rights vesting	EPS Growth	Number of Performance Rights
100%	at 20% pa EPS growth	700,000
60%	At 15% pa EPS growth	420,000
15%	at 10% pa EPS growth	105,000
0%	Below 10% pa EPS growth	0

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision, which includes where the financial benefit given constitutes reasonable remuneration in the circumstances of the Company under the exception in section 211 of the Corporations Act; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Philip McKenzie is a related party of the Company.

Resolution 3 relates to the proposed grant of Performance Rights to Philip McKenzie.

The Board considers that the financial benefit given by the grant of Performance Rights constitutes reasonable remuneration for the purposes of the exception in the Corporation Act.

The grant of Performance Rights to Philip McKenzie is to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership.

The Directors consider that the incentives represented by the grant of these Performance Rights are an efficient means for the Company to incentivise the Director to continue to contribute to the growth and development of the Company.

The proposed grant of Performance Rights to Philip McKenzie will be subject to the Plan Rules.

Information Requirements - Listing Rules 10.14 and 10.15

Listing Rule 10.14 requires Shareholder approval by ordinary Resolution for any issue of securities by a listed company to a related party under an employee incentive scheme. Accordingly, Listing Rule 10.14 requires Shareholders to approve the issue of Performance Rights under the Plan to Philip McKenzie.

The following information is provided to Shareholders in relation to Resolution 3 for the purposes of Listing Rule 10.15:

- (a) the Performance Rights will be granted to Philip McKenzie (or his nominees);
- (b) the maximum number of Performance Rights to be granted to Philip McKenzie (or his nominees) is 700,000 Performance Rights;
- (c) the Performance Rights will be granted for no consideration, and accordingly, no funds will be raised by the grant of the Performance Rights;
- (d) the Company has previously sought Shareholder approval under Listing Rule 10.14 for the grant of these Performance Rights. Since last approval 3,500,000 Performance Rights were issued to Philip McKenzie. The Performance Rights were granted for no consideration as approved at the 2019 Annual General Meeting; and

Only Directors who are also eligible employees of the Company (or their permitted nominees), nominated by the Board, are entitled to participate in the Plan. Therefore, there are no other persons referred to under Listing Rule 10.14 other than Philip McKenzie who are entitled to participate in the Plan because each of the other current Directors of the Company are Non-Executive Directors.

As Shareholder approval is being sought for the purposes of Listing Rule 10.14, Shareholder approval is not required under Listing Rule 7.1.

The Board (with Philip McKenzie abstaining) unanimously recommends to Shareholders the issue of performance rights to Philip McKenzie.

RESOLUTION 4 – APPROVAL OF THE LONG TERM INCENTIVE PLAN

The Company has previously adopted a Long Term Incentive Plan (LTIP or Plan) to assist in the motivation, retention and reward of Senior Management. The LTIP is designed to align the interests of Senior Management more closely with the interests of Shareholders by providing an opportunity for Senior Management of the Company to receive an equity interest in Pacific Smiles through the granting of performance rights and or options.

At the same time, the Company desires to maintain maximum ability to raise capital in accordance with ASX Listing Rule 7.1 without seeking prior shareholder approval. Accordingly, the Board seeks further shareholder approval of the Company's existing LTIP for the purposes of ASX Listing Rule 7.2 Exception 13(b).

The aggregate number of Shares which may be issued pursuant to the Plan, (when aggregated with all Shares issued under all other employee incentive plans), shall not at any time exceed 5% (excluding those issued to senior management) of the issued capital of the company.

The maximum number of Performance Rights proposed to be issued to the eligible Director, Philip McKenzie under the Plan for FY20 is 700,000.

A summary of the LTIP is set out in the table below.

Information Requirements - Listing Rule 7.2 Exception 13(b)

Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a rolling 12 month period, the amount of equity securities issued (without prior shareholder approval) is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

Listing Rule 7.2 exception 13 provides that an issue of securities under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if the issue of securities is made under an employee incentive scheme and that employee incentive scheme was summarised in the notice of meeting under which the Plan was last approved, being no more than three years before the relevant date of issue of the securities. The LTIP is regarded as an employee incentive scheme for the purposes of Listing Rule 7.2 and this Resolution 4 seeks shareholder approval for the Plan to meet the 3 year approval requirement.

