



ASX Release: Friday 15 October 2021

## Notice of Annual General Meeting and Proxy Form

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A Notice of Annual General Meeting, Shareholder Access Notice and Proxy Form of Quickstep Holdings Limited (ASX:QHL) are attached.

The Annual General Meeting will be held on Thursday 18 November 2021 virtually using a webcasting facility, commencing at 2.00pm (AEDT).

The attached documents have been authorised for release by the Board.

### **About Quickstep Holdings**

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace composite business in Australia, with facilities in Sydney, Geelong, Melbourne and Dallas. The group employs more than 280 people in Australia and internationally. More information about Quickstep is available at [www.quickstep.com.au](http://www.quickstep.com.au)



## **Quickstep Holdings Limited**

ACN 096 268 156

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# **NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY STATEMENT**

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### **Date of Meeting**

Thursday 18 November 2021

### **Time of Meeting**

2:00pm (AEDT)

### **Place of Meeting**

To be held virtually via a webcasting facility

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webcasting facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please follow the instructions outlined in this Notice. Shareholders are encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice.

## NOTICE OF ANNUAL GENERAL MEETING

This Annual General Meeting of Quickstep Holdings Limited (the “**Company**”) will be held on Thursday 18 November 2021 virtually using a webcasting facility, commencing at 2.00pm (AEDT) (the “**Meeting**”).

Instructions for attending the virtual meeting are set out in the Notes section below.

The Explanatory Statement that accompanies this Notice provides additional information on the matters to be considered at the Meeting. The Explanatory Statement and Proxy Form both form part of this Notice.

### AGENDA

#### BUSINESS:

##### **Financial Statements and Reports (No Resolution Required)**

To receive and consider the financial statements for the financial year ended 30 June 2021 together with the Directors' Report, Remuneration Report and the Auditor's Report.

A copy of the 2021 Annual Report may be obtained from the Company's website at <https://www.quickstep.com.au>

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#### **Resolution 1 – Adoption of Remuneration Report**

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

***“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Directors' Report for the financial year ended 30 June 2021 be adopted.”***

**Note:** Under the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company.

#### **Voting exclusion**

To the extent required by section 250R of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of the Company's or the Group's key management personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member. However, a person (the “voter”) may cast a vote as a proxy where the vote is not cast on behalf of such a member or a closely related party of such a member and the voter is either:

- (a) appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the Chair and the appointment of the Chair as proxy does not specify how the proxy is to vote on Resolution 1 and expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the key management personnel.

The term “closely related party” in relation to a member of the key management personnel includes a spouse, child, dependant and certain other close family members as well as any companies controlled by the member.

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#### **Resolution 2 – Re-election of Director – Mrs Leanne Heywood**

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

***“That Mrs Leanne Heywood, a Director of the Company who retires by rotation in accordance with clause 13.2 of the Company's Constitution and offers herself for re-election, be re-elected as a Director.”***

## NOTICE OF ANNUAL GENERAL MEETING

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### Resolution 3 – Approval of Quickstep Incentive Rights Plan

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

***“That, for the purposes of ASX Listing Rule 7.2, exception 13(b) and for all other purposes, the Quickstep Incentive Rights Plan (and future issues to eligible employees under the Quickstep Incentive Rights Plan from the date of this Meeting for the next 3 years), as described in the Explanatory Statement, be approved.”***

#### Voting Exclusions

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any person who is eligible to participate in the Quickstep Incentive Rights Plan or by 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 the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) the holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

As required by the Corporations Act, no member of the Company's key management personnel or a closely related party of any such member may vote as proxy on Resolution 3 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 3; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company's key management personnel.

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### Resolution 4 – Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan

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

***“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant to Mr Mark Burgess of 6,689,664 Rights (pre-Consolidation) (being 668,967 Rights post Consolidation, if Resolution 7 is approved by Shareholders) under the Quickstep Incentive Rights Plan, as described in the Explanatory Statement.”***

#### Voting Exclusions

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any Director of the Company or an associate of a Director who is eligible to participate in the Quickstep Incentive Rights Plan or by an associate of those persons. However, this does not apply to a vote cast in favour of Resolution 4 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

## NOTICE OF ANNUAL GENERAL MEETING

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

As required by the Corporations Act, no member of the Company's key management personnel or a closely related party of any such member may vote as proxy on Resolution 4 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 4; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company's key management personnel.

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### Resolution 5 – Approval of issue of securities under ASX Listing Rule 7.1A

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

***“That, pursuant to and for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of (or the entry into agreements to issue) Equity Securities representing up to 10% of the issued capital of the Company (calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2) on the terms and conditions set out in the Explanatory Statement.”***

### Voting Exclusion

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of 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 Company) or by an associate of those persons. However, this does not apply to a vote cast in favour of Resolution 5 by:

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

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### Resolution 6 – Replacement of Constitution

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

***"That, for the purposes of section 136(2) of the Corporations Act (and for all other purposes), approval is given for the Company to repeal its existing Constitution and adopt the Proposed Constitution in its place in the form as signed by the Chair of the Meeting for identification purposes."***

### Voting Exclusion

As required by the Corporations Act, no member of the Company's key management personnel or a closely related party of any such member may vote as proxy on Resolution 6 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 6; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company's key management personnel.

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### Resolution 7 – Consolidation

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

***"That for the purposes of section 254H of the Corporations Act 2001, ASX Listing Rule 7.21 and for all other purposes with effect from Friday 19 November 2021 (or such other subsequent date that is notified to the ASX by the Company), the issued capital of the Company be consolidated on the basis that every 10 Shares be consolidated into one Share and that where this consolidation results in a fraction of a Share being held by a Shareholder, the Company be authorised to round that fraction up to the nearest whole Share and that Performance Rights on issue be consolidated on the same basis."***

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### Other business

To consider any other business which may properly be brought before the Meeting in accordance with the Constitution and the Corporations Act.

### BY ORDER OF THE BOARD

Jillian McGregor  
Company Secretary  
15 October 2021

# NOTICE OF ANNUAL GENERAL MEETING

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## NOTES

### SNAPSHOT TIME:

The time nominated by the Board pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) for the purpose of determining voting entitlements at the Meeting is 7.00p.m. (AEDT) on Tuesday 16 November 2021.

### ACCESSING THE VIRTUAL MEETING:

In regard to the continuing developments in relation to COVID-19, the Board has decided that the Meeting will be held virtually. It is intended to conduct a poll on all resolutions set out in the Notice.

Shareholders attending the Meeting virtually will be able to ask questions and vote online during the Meeting.

To watch the webcast and be able to ask text based questions:

Shareholder Webcast Link:

<https://services.choruscall.com/mediaframe/webcast.html?webcastid=KVDdoi6a>

To listen via audio only and be able to ask audio questions:

Shareholder Audio Line: **1800 271 194 or +612 9189 6755**

### Joining the meeting by phone:

1. From your landline or mobile device, call **1800 271 194** or **+61 2 9189 6755** if outside Australia.
2. You will be greeted with a welcome message and provided with instructions on how to participate in the meeting. Please listen to the instructions carefully. At the end of the welcome message you will be asked to provide your name to the operator.
3. Once the operator has taken your name you will be placed into a waiting room and will hear music playing.
4. At the commencement of the meeting, you will be admitted to the meeting.

### Q&A via phone:

1. When the Chairman calls for questions on each Item of Business, you will be asked to press \*1 on your keypad should you wish to raise your hand to ask a question.
2. The operator will ask you which Item of Business your question relates to. For example, General Business or the relevant resolution.
3. When it is your turn, the operator will introduce you to the meeting, your line will be unmuted and you can then start speaking.
4. You will be asked if you have any additional questions or comments.

Note: If at any time you no longer wish to ask your question, you can lower your hand by pressing \*2 on your key pad. If you have also joined the meeting online, mute your computer, tablet or mobile device while you ask your question.

# NOTICE OF ANNUAL GENERAL MEETING

## Live Online Voting

Shareholders and proxyholders will be able to vote at the Meeting online by:

- visiting <http://web.lumiagm.com/307561288> on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Edge and Firefox);
- using unique meeting ID 307-561-288.

For full details on how to log on and vote online, please refer to the user guide at [www.computershare.com.au/onlinevotingguide](http://www.computershare.com.au/onlinevotingguide)

## Questions

Shareholders are encouraged to direct questions to the Company or auditor by email at [info@quickstep.com.au](mailto:info@quickstep.com.au) so that they are received not later than 7.00pm Tuesday, 16 November 2021. Please use the email subject "2021 AGM Question".