The Company intends that any issue of shares under the LTIP does not detract from the Company's Listing Rule 7.1 15% entitlement. Accordingly, it is seeking shareholder approval of the Plan in order for the Company to be able to issue shares pursuant to the LTIP and have those shares qualify under exception 13 to Listing Rule 7.2.

Listing Rule 7.2 Exception 13(b) requires the information detailed in sections (a), (b) and (c) below to be provided to members for approval under this resolution:

(a) Shares already issued

The Company has previously issued 9,301,000 (excluding any that were forfeited or cancelled) performance rights pursuant to the LTIP since the Plan was last approved in 2014. The total performance rights and/or options that can be issued pursuant to the LTIP is limited to 5% (during the previous 3 years) of the total number of ordinary shares on issue at the time of invitation by the Company. The total number of performance rights and/or options that can be issued pursuant to the LTIP at the date of this notice is 4,394,778.

(b) Long Term Incentive Plan Summary

From time to time, and in its absolute discretion, the Board may invite employees and other eligible personnel of the Company to participate in the Plan. The key terms of the Plan, are set out in the table below.

Termination benefits under the Plan

Section 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with the special provisions of s 200E of the Act, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is, or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The Plan allows the Board, in its discretion and subject to the Listing Rules, to vary or amend the terms of the Plan, which may include an amendment to allow an acceleration of vesting of share entitlements on a retirement, which could constitute a benefit otherwise prohibited under Section 200B. In order to give the Board flexibility to exercise its discretions under the Plan to the extent that an acceleration of vesting could be regarded as providing a person a benefit in connection with that person's retirement from an office or position of employment (Employment Retirement Benefit), shareholder approval for the purposes of sections 200B and 200E of the Corporations Act 2001 is being sought.

For a section 200B benefit to be allowed, section 200E requires that this Notice of Meeting provide shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are will likely to, affect the calculation of the value.

Value of termination benefits

The Board has not determined that it will exercise discretion to grant any Employment Retirement Benefits. In the circumstances of a possible Employment Retirement Benefit, the value of the benefits that the Board may give under the Plan cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is decided to be awarded (if at all).

Specifically, the value of an Employment Retirement Benefits will depend on a number of factors, including the Company's share price at the time.

Summary of the Pacific Smiles Group Limited Long Term Incentive Plan

Administration	The LTIP is administered by the Board. The Board may appoint a third party manager to administer the LTIP.
Eligibility	Participation of the LTIP is by invitation. The Board may determine which full or part-time employees of the Company, or a subsidiary of the Company, are eligible.
Award	A performance right and or option will vest on satisfaction of the application performance, service or other vesting conditions specified at the time of the grant. While the LTIP rules provides the flexibility for the Company to issue performance rights and or options.
Change of Control	In the event of a change in control of the Company, unvested performance rights and options will vest on a pro-rata basis based on the proportion of the performance period which has elapsed at the date of the change of control. The Board had discretion as to how to treat remaining invested performance rights.
Performance Rights	East performance right carries the conditional right to receive a share, by issue or transfer, upon vesting (subject to the offer).

Performance Period	The performance period will be specified in the offer.
Shares	Unless otherwise specified in an offer made under the LTIP, Shares issued or transferred under LTIP will rank equally with all existing shares from the date of issue or transfer.
New Issues	Performance rights and/or options do not confer on a participant the right to participate in new issues of shares or other securities in the Company, including by way of bonus issues, rights issues or otherwise.
Limitations	The number of shares to be received upon the exercise of performance rights and/or options under the LTIP, when aggregated with the number of shares which would be issued where each outstanding offer under the plan and any other employee equity scheme accepted or exercised, and the number of shares issued under such as scheme during the previous five years (excepting offers made and performance rights granted under certain circumstances), may not exceed 5% of the total number of issued shares at the time of the invitation.
Trustee	The Company may appoint a trustee to do such things as considered appropriate to enable the implementation of the LTIP, included to acquire and hold shares or other securities of the Company, on behalf of participants, for transfer to future participants or otherwise for the purposes of the LTIP.
Quotation	The Company will apply for official quotation of any shares issued under the LTIP upon the exercise of any vested option or the vesting of any performance rights, in accordance with the Listing Rules.
Amendments	The Company may vary, amend, terminate or suspend the LTIP at any time, provided that such action does not adversely affect or prejudice rights of participants holding performance rights and/or options at that time. Such amendments may be given retrospective effect.