If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website (ASX: QHL) and on its website at <https://www.quickstep.com.au/announcement/>. Any Shareholders who wish to attend the Meeting online should therefore monitor the Company's website and its ASX announcements for any updates about the Meeting.

## DIRECTING VOTES BY PROXY:

A Proxy Form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by phoning Computershare Investor Services on 1300 850 505. Alternatively, you may photocopy the enclosed form.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form. Alternatively, please visit [www.investorvote.com.au](http://www.investorvote.com.au) and follow the instructions on the enclosed proxy form to complete and lodge the proxy online.

Should you wish to direct your proxy how to vote please indicate your direction in the appropriate box(es) on the Proxy Form otherwise your proxy will have a discretion to vote as he/she thinks fit.

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1, 3, 4 or 6 if the person is either a member of the Company's or Group's key management personnel or a closely related party of such a member and the appointment does not specify the way the proxy is to vote on Resolutions 1, 3, 4 or 6 (as applicable).

However, the proxy may vote 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 Company's or Group's key management personnel.

Where the Chair is appointed proxy the Chair will vote in accordance with the Shareholder's directions as specified on the Proxy Form or, in the absence of such a direction, in favour of the Resolutions contained in this Notice. In exceptional circumstances, the Chair may change their voting intention, in which case an ASX announcement will be made. Where a Resolution relates to the remuneration of a member of the Company's or the Group's key management personnel, by not directing the Chair how to vote you will be directing the Chair to vote in favour of the Resolution in accordance with their voting intentions and expressly authorising them to exercise your proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel.



## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Quickstep Holdings Limited ("**Company**").

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

The Directors recommend Shareholders read this Explanatory Statement in full before deciding how to vote on each of the Resolutions contained in the Notice.

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### Financial Statement and Reports

The Corporations Act requires the Company's financial statements and reports for the last financial year to be laid before the Meeting. The financial statements and reports are contained in the Company's 2021 Annual Financial Report, available from the Company's website: <https://www.quickstep.com.au>

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

The Company's auditor, KPMG, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies, and the independence of the auditor.

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### Resolution 1 – Adoption of Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2021 is set out in the Directors' Report in the Company's Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and key executives of the Company. A reasonable opportunity will be given for the discussion of the Remuneration Report at the Meeting.

Shareholders should note that pursuant to section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company or the Directors. However, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Meeting, and then again at the Company's 2022 Annual General Meeting, the Company will be required to put to Shareholders a resolution at the 2022 Annual General Meeting proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company ("**Spill Resolution**").

If more than 50% of votes are cast in favour of a Spill Resolution, the Company would be required to convene a general meeting ("**Spill Meeting**") within 90 days of the Company's 2022 Annual General Meeting. All of the Directors who were in office when the Company's 2022 Directors' Report was approved by the Directors, other than the Managing Director of the Company, would cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved would be the Directors of the Company.

Key management personnel details of whose remuneration are included in the Remuneration Report and their closely related parties are prohibited from voting on Resolution 1, except in the circumstances described in the voting exclusion statement set out in the Notice.

### Directors' Recommendation:

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

## EXPLANATORY STATEMENT

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### Resolution 2 – Re-election of Director – Mrs Leanne Heywood

Mrs Leanne Heywood retires by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers herself for re-election.

Mrs Leanne Heywood was appointed as an independent non-executive Director by the Board as a casual vacancy on 21 February 2019 and she was re-elected to the Board at the Company's 2019 Annual General Meeting. She is Chair of the Company's Audit, Risk and Compliance Committee and is a member of the Remuneration, Nomination and Diversity Committee.

Mrs Heywood brings experience as an ASX listed non-executive director, Audit and Risk committee and Nominations and Remuneration committee chair plus broad general management experience gained through an international career in the sales and distribution, mining, rural, government and not-for-profit sectors. Mrs Heywood is a non-executive director and Chair of the Audit Committee for Orocobre Limited (ASX: ORE), a lithium miner with operations in Argentina, and a non-executive director of Midway Limited (ASX: MWY), a woodfibre processor and exporter with operations in Australia, New Zealand and Asia.

Mrs Heywood has extensive international and domestic marketing experience and brings international customer relationship management, stakeholder management (including governments and investment partners) and team leadership experience in China, Japan, Mongolia, Singapore, South America, Europe and India.

Mrs Heywood is an experienced leader of transformational change having led organisational restructuring, disposals and acquisitions, including integration. She has strong skills across Marketing, Business Analysis, Contracts, Procurement, Logistics, Accounting and Business Improvement along with an advanced ability to facilitate complex negotiations and a strong risk and compliance focus.

Mrs Heywood was named NSW Business Woman of the Year in 2019 and was honoured with a Medal of the Order of Australia in the 2021 Queen's birthday honours list.

Mrs Heywood holds an executive MBA from Melbourne Business School and a Bachelor of Business (majoring in Accounting) from Charles Sturt University. She is a graduate of the AICD International Company Directors Course and a Fellow of CPA Australia.

After appropriate consideration, and taking into account her past performance, contributions to the Group and the current and future needs of the Board and the Group, the Board's members (excluding Mrs Heywood) unanimously resolved that Mrs Heywood's distinct set of skills and experience is of obvious and on-going benefit to the Board. The Board also considered that Mrs Heywood's independence has not been impaired during her tenure and that she is therefore considered to be an independent Director.

#### **Directors' Recommendation:**

The Board (other than Mrs Heywood) recommends that Shareholders vote in favour of Resolution 2.

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### Resolution 3 – Approval of Quickstep Incentive Rights Plan

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. ASX Listing Rule 7.1A permits eligible entities which have obtained shareholder approval by special resolution to issue Equity Securities representing up to an additional 10% of their issued capital by placements over a 12 month period after the annual general meeting. The Company is seeking Shareholder approval under ASX Listing Rule 7.1A under Resolution 5 of this Notice.

ASX Listing Rule 7.2 Exception 13(b) excludes from the restrictions in ASX Listing Rules 7.1 and 7.1A an issue of securities under an employee incentive scheme if within 3 years before the issue date the holders of the Company's ordinary securities have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.2.

Accordingly, Resolution 3 seeks Shareholder approval for the purposes of ASX Listing Rule 7.2

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Exception 13(b).

If Resolution 3 is passed, grants of Rights (defined below) under the Quickstep Incentive Rights Plan in the 3 years following the approval, and the issue of the underlying Shares on the exercise of such Rights (up to the maximum limits identified below), will not count towards the percentage limits described above.

If Resolution 3 is not passed, the Company will need to use its capacity under ASX Listing Rule 7.1 (and ASX Listing Rule 7.1A (if Resolution 5 is passed)) in order to grant Rights under the Quickstep Incentive Rights Plan in the 3 years following the approval, and the issue of the underlying Shares on the exercise of such Rights.

It is important to note that Resolution 3 does not itself authorise the issue of Rights to Directors. Any such issue would need to be approved under ASX Listing Rule 10.11 or ASX Listing Rule 10.14 (as is proposed under Resolution 4, below).

Executive key management personnel ("**KMP**") remuneration is determined by the non-executive members of the Board, having consideration for relevant market practices and the circumstances of the Company on an annual basis. It is the view of non-executive members of the Board that it is in the interests of Shareholders for selected executives (the "**Participants**") to receive part of their total remuneration package in the form of at-risk securities that will vest based on performance against indicators that are linked to Shareholder benefit ("**Performance Conditions**") during a defined measurement period.

The Quickstep Incentive Rights Plan is therefore designed for a significant component of at-risk remuneration and to create alignment between Shareholder benefit and the remuneration of selected executive KMP. Grants under the Quickstep Incentive Rights Plan will facilitate the Company providing appropriate, competitive and performance-linked remuneration to the executive KMP of the Company. The non-executive members of the Board seek to ensure that grants to executive KMP are made at a level that will appropriately position their total remuneration packages in the market, in accordance with the Company's remuneration policies. The Board regularly reviews market positioning, the elements and mix of remuneration for executive KMP to ensure remuneration remains reasonable, within the range of market practices, and is appropriate to the circumstances of the Company.

As at the date of this Notice, 30,384,158 Rights (and 1,370,963 Shares) have been issued under the Quickstep Incentive Rights Plan since it was last approved by shareholders on 29 November 2018.

The maximum number of Equity Securities proposed to be issued under the Quickstep Incentive Rights Plan following Shareholder approval of Resolution 3 is 28,027,414 Rights (pre-Consolidation) (being 2,802,742 post Consolidation, if Resolution 7 is approved by Shareholders) (and the issue of a maximum number of 28,027,414 underlying Shares (pre-Consolidation) (being 2,802,742 post Consolidation, if Resolution 7 is approved by Shareholders) on the exercise of such Rights).