The Board (with Philip McKenzie abstaining as he is eligible to participate in the LTIP (subject to shareholder approval) and therefore has a potential personal interest in the matter) unanimously recommends to Shareholders the approval of the Long Term Incentive Plan.

RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval by special resolution at its Annual General Meeting to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the Annual General Meeting (10% Placement Capacity). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

If Shareholders approve Resolution 5, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

An eligible entity is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any equity securities issued must be in the same class as an existing class of quoted equity securities. The Company currently has one class of quoted equity securities on issue, being Shares (ASX Code: PSQ).

The number of equity securities that the Company may issue under the approval sought by Resolution 5 will be calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A:

$$(A \times D) - E$$

Where:

A = the number of fully paid ordinary securities on issue at the commencement of the relevant period,

plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17,

plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,

plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
- the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,

plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4, Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1.

plus the number of partly paid ordinary securities that became fully paid in the relevant period,

less the number of fully paid ordinary securities cancelled in the relevant period.

D = 10%.

E = the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

Technical information required by ASX Listing Rule 7.1A

While the Company does not have any immediate plans to issue shares, purposes for which shares may be issued pursuant to Resolution 5 may include the raising of capital to facilitate further investment opportunities.

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 5:

Minimum Price: Under the ASX Listing Rules, the minimum price at which the equity securities may be issued is 75% of the volume weighted average price of equity securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 10ASX trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

Risk of voting dilution: Shareholders should be aware there is a risk of economic and voting dilution that may result from an issue of equity securities under the 10% Placement Capacity, including the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the date of issue.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any equity securities under the issue, unless the only equity securities issued under the 10% Placement Capacity are options and these options are not exercised.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, assuming that any options issued under the 10% Placement Capacity are exercised.

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of the Shares and the current number of Shares on issue as at the date of this notice of Meeting.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$ 0.895 50% decrease in Issue Price	\$ 1.790 Issue Price	\$ 3.580 100% increase in Issue Price
Current Variable A 153,515,550	10% Voting dilution	15,351,555	15,351,555	15,351,555
	Funds raised	\$ 13,739,642	\$ 27,479,283	\$ 54,958,567
50% increase in current Variable A 230,273,325	10% Voting dilution	23,027,333	23,027,333	23,027,333
	Funds raised	\$ 20,609,463	\$ 41,218,925	\$ 82,437,850
100% increase in current Variable A 307,031,100	10% Voting dilution	30,703,110	30,703,110	30,703,110
	Funds raised	\$ 27,479,283	\$ 54,958,567	\$ 109,917,134

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula set out above) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

¹ The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of shares available under ASX Listing Rule 7.1A;
- (ii) The table shows only the effect of shares issues under ASX Listing Rule 7.1A and does not factor in the Company's ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1;

- (iii) The current issue price is \$1.790, being the closing price of the shares on ASX on 11 September 2020.
- (iv) The current number of shares on issue is the Shares on issue as at 11 September 2020.

The table shows:

- two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of shares the Company has on issue. The number of shares on issue may increase as a result of issues of shares that do not require approval (for example, a pro rata entitlements issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- two examples of where the issue price of shares has decreased by 50% and increased by 100% as against the current market price.

If Shareholder approval is granted for Resolution 5, then that approval will expire on the earlier of:

- (i) 18 November 2021, being 12 months from the date of the Meeting; or
- (ii) the date Shareholder approval is granted to a transaction under ASX Listing Rule 11.1.2 (proposed change to nature and scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

Purpose of Issue under 10% Placement Capacity: The Company may issue equity securities under the 10% Placement Capacity for various purposes including to raise cash, in which case the Company intends to use funds raised for investment purposes in line with the Company’s investment policy outlined in the Company’s prospectus or to fund expenditure on existing assets or for general working capital.

Allocation under the 10% Placement Capacity: The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue;
- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other Offer where existing Shareholders may participate;
- (c) the effect of the issue of the equity securities on the control of the Company;
- (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from corporate, financial and broking advisers (if applicable).

To date there been no securities issued under LR 7.1A.

The Board unanimously recommends to Shareholders the approval of the additional 10% placement capacity.

Voting

Note that a voting exclusion applies to Resolutions 1, 3, 4 and 5 in the terms set out in the Notice of Meeting.

The Chair will use any such proxies to vote in favour of the Resolutions. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

GLOSSARY

AEDT means Australian Eastern Daylight Time.

Annual report means the Directors Report, the Financial Report, and the Auditor's Report in respect to the year ended 30 June 2020.

Auditor's Report means the auditor's report on the Financial Report.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a Director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the Director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the Directors.

Chair means Zita Peach, or any other individual elected to chair any meeting of the Company from time to time.

CAGR means compound annual growth rate.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act, under which a Closely Related Party of a member of the Key Management Personnel refers to a company the member controls, the member's spouse, child or dependant (or a child or dependant of the member's spouse), or anyone else who is one of the member's family and may be expected to influence or be influenced by the member in the member's dealings with the entity.

Company means Pacific Smiles Group Limited ACN 103 087 449.

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means *Corporations Act 2001* (Cth).

Directors means the Directors of the Company.

Directors' Report means the annual Directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities

IPO means any the initial public offering of the Company's Shares in November 2014.

Key Management Personnel has the meaning given in the Corporations Act and refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing means any admission and quotation of the Company's Shares on the Australian Securities Exchange.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice means this Notice of Annual General Meeting.

Notice of Meeting means this Notice of Annual General Meeting.

Performance Right means the performance rights granted under the Plan, subject to the Plan Rules.

Plan means the Company's long term incentive plan adopted by the Board in November 2014, in connection with the IPO.

Plan Rules means the rules of the Plan, as disclosed to ASX on 21 November 2014.

Proxy Form means the proxy form accompanying the Notice.

Related Party has the meaning given in section 228 of the Corporations Act and in respect of a public company, it includes Directors of the public company, Directors of an entity that controls the public company, the spouses of

these Directors and the relatives (parents and children) of these Directors or their spouses.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties.

Remuneration Report means the remuneration report for the year ended 30 June 2020 as set out in the Annual Report.

Remuneration Pool means the aggregate annual limit on non-executive Director remuneration set at a general meeting of the Company from time to time pursuant to clause 6.3(a) of the Constitution.

Shareholder means a member of the Company from time to time.

Shares means ordinary shares in the capital of the Company.

Spill Meeting has the meaning set out on page 9 of the Explanatory Memorandum.

Spill Resolution has the meaning out on page 9 of the Explanatory Memorandum.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Pacific Smiles Group 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: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Pacific Smiles Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name and email of the person 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 **3:30pm 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/PSQ20> (refer to details in the Virtual Meeting Online Guide).

Important for Resolutions 1, 3 - 5: 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 1, 3 - 5, 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	Non-Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Hilton Brett as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
3	Grant of Performance Rights to Philip McKenzie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4	Approval of the Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					



* 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).

PSQ PRX2001N

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 Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman 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 CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman 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:

- 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
- 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*) 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 registrars@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.

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 **3:30pm 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

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 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

Pacific Smiles Group 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**

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

A screenshot of the LINK Group registration form. The form is titled "Please register your details to participate" and includes fields for Full Name, Mobile (e.g. 022 123 1234), Email, and Company Name. There is a checkbox for "I have read and accept the Terms & Conditions" and a red "REGISTER AND WATCH AGM" button. A help number (1800 999 363) is at the bottom.

Step 1

Open your web browser and go to <https://agmlive.link/PSQ20> 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.

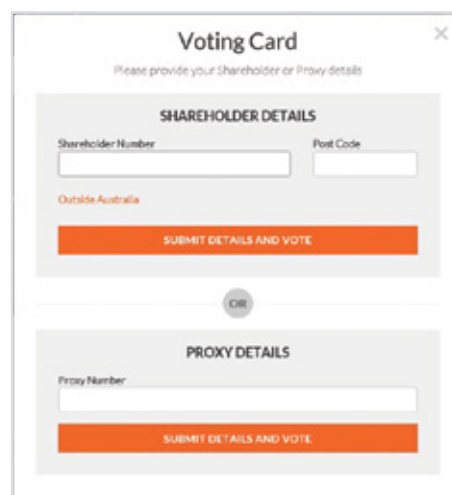
- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

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.