The maximum number is not intended to be a prediction of the actual number of securities to be issued under the Quickstep Incentive Rights Plan. It is simply a ceiling for the purposes of ASX Listing Rule 7.2 (Exception 13(b)).

A summary of the operation of the Quickstep Incentive Rights Plan is set out in the table below:

Aspect	Details
Instrument	<p>The Quickstep Incentive Rights Plan authorises the Board to grant rights to certain employees of the Group (including directors employed in an executive capacity) determined by the Board in its absolute discretion, in the form of (among others) Deferred Rights and/or Performance Rights (each, a "<b>Right</b>").</p> <p>Each Right represents an entitlement on vesting to the value of a fully paid Share, calculated using the market value of a Share,</p>

## EXPLANATORY STATEMENT

Aspect	Details
	<p>being the VWAP over the 20 trading day period up to (and including) the date as at which the market value is being measured. The amount payable on vesting is to be paid in Shares, cash, or a combination of Shares and cash as determined by the Board.</p> <p>Rights will vest when certain vesting conditions are met. These are length-of-service based conditions for Deferred Rights or Performance Conditions for Performance Rights.</p>
Eligibility	Eligibility to participate in the Quickstep Incentive Rights Plan and the number of Rights offered to each Participant will be determined by the Board.
Terms & conditions	The Board has the discretion to set the terms and conditions on which it will offer Rights under the Quickstep Incentive Rights Plan, including the Performance Conditions. All Performance Rights offered will be subject to Performance Conditions which are intended to be challenging and linked to growth in Shareholder value.
Number of Rights	It is intended that the number of Rights to be offered to a Participant will be determined based on the LTIs and/or STIs payable in accordance with their terms of employment.
Amount payable for Rights	Unless the Board determines otherwise, no amount will be payable by Participants for Rights as they are part of the intended total remuneration package in each financial year.
Vesting of Rights	Upon the satisfaction of the Performance Conditions (or other conditions), the value of Rights that vest will be evaluated. The Board has discretion to vary vesting if it considers it appropriate to do so given the circumstances that prevailed over the Measurement Period (defined below). This provision aims to address situations where vesting may otherwise be inconsistent with Shareholder expectations.
Performance Conditions	Performance related conditions will be specified as part of an offer of Performance Rights and, in general terms, are intended to be either market based or internal measures of Company performance.
Measurement Period	<p>The measurement period is a period for satisfaction of a Performance Condition (“<b>Measurement Period</b>”), as specified in a Participant's invitation letter, which shall be one year commencing on 1 July (STI) or three years commencing on 30 September (LTI), unless the Board determines otherwise in its absolute discretion.</p> <p>The Measurement Period will generally only be shorter in the circumstances of a transition or a new appointment. In these circumstances it may be appropriate to provide for earlier LTI vesting in order to recognise that under normal circumstances where grants are made annually and Measurement Periods overlap, some vesting may occur annually (subject to the satisfaction of Performance Conditions).</p>
Exercise price	Unless the Board determines otherwise, no amount will be payable by the Participants to exercise Rights.

## EXPLANATORY STATEMENT

Aspect	Details
Retesting	Retesting is permitted under the Quickstep Incentive Rights Plan, however it is not permitted following cessation of employment.
Cessation of employment	<p>The Quickstep Incentive Rights Plan contains provisions concerning the treatment of vested and unvested Rights in the event that a Participant ceases employment with the Group.</p> <p>Unless the Board determines otherwise, if a Participant ceases employment in other than special circumstances (death, total and permanent disablement, retrenchment, redundancy, permanent retirement from full-time work with the consent of the Board or any other circumstances determined by the Board), all unvested Rights held by the Participant will immediately lapse on the date the Participant ceases employment.</p> <p>Unless the Board determines otherwise, if a Participant ceases employment under special circumstances, Rights that were granted to the Participant during the financial year in which the termination occurred will be forfeited in the same proportion as the remainder of the financial year bears to the full year. All remaining Rights for which Performance Conditions have not been satisfied as at the date of cessation of employment will then remain "on foot", subject to the original Performance Conditions.</p>
Change of control of the Company	In the event of a change of control, unvested Rights may vest in the Board's discretion. Remaining Rights will lapse unless determined by the Board.
Voting and dividend rights	Rights do not carry voting or dividend rights. Shares issued when Rights vest carry the rights and entitlements of Shares, including voting and dividend rights, though may be subject to trading restrictions.
Lapse and forfeiture of Rights	Rights will lapse if the prescribed Performance Conditions (or other conditions) are not satisfied within the prescribed Measurement Period.
No transfer of Rights	Rights may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered except in cases of death or bankruptcy.
Quotation	Rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Quickstep Incentive Rights Plan, in accordance with the ASX Listing Rules.
Variation of term and conditions	To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary the terms and conditions of the Quickstep Incentive Rights Plan. This includes varying the number of Rights to which a Participant is entitled upon a reorganisation of the capital of the Company.
Issue or acquisition of Shares	Shares allocated to a Participant when Rights vest under the Quickstep Incentive Rights Plan may be issued by the Company or acquired on or off market by the Company or its nominee. The nominee may be a trust, the purpose of which is to facilitate the operation of the Quickstep Incentive Rights Plan.

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Aspect	Details
Cost and administration	The Company will pay all costs of issuing Shares, brokerage on acquisitions of Shares and all costs of administering the Quickstep Incentive Rights Plan.
Other terms of the Quickstep Incentive Rights Plan	The Quickstep Incentive Rights Plan also contains customary and usual terms having regard to Australian law for dealing with winding up, administration, variation, suspension and termination of the Quickstep Incentive Rights Plan.
Hedging	The Company prohibits the hedging of Rights by Participants.

### Directors' Recommendation:

Each of the non-executive Directors of the Company recommends that Shareholders vote in favour of Resolution 3.

### Resolution 4 – Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan

ASX Listing Rule 10.11 requires a listed entity to obtain shareholder approval for the issue of securities to related parties, which includes a Director of the Company.

ASX Listing Rule 10.12, exception 8 provides that approval under ASX Listing Rule 10.11 is not required where securities are to be issued to a person under an employee incentive scheme with approval under ASX Listing Rule 10.14. ASX Listing Rule 10.14 requires a listed entity to obtain shareholder approval for the issue of securities under an 'employee incentive scheme' to certain parties, including a director, or an associate of a director.

Accordingly, the Company is seeking Shareholder approval under ASX Listing Rule 10.14 for the following grant to the Managing Director, Mr Mark Burgess of 6,689,664 Performance Rights (pre-Consolidation) (being 668,967 Performance Rights post Consolidation, if Resolution 7 is approved by Shareholders) representing Mr Burgess' LTI for the 2021-2022 financial year (the "**Burgess Offer**").

If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

The Directors are comfortable that the grant of the Rights under the Burgess Offer would constitute reasonable remuneration for the purposes of section 211 of the Corporations Act and no separate approval is being sought under Chapter 2E of the Corporations Act in relation to the grant of the Rights to Mr Burgess.

If Resolution 4 is passed, the Company will proceed with the Burgess Offer. If Resolution 4 is not passed, the Company will not be able to proceed with the Burgess Offer as shareholder approval is required for the issue of securities to a director.