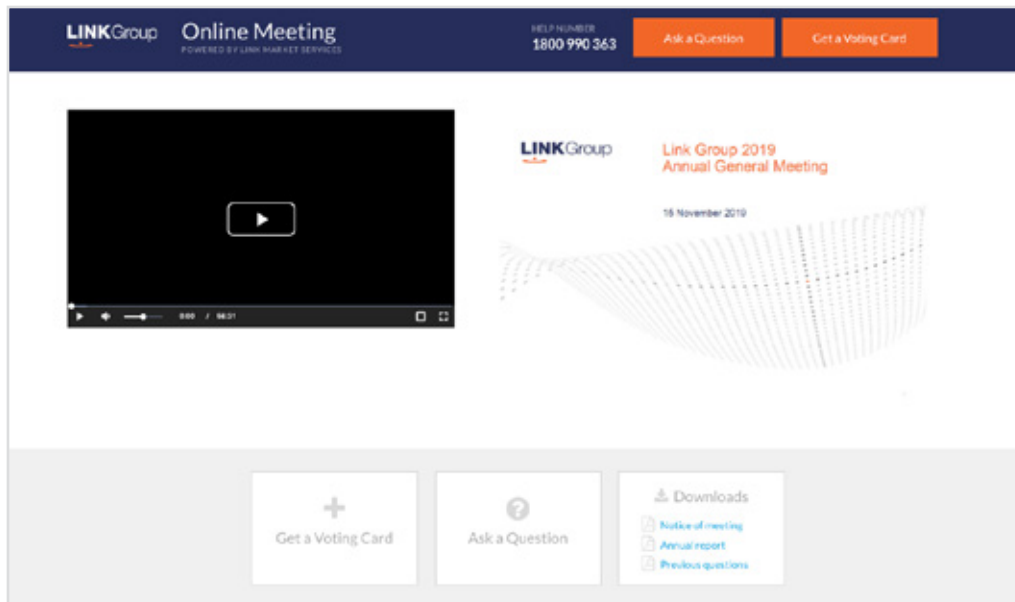
A screenshot of the "Voting Card" registration box. It has a title bar "Voting Card" with a close button. Below the title is the instruction "Please provide your Shareholder or Proxy details". There are two sections: "SHAREHOLDER DETAILS" with fields for "Shareholder Number" and "Post Code", and "PROXY DETAILS" with a field for "Proxy Number". Both sections have a red "SUBMIT DETAILS AND VOTE" button. An "OR" button is between the two sections. There is also a link for "Outside Australia".

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.

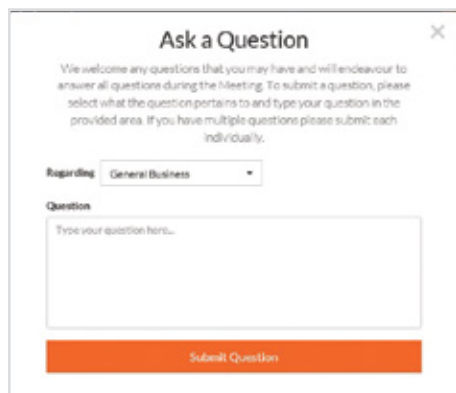
At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

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.

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

A screenshot of a web-based 'Ask a Question' form. The title 'Ask a Question' is at the top with a close button (X). Below the title is a welcome message: 'We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.' There is a 'Regarding:' section with a dropdown menu currently set to 'General Business'. Below this is a 'Question' section with a text input field containing the placeholder 'Type your question here...'. At the bottom is an orange button labeled 'Submit Question'.

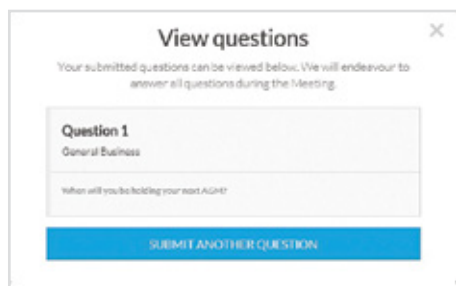
In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

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.

A screenshot of a web-based 'View questions' box. The title 'View questions' is at the top with a close button (X). Below the title is a message: 'Your submitted questions can be viewed below. We will endeavour to answer all questions during the Meeting.' There is a section for 'Question 1' with the category 'General Business' and the question text 'When will you be holding your next AGM?'. At the bottom is a blue button labeled 'SUBMIT ANOTHER QUESTION'.

3. Downloads

View relevant documentation in the Downloads section.

Voting closing

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

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.

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