ASX Listing Rule 10.15 sets out the information that must be provided to Shareholders in order to obtain Shareholder approval for the Burgess Offer under ASX Listing Rule 10.14. The following information is provided in accordance with ASX Listing Rule 10.15:

- (a) The Company is seeking Shareholder approval for the grant of Performance Rights to Mr Mark Burgess who is a Director of the Company (being the Managing Director of the Company).
- (b) Details of Mr Burgess' current total remuneration package are:

Guaranteed	Base Salary	\$483,567	
	Super	\$23,568	
At risk	STI (maximum)	30% of base salary	Cash
	LTI (maximum)	70% of base salary	Performance rights



## EXPLANATORY STATEMENT

- (c) Previously, Mr Burgess has been issued 18,298,123 Rights and 3,343,736 Shares under the Quickstep Incentive Rights Plan and no acquisition price has been paid by Mr Burgess for those securities as they were part of his remuneration package.
- (d) Executive KMP remuneration is determined by the RN&D Committee, having regard to relevant market practices and the circumstances of the Company on an annual basis. It is the view of the RN&D Committee that it is in the interests of Shareholders for Mr Burgess to receive part of his total remuneration package in the form of at-risk securities that will vest based on Performance Conditions during a defined Measurement Period. This is also considered best practice with regards to evident market practices. It should therefore be considered appropriate to provide securities to executive Directors of the Company instead of cash only.
- (e) The features of the Burgess Offer are summarised below:

Aspect	Details
Instrument	<p>The Quickstep Incentive Rights Plan authorises the granting of Rights to certain employees of the Group (including Directors employed in an executive capacity), in the form of (among others) Performance Rights and Deferred Rights. Each Right entitles the holder to one Share (or a cash equivalent based on a VWAP calculated over the 20 trading day period up to (and including) the date as at which the market value is being measured) or a combination of Shares and cash as determined by the Board.</p> <p>Performance Rights will vest when certain Performance Conditions are met. Deferred Rights will vest when certain service conditions are satisfied.</p>
Maximum number of Shares that may be acquired	<p>The maximum number of Rights that may be granted to Mr Burgess under the Burgess Offer is 6,689,664 Rights (pre-Consolidation) (being 668,967 post Consolidation, if Resolution 7 is approved by Shareholders). Accordingly, the maximum number of Shares that can be acquired by Mr Burgess under the Burgess Offer is a total of 6,689,664 Shares (pre-Consolidation) (being 668,967 post Consolidation, if Resolution 7 is approved by Shareholders).</p>
Amount payable for Rights	<p>No amount will be payable by Mr Burgess under the Burgess Offer for the Rights as they are part of the intended total remuneration package for the 2021-2022 financial year. No amount is payable on vesting or exercise of the Rights.</p>
Measurement Period	<p>The measurement period under the Burgess Offer will be 1 September 2021 to 31 August 2024 (the "<b>Measurement Period</b>").</p>

## EXPLANATORY STATEMENT

Aspect	Details																					
LTI Performance Conditions	<p>The 2022 LTI Offer is subject to a Performance Condition based on achieving TSR targets over the relevant Measurement Period. In summary, TSR combines Share price appreciation over a period and dividends paid during that period (assuming that they are reinvested into Shares) to show the total return to Shareholders over that period. When calculating the Company's TSR, its Share price at the beginning and end of the Measurement Period will be calculated as a 20 trading day VWAP.</p> <p>For vesting to occur the Company's TSR over the Measurement Period must be positive (i.e. if Shareholders have not gained then the Performance Rights will not vest). If the Company's TSR is positive but the ASX Small Caps Index ("ASCI") movement is negative over the Measurement Period then vesting, if any, will be at the discretion of the Board (i.e. only applies if the Company has outperformed a general fall in the ASCI by protecting against a similar fall in the Company's Share price).</p> <p>If the Company's TSR is positive and the movement in the ASCI is also positive then the following vesting scale will apply:</p> <table><tr><th>Performance Level</th><th>Company's TSR Relative to ASCI Movement Over the Performance Period</th><th>Vesting %</th></tr><tr><td>Below Threshold</td><td>&lt;Increase in the ASCI</td><td>0%</td></tr><tr><td>Threshold</td><td>= Increase in the ASCI</td><td>25%</td></tr><tr><td></td><td>&gt;100% of ASCI increase &amp; &lt;110% of ASCI increase</td><td>Pro-rata</td></tr><tr><td>Target</td><td>110% of ASCI increase</td><td>50%</td></tr><tr><td></td><td>&gt;110% of ASCI increase &amp; &lt;120% of ASCI increase</td><td>Pro-rata</td></tr><tr><td>Stretch and above</td><td>120% of ASCI increase</td><td>100%</td></tr></table>	Performance Level	Company's TSR Relative to ASCI Movement Over the Performance Period	Vesting %	Below Threshold	<Increase in the ASCI	0%	Threshold	= Increase in the ASCI	25%		>100% of ASCI increase & <110% of ASCI increase	Pro-rata	Target	110% of ASCI increase	50%		>110% of ASCI increase & <120% of ASCI increase	Pro-rata	Stretch and above	120% of ASCI increase	100%
Performance Level	Company's TSR Relative to ASCI Movement Over the Performance Period	Vesting %																				
Below Threshold	<Increase in the ASCI	0%																				
Threshold	= Increase in the ASCI	25%																				
	>100% of ASCI increase & <110% of ASCI increase	Pro-rata																				
Target	110% of ASCI increase	50%																				
	>110% of ASCI increase & <120% of ASCI increase	Pro-rata																				
Stretch and above	120% of ASCI increase	100%																				

- (f) The Company attributes a value of \$0.0506 to each Right granted to Mr Burgess. This value is the VWAP of a Share as calculated over the 20 trading day period up to (and including) 1 September 2021. This value is used to calculate the number of Rights to be granted to Mr Burgess in accordance with his remuneration package. Information about the accounting treatment and other ramifications of a grant of Rights is set out in the Company's annual report for the financial year ended 30 June 2021 (including in particular in the remuneration report and notes to the Consolidated Financial Statements (E.4 Quickstep Incentive Rights Plan)). A copy of the annual report can be found on the Company's website (<https://www.quickstep.com.au>).
- (g) There is no amount payable by Mr Burgess under the Burgess Offer and no loan will be made to Mr Burgess in respect of the Burgess Offer.
- (h) The persons who are eligible to participate in the Quickstep Incentive Rights Plan are employees of the Group (including a Director employed in an executive capacity) or any other person who is declared by the Board to be eligible to receive a grant of Rights under the Quickstep Incentive Rights Plan. Mr Burgess is currently the only Director eligible to participate in the Quickstep Incentive Rights Plan.



## EXPLANATORY STATEMENT

- (i) A summary of the material terms of the Quickstep Incentive Rights Plan is set out above in this Explanatory Statement in relation to Resolution 3.
- (j) It is proposed that the Rights will be granted to Mr Burgess as soon as practicable (and in any event within 3 years) after the date of the Meeting.
- (k) Details of any securities issued to Mr Burgess under the Quickstep Incentive Rights 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 ASX Listing Rule 10.14.
- (l) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Quickstep Incentive Rights Plan after Resolution 4 is approved and who are not named in the Notice will not participate until approval is obtained under ASX Listing Rule 10.14.
- (m) A voting exclusion statement in respect of Resolution 4 is set out in the Notice.

The Directors (with Mr Burgess abstaining) believe that the future success of the Company depends on the skills and motivation of the people engaged in the management of the Company's operations. It is therefore important that the Company is able to retain people of the highest calibre, such as Mr Burgess. The Directors (excluding Mr Burgess) consider that the issue of the Rights to Mr Burgess is an appropriate form of remuneration for Mr Burgess and is part of a reasonable remuneration package (taking into account the Company's and Mr Burgess' circumstances).

### **Directors' Recommendation:**

The Directors (other than Mr Burgess) unanimously recommend that Shareholders vote in favour of Resolution 4. Mr Burgess makes no recommendation in relation to this Resolution.

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### **Resolution 5 – Approval of issue of securities under ASX Listing Rule 7.1A**

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

Resolution 5 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in ASX Listing Rule 7.1A to issue Equity Securities without shareholder approval ("**Additional Placement Capacity**"). The exact number of Equity Securities to be issued is not fixed and will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (see below).

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in ASX Listing Rule 7.1 and 7.1A without any further shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in ASX Listing Rule 7.1.

### **Relevant Requirements of ASX Listing Rule 7.1A**

- (a) Eligible entities

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an

## EXPLANATORY STATEMENT

eligible entity for these purposes.

(b) Shareholder approval

The Additional Placement Capacity must be approved by special resolution at an annual general meeting. A resolution under ASX Listing Rule 7.1A cannot be put at any other Shareholder meeting. As a special resolution, Resolution 5 requires approval of 75% of the votes cast by Shareholders present and eligible to vote.

(c) Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX and must be issued for a cash consideration. As at the date of this Notice, the Company has only one class of Equity Securities quoted on ASX, being fully paid ordinary Shares.

(d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 5 is passed, the Company may issue or agree to issue, during the period of approval, the number of Equity Securities calculated in accordance with the following formula in ASX Listing Rule 7.1A.2:

**(AxD)-E**

Where:

A	The number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue: <ul style="list-style-type: none"><li>plus the number of ordinary securities to be added as set out in ASX Listing Rule 7.1; and</li><li>less the number of fully paid ordinary securities cancelled in the relevant period.</li></ul>
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 where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

**Information for Shareholders as required by ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A, information is provided in relation to the Additional Placement Capacity as follows:

(a) Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the VWAP for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities to be issued is agreed by the entity and the recipient of the securities; or
- if the Equity Securities are not issued within 10 trading days of the date above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

If Resolution 5 is passed and the Company issues Equity Securities under the Additional Placement Facility, existing Shareholders' economic interests may be diluted if the Equity Securities are issued at a discount. Further, existing Shareholders' voting power in the Company will be diluted as shown in the table below, by up to 9.09%.

There is a risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Shareholder approval at the Meeting; and

## EXPLANATORY STATEMENT

- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities, and also on the Company's Share price post issue of the Equity Securities.

The following table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares as at the date of this Notice for variable "A".

The table also 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 as at the date of this Notice. The number of Shares may increase as a result of issues of Shares that do not require Shareholder approval (for example a pro rata entitlement issue or scrip issued under a takeover offer) or future placements under ASX Listing Rule 7.1 that are approved by Shareholders in the future; and
- two examples of where the issue price of Shares has decreased by 50% and increased by 50% as against the current market Share price (which, for the purposes of this table, is \$0.045 as at Thursday 7 October 2021).

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		\$0.0225	\$0.045	\$0.0675
		Assuming 50% decrease in Issue Price	Issue Price	50% increase in Issue Price
<b>Current Variable A</b> (716,269,344 Shares)	<b>Number of Shares that could be issued under the Additional Placement Capacity (10%)</b>	71,626,934 Shares	71,626,934 Shares	71,626,934 Shares
	<b>Funds raised</b>	\$1,611,606	\$3,223,212	\$4,834,818
<b>50% increase in current Variable A</b> (1,074,404,016 Shares)	<b>Number of Shares that could be issued under the Additional Placement Capacity (10%)</b>	107,440,001 Shares	107,440,001 Shares	107,440,001 Shares
	<b>Funds raised</b>	\$2,417,400	\$4,834,800	\$7,252,200
<b>100% increase in current Variable A</b> (1,432,538,688 Shares)	<b>Number of Shares that could be issued under the Additional Placement Capacity (10%)</b>	143,253,868 Shares	143,253,868 Shares	143,253,868 Shares
	<b>Funds raised</b>	\$3,223,212	\$6,446,424	\$9,669,636

This table has been prepared on the following assumptions:

- The table has been prepared using pre-Consolidation figures and does not take into account the impact of the proposed Consolidation (as referred to in this Explanatory Statement in relation to Resolution 7).
- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Rights are exercised or converted into Shares before the date of the issue of the Equity Securities under the Additional Placement Capacity.

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- The table does not show an example of the economic dilution that may be caused to a particular Shareholder's shareholding by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A on the basis of the Company's current issued share capital, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Capacity consists only of Shares.
- The issue price is assumed to be the Share price of \$0.045 at market close on Thursday 7 October 2021 (rather than being based on the 15 day VWAP).
- In each case, an issue of the maximum number of Shares under the Additional Placement Capacity would dilute the Shareholders as at the date immediately prior to the issue by up to 9.09%. For example, based on the current number of Shares, existing Shareholders would have 716,269,344 votes out of a total post-issue number of Shares of 787,896,278, representing 90.9% of the post-issue total number of Shares (or a dilution of 9.09%).

### (c) Placement Period

Shareholder approval of the Additional Placement Capacity under ASX Listing Rule 7.1A is valid from 18 November 2021 (the date of the Meeting) and expires on the first to occur of:

- the date that is 12 months after the date of the Annual General Meeting (being 18 November 2022);
- the time and date of the Company's next Annual General Meeting; and
- the time and date of the approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking);

(the "**Placement Period**").

### (d) Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities for cash consideration to raise funds to finance further developments and commercialisation of the Company's technology, for capital expenditure on other projects, potential acquisitions and/or for general working capital.

### (e) Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate and other forms of equity and debt financing;
- the effect of the issue of new Equity Securities on the control of the Company;
- the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity is intended to be a related party or an associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A.4 on the issue

## EXPLANATORY STATEMENT

of any new Equity Securities.

(f) Details of Equity Securities issued under earlier placement capacity approval

As at the date of this Notice, the Company has not issued or agreed to issue any Equity Securities under ASX Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting.

(g) Voting exclusion

A voting exclusion statement is included in this Notice.

However, as at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A.2 and the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any proposed issue of Equity Securities under the proposed Additional Placement Capacity. It is therefore intended that no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

### **Directors' Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

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### **Resolution 6 – Replacement of Constitution**

A company may modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders.

The Company's existing Constitution was adopted on 20 February 2003 and was amended on 20 November 2014. Since then, there have been a number of developments in contemporary commercial law, the ASX Listing Rules, corporate governance principles, and general corporate and commercial practice for ASX listed entities which are currently not reflected in the existing Constitution.

The Directors believe that the Company's existing Constitution is no longer fit for purpose, and further believe that it is preferable in the circumstances to simply replace the existing Constitution with a new constitution rather than to amend individual provisions of the existing Constitution.

Resolution 6 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution ("**Proposed Constitution**"). The Proposed Constitution is of the type required for a listed public company limited by shares updated to ensure it appropriately reflects the contemporary market-practice provisions of the Corporations Act and the ASX Listing Rules.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the differences between the existing Constitution and the Proposed Constitution are administrative or minor in nature including but not limited to:

- adding provisions now required under Corporations Act;
- adding provisions now required under the ASX Listing Rules;
- adding provisions to reflect current market practice; and
- adding provisions to support the Company in the administration of its business and its relationship with its Shareholders.

It is not practicable to list all of the changes to the existing Constitution in detail in this Explanatory Statement, however a summary of the material provisions of the Company's existing Constitution compared against the material provisions of the Company's Proposed Constitution is set out in Schedule 1.

A copy of the Proposed Constitution is available for review by Shareholders on the Company's website at <https://www.quickstep.com.au/corporate-governance/>. The Company will send a copy of the Constitution showing the proposed changes (at the Company's expense) to any shareholder upon request. Shareholder requests should be sent to [info@quickstep.com.au](mailto:info@quickstep.com.au). Shareholders are invited to contact the Company if they have any queries or concerns.

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The Proposed Constitution contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. If Resolution 6 is approved by Shareholders, the proportional takeover provisions in the Proposed Constitution will take effect and will extend to 3 years from the date of the approval of Resolution 6. A description of the proportional takeover provision in the Proposed Constitution is set out in Item 9 of Schedule 1 with other explanatory material.

The Chair will cast all available proxies in favour of Resolution 6.

### **Directors' Recommendation:**

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

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## **Resolution 7 – Consolidation of Capital**

### **Consolidation of securities**

The purpose of this Resolution 7 is to enable the Company to consolidate its securities into a reduced number. The Resolution seeks to consolidate the Company's Shares in a ratio of one Share for every 10 Shares held ("**Consolidation**"). Fractions of a Share will be rounded up to the nearest whole number of Shares.

This proposal requires shareholder approval by ordinary resolution under section 254H of the Corporations Act. Under section 254H, a company may consolidate its shares (i.e convert its shares into a smaller number of shares) if the consolidation is approved by an ordinary resolution of shareholders at a general meeting.

The Board considers that the Company has a disproportionately high number of Shares on issue compared to its market capitalisation and that the Consolidation will result in a more appropriate and effective capital structure for the Company.

The Board believes at present that consolidating the Company's issued capital at a ratio of one share for every 10 on issue will:

- (a) reduce share price volatility (given a change in the price of Shares would represent a lower percentage of the Share price than it would if the Company had a lower Share price);
- (b) reduce negative market perceptions associated with a low share price;
- (c) enable a broader range of investors to enter the Company's registry as many investors are reluctant to invest in lower priced shares and often have investment restrictions in companies with a low share price; and
- (d) enable investors to better evaluate the Company as the change in value per Share will allow clearer comparison with listed companies of shares with similar share value.

### **Shares**

If approved by Shareholders, the proposed Consolidation will result in the issued share capital of the Company reducing from 716,269,344 Shares to 71,626,934 (subject to rounding). There is no amount unpaid on the Shares. Individual holdings will be reduced in accordance with the consolidation ratio of 10 to one. The Consolidation is proposed to take effect on Friday 19 November 2021.

These numbers are approximate as they do not take into account any rounding required on account of individual Shareholders holding fractional securities following the Consolidation.

The proposed Consolidation will have no material effect on Shareholders' percentage interests in the Company (subject to rounding) and current substantive rights and obligations attaching to Shares will not be changed by the Consolidation.

### **Performance Rights**

At the date of this Notice, there are 18,493,087 existing Performance Rights on issue. In accordance with ASX Listing Rule 7.21 and in accordance with their terms, if the Consolidation is



## EXPLANATORY STATEMENT

approved by Shareholders, the existing Performance Rights will also be re-organised. All existing Performance Rights will be consolidated in the same ratio as the Shares on issue and any fractions of Performance Rights will be rounded up to the nearest whole number of Performance Rights.

The expiry dates of the existing Performance Rights will not change. The Performance Rights have no exercise price and the Consolidation will not change this.

Accordingly, if Resolution 7 is passed, every 10 existing Performance Rights on issue will be consolidated into one Performance Right. On the basis of the existing number of Performance Rights on issue, following the Consolidation there will be approximately 1,849,309 existing Performance Rights on issue (subject to rounding).

### Other securities convertible into Shares

Other than the existing Performance Rights described above, the Company has not issued any other securities which are convertible into Shares as at the date of this Notice.

### Timetable

The proposed Consolidation, if approved by Shareholders, will be implemented in accordance with the indicative timetable below.

EVENT	DATE
General Meeting to approve the resolution in relation to the Consolidation	Thursday 18 November 2021
Announcement of approval of Consolidation (if approved)	Thursday 18 November 2021
Effective date of Consolidation	Friday 19 November 2021
Last day for ASX trading of Shares on a pre-Consolidation basis	Monday 22 November 2021
Unless otherwise determined by ASX, trading in consolidated Shares, on a deferred settlement basis, commences	Tuesday 23 November 2021
Record date Last day for the Company to register share transfers on a pre-consolidated basis	Wednesday 24 November 2021
First day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold	Thursday 25 November 2021
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold and to notify ASX that this has occurred (by noon)	Wednesday 1 December 2021
Deferred settlement trading ends	Wednesday 1 December 2021

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Normal T + 2 trading in consolidated shares starts	Thursday 2 December 2021
Settlement of trades conducted on a deferred settlement basis and first settlement of trades conducted on the normal T+2 basis	Monday 6 December 2021

### **Holding Statements and Taxation**

From the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis.

After the Consolidation becomes effective, new holding statements will be issued by the Company's share registry provider (Computershare). Shareholders are responsible for verifying their holdings after the Consolidation. The HIN/SRN of each shareholding will remain the same after the Consolidation.

Shareholders and holders of Performance Rights are urged to seek their own tax advice on the effect of the Consolidation. None of the Company or the Directors accept any responsibility for the individual taxation implications arising from the Consolidation.

### **Directors' Recommendation:**

The Board recommends that Shareholders vote in favour of Resolution 7.



## GLOSSARY

In this Explanatory Statement, Notice and Proxy Form:

**Additional Placement Capacity** means the placement facility to issue Equity Securities representing up to 10% of the Company's issued capital pursuant to ASX Listing Rule 7.1A.

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

**Annual General Meeting** means an annual general meeting of the Company.

**ASX** means ASX Limited or the market operated by it, as the context requires.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**ASX Small Caps Index** or **ASCI** means the S&P/ASX Small Ordinaries Index.

**Auditor's Report** means the auditor's report included in the Company's annual report for the year ended 30 June 2021.

**Board** means the board of directors of the Company.

**Chair** means the chair of the Meeting.

**Company** means Quickstep Holdings Limited (ACN 096 268 156).

**Consolidation** means the proposed capital consolidation as described in Resolution 7 and the Explanatory Statement (in relation to Resolution 7).

**Constitution** means the Company's constitution as in place from time to time.

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

**Deferred Right** means a Right that vests if the relevant service conditions are satisfied.

**Directors** means the current directors of the Company.

**Directors' Report** means the directors' report included in the Company's annual report for the year ended 30 June 2021.

**Equity Securities** has the same meaning as in the ASX Listing Rules.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Group** means the Company and any of its subsidiaries.

**KMP** means key management personnel of the Company.

**KPI** means a key performance indicator.

**LTI** means long term incentive.

**Managing Director** means the managing director of the Company.

**Meeting** means the Annual General Meeting convened by the Notice.

**Notice** means this notice of Annual General Meeting including the Explanatory Statement and Proxy Form.

**Participant** means those persons who hold Rights issued under the Quickstep Incentive Rights Plan.

**Performance Condition** means a vesting condition based on performance against an indicator that is linked to Shareholder benefit.

**Performance Right** means a Right that vests based on satisfaction of a Performance Condition.

**Proposed Constitution** has the meaning given to it in Resolution 6 of the Notice and the Explanatory Statement (in relation to Resolution 6).

**Proxy Form** means the proxy form accompanying the Notice.

**Quickstep** means the Company.

**Quickstep Incentive Rights Plan** means the Company's incentive rights plan as amended from

## GLOSSARY

time to time.

**Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2021.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Right** means an entitlement issued under the Quickstep Incentive Rights Plan in the form of either a Deferred Right or a Performance Right.

**RN&D Committee** means the Company's Remuneration, Nomination and Diversity Committee.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**STI** means short term incentive.

**TSR** means total shareholder return.

**VWAP** means volume weighted average price.

**\$** means Australian dollars unless otherwise stated.

## SCHEDULE 1

### Schedule 1 - Comparison of material provisions of Constitution

A summary of the material provisions of the Company's existing Constitution compared against the material provisions of the Company's Proposed Constitution is detailed below. This summary is qualified by the full terms of the Proposed Constitution (a copy of which is available from the Company on request and free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders.

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
1.	<b>Preference Shares</b>	<b>Preference Shares (cl 2.4)</b> Subject to the provisions of s 254A of the Act and the ASX Listing Rules, the Company may issue preference Shares that are liable to be redeemed whether at the option of the Company or otherwise.	<b>Preference Shares (cl 2.2)</b> The Company may issue preference shares including preference shares which are, or at the option of the Company or a holder are, liable to be redeemed or convertible into Shares. The rights attaching to preference shares are those set out in Schedule 1 of the Constitution unless other rights have been decided by the Board under the terms of issue of any such preference shares.	The Proposed Constitution clearly sets out the rights of holders of Preference Shares in Schedule 1.  Under the existing Constitution, the rights of holders of preference Shares are dispersed throughout the document and are not easily locatable.  Clauses which restate Corporations Act requirements have been removed under the Proposed Constitution to minimise the need for further updates in the event of any legislative or regulatory changes in the future.
2.	<b>Recognition of trusts</b>	<b>Recognition of trust (cl 2.5)</b> Except as permitted or required by the Act, the Company shall not recognise a person as holding a Share or Share Option upon any trust.	The Constitution does not contain restrictions from a member holding Shares on trust.	The Proposed Constitution allows for members to hold Shares in the Company on trust. This is consistent with modern corporate practice.
3.	<b>Classes of Shares</b>	<b>Classes of Shares (cl 2.3)</b> Subject to the ASX Listing Rules, if at any time the share capital of the Company is divided into different classes of Shares, the rights attached to any class of shares may be varied, whether or not the Company is being wound up: a) with the consent in writing of the holders of at least 75% of the issued shares of that class; or b) by special resolution passed at a separate meeting of the holders of the shares of that class.  Any variation of rights shall be subject to sections 246B and 246E of the Act.	<b>Classes of Shares (cl 2.3)</b> The procedure set out in the Constitution must be followed to vary any rights attaching to Shares (or any other class of shares). Under the Constitution, and subject to the Corporations Act, ASX Listing Rules and the terms of issue of a particular class of shares, the rights attaching to Shares (or any other class of shares) may be varied: a) with the consent in writing of the holders of at least 75% of the issued shares of that class; or b) by special resolution passed at a separate general meeting of the holders of the shares of the class.	Clauses which restate Corporations Act requirements have been removed under the Proposed Constitution to minimise the need for further updates in the event of any legislative or regulatory changes in the future.
4.	<b>Transfer of Shares</b>	<b>Form of instrument of Transfer (cl 7.1)</b> Subject to the Constitution, a Shareholder may transfer all or any of the Shareholders Shares by:	<b>Transfer of Shares (cl 5.1)</b> Subject to the Constitution and to any restrictions attaching to a Shareholder's Shares (including because of the imposition of ASX-	On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a 'reasonable fee' for registering paper-based transfers, sometimes referred to as 'off-market transfers'.

## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
		<p>a) Market Transfer in accordance with any computerised system recognised by the ASX Listing Rules including a transfer that may be effected pursuant to the ASX Settlement Operating Rules or other electronic transfer process; and</p> <p>b) an instrument which is a proper instrument of transfer for the purposes of the Act.</p>	<p>imposed escrow), Shares may be transferred by:</p> <p>a) a transfer effected in accordance with the ASX Settlement Operating Rules;</p> <p>b) a written instrument of transfer in any form authorised by the Corporations Act; or</p> <p>c) any other method of transfer permitted by the Corporations Act or ASX Listing Rules.</p> <p>No fee may be charged by the Company on the transfer of Shares except as permitted by the ASX Listing Rules.</p>	<p>Clause 5.1 of the Proposed Constitution is made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.</p>
5.	<b>Refusing transfer</b>	<p><b>a Directors' Powers to Decline to Register (cl 7.4)</b></p> <p>The Directors may decline to register any transfer of Shares (other than a Market Transfer) where:</p> <p>a) the ASX Listing Rules of ASX Settlement Operating Rules permit the Company to do so;</p> <p>b) the ASX Listing Rules or ASX Settlement Operating Rules require the Company to do so;</p> <p>c) the transfer is in breach of the ASX Listing Rules or any escrow arrangement relating to Restricted Securities.</p>	<p><b>Refusing a transfer (cl 5.3)</b></p> <p>Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Directors may in their absolute discretion ask ASX Settlement to apply a holding lock to prevent a transfer under the ASX Settlement Operating Rules, or refuse to register a paper-based transfer, of a Share, where, amongst other things:</p> <p>a) the Company is served with a court order that restricts the relevant Shareholder's capacity to transfer the Shares or the Company has a lien on the Shares the subject of the transfer;</p> <p>b) registration of the transfer may breach an applicable law and ASX has agreed in writing to the application of a holding lock or that the Company may refuse to register a transfer; or</p> <p>c) the Shareholder has agreed in writing to the application of a holding lock or that the Company may refuse to register a paper-based transfer.</p>	<p>The Proposed Constitution is updated to reflect the current rules relating to the power of directors to refuse to register share transfers under the ASX Listing Rules, Corporations Act and ASX Settlement Operating Rules.</p>
6.	<b>Non-marketable parcels</b>	<p><b>Small shareholders (cl 3)</b></p> <p>The Company may at any time give notice to a shareholder whose holding of Shares is less than a 'Marketable Parcel' as defined in the ASX Listing Rules (<b>Small Shareholder</b>) of its intention to arrange for the sale of the shares of the Small Shareholder. The Company must then following the relevant procedure relating to the sale of shares of a Small Shareholder set out in the Constitution.</p>	<p><b>Sale of small holdings of Shares (cl 10)</b></p> <p>In accordance with, and as permitted by the ASX Listing Rules, the Company may sell Shares that constitute less than a "marketable parcel" (as that term is defined in the ASX Listing Rules) by following the relevant sale of small holdings procedures set out in the Constitution.</p>	<p>The Proposed Constitution is in line with the requirements for dealing with 'unmarketable parcels' outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.</p>

## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
7.	<b>Voting at a general meeting</b>	<p><b>Voting rights (cl 12.7), Casting Votes (cl 15.5)</b></p> <p>Subject to the ASX Listing Rules, and any rights or restrictions being attached to any class of Shares at general meetings of Shareholders, each Shareholder is entitled to one vote on a show of hands or by proxy.</p> <p>In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote, but the Chairman shall have no casting vote where only 2 Directors are competent to vote on the question.</p>	<p><b>Voting at general meetings (cl 12.8)</b></p> <p>At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney and entitled to vote is entitled to one vote on a show of hands and, on a poll, one vote for each Share held by the Shareholder (with adjusted voting rights for partly paid shares). If the votes on a proposed resolution are equal, the chairperson of the meeting has a casting vote in addition to any deliberative vote.</p>	<p>The Proposed Constitution gives the chairperson an unconditional casting vote where votes cast on a proposed resolution at a general meeting are equal.</p>
8.	<b>Use of technology</b>	<p>The Constitution does not contain provisions relating to the use of technology in relation to general meetings.</p>	<p><b>Use of technology (cl 12.2 and 12.23)</b></p> <p>Subject to the requirements of the Corporations Act, the Company may hold a general meeting:</p> <ul style="list-style-type: none"> <li>a) at 2 or more venues using any technology (including online platforms) that gives all persons entitled to attend, as a whole, a reasonable opportunity to participate in the meeting; and/or</li> <li>b) by using one or more technologies that give all persons entitled to attend, as a whole, a reasonable opportunity to participate in the meeting without being physically present in the same place.</li> </ul>	<p>The Proposed Constitution will give greater flexibility to shareholders and simplify participation at general meetings by enabling shareholders of the Company to participate at a general meeting via technology.</p> <p>The Proposed Constitution also makes it easier for the Company to provide general meeting documentation to shareholders by electronic means. It allows the giving by the Company of notices of general meeting to shareholders electronically, including by means of accessing a link to the place at which the relevant document or notice can be viewed.</p>
9.	<b>Takeovers</b>	<p><b>Partial takeover plebiscites (cl 32)</b></p> <p>The Constitution contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act.</p> <p>Clause 32 ceases to have effect on the third anniversary of the date of the adoption of last renewal of clause 32.</p>	<p><b>Proportional takeover approval provisions (cl 11)</b></p> <p>The Constitution contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act.</p> <p>Clause 11 ceases to have effect on the later of the third anniversary after its adoption, or the third anniversary of its most recent renewal effected under the Corporations Act.</p>	<p>The proportional takeover provisions under the existing Constitution ceased to have effect 20 February 2006.</p> <p>If Resolution 6 is approved by Shareholders, the proportional takeover provisions in the Proposed Constitution will take effect and will extend to 3 years from the date of the adoption of Resolution 6.</p> <p>If proportional takeover provisions are not in the Constitution, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all of their Shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority interest in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares. The proposed proportional takeover provisions decrease this risk because they allow Shareholders to decide whether a proportional</p>

## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
				<p>takeover bid is acceptable and should be permitted to proceed.</p> <p><u>No knowledge of any acquisition proposals</u></p> <p>As at the date of this notice, no Director is aware of any proposal by any person to acquire or to increase the extent of a substantial interest in the Company.</p> <p><u>Review of proportional takeover provisions</u></p> <p>While proportional takeover provisions have been in effect under the Company's Constitution in the past, no takeover bids for the Company have been made, either proportional or otherwise. Accordingly, there are no actual examples against which to assess the advantages or disadvantages of the proportional takeover provisions in the existing Constitution for the Directors and Shareholders.</p> <p><u>Potential advantages and disadvantages</u></p> <p>The potential advantages of the proportional takeover provisions for Shareholders are:</p> <ul style="list-style-type: none"> <li>a) they give Shareholders their say in determining by majority vote, whether a proportional takeover bid should proceed;</li> <li>b) they may assist Shareholders in not being locked in as a minority interest;</li> <li>c) they increase Shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and</li> <li>d) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid and whether to approve or reject that offer.</li> </ul> <p>The potential disadvantages of the proportional takeover provisions for Shareholders are:</p> <ul style="list-style-type: none"> <li>a) they are a hurdle to, and may discourage the making of, proportional takeover bids in respect of the Company;</li> <li>b) this hurdle may depress the share price or deny Shareholders an opportunity to sell their Shares at a premium; and</li> <li>c) it may reduce the likelihood of a proportional takeover bid being successful.</li> </ul> <p>However, the Directors do not perceive the above potential disadvantages or any other possible disadvantages as justification for not approving the proportional takeover provisions for three years and they consider that the potential</p>

## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
				advantages of the provisions for Shareholders outweigh the potential disadvantages.
10.	<b>Directors - appointment and retirement</b>	<p><b>The Directors (cl 13)</b></p> <p>The Company shall have at least 3 Directors at least 2 of whom ordinarily reside in Australia.</p> <p>The number of Directors shall not exceed 9 provided that the Company may, by ordinary resolution, change the number of Directors and may determine in what rotation the increased or reduced number is to go out of office, provided that no Director other than the Managing Director shall be entitled to hold office for more than 3 years without rotation.</p> <p>At every annual general meeting one-third of Directors (other than alternate Directors and the Managing Director), for the time being or, if their number is not a multiple of 3, then such number as appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years, shall retire from office.</p> <p>The Directors may at any time appoint a person to be a Director (but not as an alternate Director), either to fill a casual vacancy or increase the number of Directors.</p>	<p><b>Appointment, removal and remuneration of Directors (cl 13)</b></p> <p>Under the Constitution, there must be at least 3 Directors, at least 2 of whom must ordinarily reside in Australia, or such greater number not exceeding 10 as the Directors think fit, in office at all times. Directors are elected, re-elected or removed at general meetings of the Company.</p> <p>No Director (excluding the Managing Director) may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected.</p> <p>The Board may also appoint any eligible person to be a Director, either to fill a casual vacancy on the Board or as an addition to the existing Directors, who will then hold office until the conclusion of the next annual general meeting of the Company following that eligible person's appointment.</p>	The Proposed Constitution amends the maximum number of directors of the Company to 10 directors.
11.	<b>Directors - remuneration</b>	<p><b>Remuneration (cl 13.8)</b></p> <p>The Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors for such sum as may from time to time be determined by the Company in a general meeting, to be divided amongst the Directors in equal proportions or in default of agreement equally.</p> <p>The remuneration of Directors shall not be increased except pursuant to a resolution passed at a general meeting.</p> <p>The Directors shall be entitled to be paid reasonable expenses for travelling and other expenses incurred by them in performing their duties as Directors.</p>	<p><b>Remuneration (cl 13.4)</b></p> <p>Under the Constitution, the Board may decide the remuneration to which each Director is entitled to be paid for his or her services as a Director provided the annual fees payable to Non-Executive Directors do not exceed in aggregate the maximum sum that is from time to time approved by Shareholders in a general meeting in accordance with the ASX Listing Rules.</p> <p>Remuneration payable by the Company to the Managing Director (which Director's remuneration does not reduce the maximum sum that is available to be paid to Non-Executive Directors) and any other executive Directors may be by way of salary, bonuses, or any other elements but must not include a commission on, or percentage of operating revenue.</p>	The Proposed Constitution updates the requirement for the remuneration of Non-Executive Directors to be approved by shareholders in a general meeting in accordance with ASX Listing Rules.



## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
		If the Directors are called upon to perform extra services or special exertions, the Directors may remunerate such Director in accordance with such services or special exertions.	<p>Directors are entitled to be paid or reimbursed for all travelling and other expenses properly incurred by them in attending and returning from any meeting of the Directors, any meeting of any committee of the Directors, any general meeting of the Company or otherwise in connection with the business of the Company.</p> <p>If, with the approval of the Directors, any Director performs extra services or makes any special exertions for the benefit of the Company, the Directors may approve the payment to that Director of special and additional remuneration as the Directors think fit, having regard to the value to the Company of the extra services or special exertions.</p>	
12.	<b>Secretary</b>	<p><b>Secretary (cl 18.1)</b></p> <p>A Secretary of the Company shall hold office on such terms and conditions, as to remuneration and otherwise as the Director's determine.</p>	<p><b>Secretaries (cl 17.1)</b></p> <p>There must be at least 1 Secretary in office at all times. A Secretary of the Company holds office on the terms and conditions as to remuneration and otherwise as the Directors decide. The Directors may at any time terminate the appointment of a Secretary.</p>	The Proposed Constitution updates the requirement under the Corporations Act that each public company must appoint at least one secretary.
13.	<b>Dividends</b>	<p><b>Dividends (cl 22)</b></p> <p>The Directors may from time to time:</p> <ul style="list-style-type: none"> <li>a) declare a dividend to be paid to the Shareholders entitled to the dividend and may fix the time for the payment of any dividend; or</li> <li>b) without declaring a dividend, determine that a dividend is payable and fix the amount and time for payment of such dividend.</li> </ul> <p>All dividends shall (subject to the rights of any preference Shareholders and the rights of the holders of any Shares created or raised under any special arrangements as to dividends) be payable on Shares in accordance with Section 254W of the Act.</p>	<p><b>Power to pay Dividends (cl 20.1)</b></p> <p>Subject to the Corporations Act and to any special rights or restrictions attached to any shares, the Directors may resolve to pay any dividend they think appropriate and to fix the time for payment.</p> <p>Every dividend must be paid equally on all fully paid Shares and proportionately on all partly paid Shares. The Directors may also resolve that dividends are to be paid out of a particular source or sources.</p>	<p>Section 254T of the Corporations Act was amended effective 28 June 2010.</p> <p>There is now a three-tiered test that a company will need to satisfy before paying a dividend. The amended requirements provide that a company must not pay a dividend unless:</p> <ul style="list-style-type: none"> <li>a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;</li> <li>b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and</li> <li>c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.</li> </ul> <p>The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in the position to pay dividends.</p>



## SCHEDULE 1

#	Material provisions	Treatment in Company's Constitution	Treatment in Company's Proposed Constitution	Comments
14.	<b>Indemnity and insurance</b>	<p><b>Officers and auditors indemnity (cl 28.1)</b></p> <p>Subject to the Act, the Company shall indemnify each officer or auditor for the relevant amount out of property of the Company against any liability other than costs involved in defending proceedings where the liability arose out of conduct involving a lack of good faith or dishonesty.</p> <p><b>Employee indemnity (cl 28.2)</b></p> <p>The Company shall indemnify employees of the Company against any liability unless the liability was incurred by the person's own dishonesty, negligence default breach or duty of trust and the Director considers the liability does not justify indemnification.</p> <p><b>Insurance (cl 28.5)</b></p> <p>The Company may, to the extent permitted by law, purchase and maintain insurance.</p>	<p><b>Indemnity and insurance (cl 26)</b></p> <p>The Company may indemnify each "officer" (as that term is defined in section 9 of the Corporations Act) of the Company on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by that person as an officer of the Company or of a related body corporate of the Company.</p> <p>The Directors may also and to the full extent permitted by law, authorise the Company to enter into any documentary indemnity in favour of, or insurance policy for the benefit of, a person who is, or has been, an officer of the Company or of a related body corporate of the Company, which indemnity or insurance policy may be on such terms as the Directors approve.</p>	<p>The existing Constitution provides for mandatory indemnification of officers of the Company. The Proposed Constitution is updated to include discretionary, rather than mandatory indemnities for officers. These indemnities are subject to standard legal restrictions on the extent to which indemnities can be provided by law, including under the Corporations Act.</p>
15.	<b>Restricted Securities</b>	<p><b>Restricted Securities (cl 2.13)</b></p> <p>The Company shall comply with the requirements of the ASX Listing Rules with respect to Restricted Securities. Restricted Securities cannot be disposed of during the escrow period except as permitted by the ASX Listing Rules or ASX. The Company will refuse to acknowledge a disposal of Restricted Securities during the escrow period except as permitted by the ASX Listing Rules or ASX.</p>	<p><b>Restricted Securities (cl 27)</b></p> <p>The Company must comply with and enforce any Restriction Deed (as that term is defined in the ASX Listing Rules) and/or the terms of any Restriction Notice (as that term is defined in the ASX Listing Rules) and enforce the Constitution to ensure compliance with the requirements of the ASX Listing Rules or ASX relating to Restricted Securities. During the escrow period applicable to Restricted Securities, the holder of those Restricted Securities must not dispose of, or agree or offer to dispose of, those Restricted Securities, except as permitted by the ASX Listing Rules or ASX.</p>	<p>The Proposed Constitution complies with ASX Listing Rule 15.12, which came into operation on 1 December 2019 and applies to entities admitted to the Official List.</p> <p>Under ASX Listing Rule 15.12, ASX requires certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.</p> <p>ASX Listing Rule 15.12 sets out the requirements that an entity's constitution must provide for with respect to restricted securities. The Proposed Constitution is updated to reflect the requirements of ASX Listing Rule 15.12.</p>

## Need assistance?



**Phone:**

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



**Online:**

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

QHL

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

## Quickstep Holdings Limited Annual General Meeting

The Quickstep Holdings Limited Annual General Meeting will be held on Thursday, 18 November 2021 at 2:00pm (AEDT). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

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

For your proxy appointment to be effective it must be received by 2:00pm (AEDT) on Tuesday, 16 November 2021.



### ATTENDING THE MEETING VIRTUALLY

To view the live webcast and ask questions on the day of the meeting you will need to visit <https://services.choruscall.com/mediaframe/webcast.html?webcastid=KVDdoi6a> or call on shareholder audio **1800 271 194** or **+61 2 9189 6755**

To vote online during the meeting you will need to visit <https://web.lumiagm.com/307561288>  
For instructions refer to the online user guide [www.computershare.com.au/onlinevotingguide](http://www.computershare.com.au/onlinevotingguide)

QHL

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

## Need assistance?



**Phone:**

1300 855 080 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AEDT) on Tuesday, 16 November 2021**.

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

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

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

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

## Lodge your Proxy Form:

**XX**

### Online:

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

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

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

### By Mail:

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

### By Fax:

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



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

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



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



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

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

XX

I/we being a member/s of Quickstep Holdings Limited hereby appoint



the Chairman  
of the Meeting

OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Quickstep Holdings Limited to be held as a virtual meeting on Thursday, 18 November 2021 at 2:00pm (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4 and 6 by marking the appropriate box in step 2.

### Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mrs Leanne Heywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Quickstep Incentive Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of securities under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

QHL

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