

Universal Store

ASX ANNOUNCEMENT

UNIVERSAL STORE HOLDINGS LIMITED

SHAREHOLDER LETTER, NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

Brisbane, 21 October 2022

In accordance with the ASX Listing Rules, Universal Store Holdings Limited (**Universal Store**) (ASX: UNI) attaches the following documents in relation to Universal Store's Annual General Meeting to be held on Thursday 24 November 2022 at 2.00pm (Brisbane time), for immediate release.

- Shareholder Letter
- Notice of 2022 Annual General Meeting
- Voting / Proxy Form
- Shareholder Question Form

The 2022 Annual Report was released to the ASX on 26 August 2022.

Authorised for release by the Board of Universal Store Holdings Limited.

For more information, please contact: investorrelations@universalstore.com.au

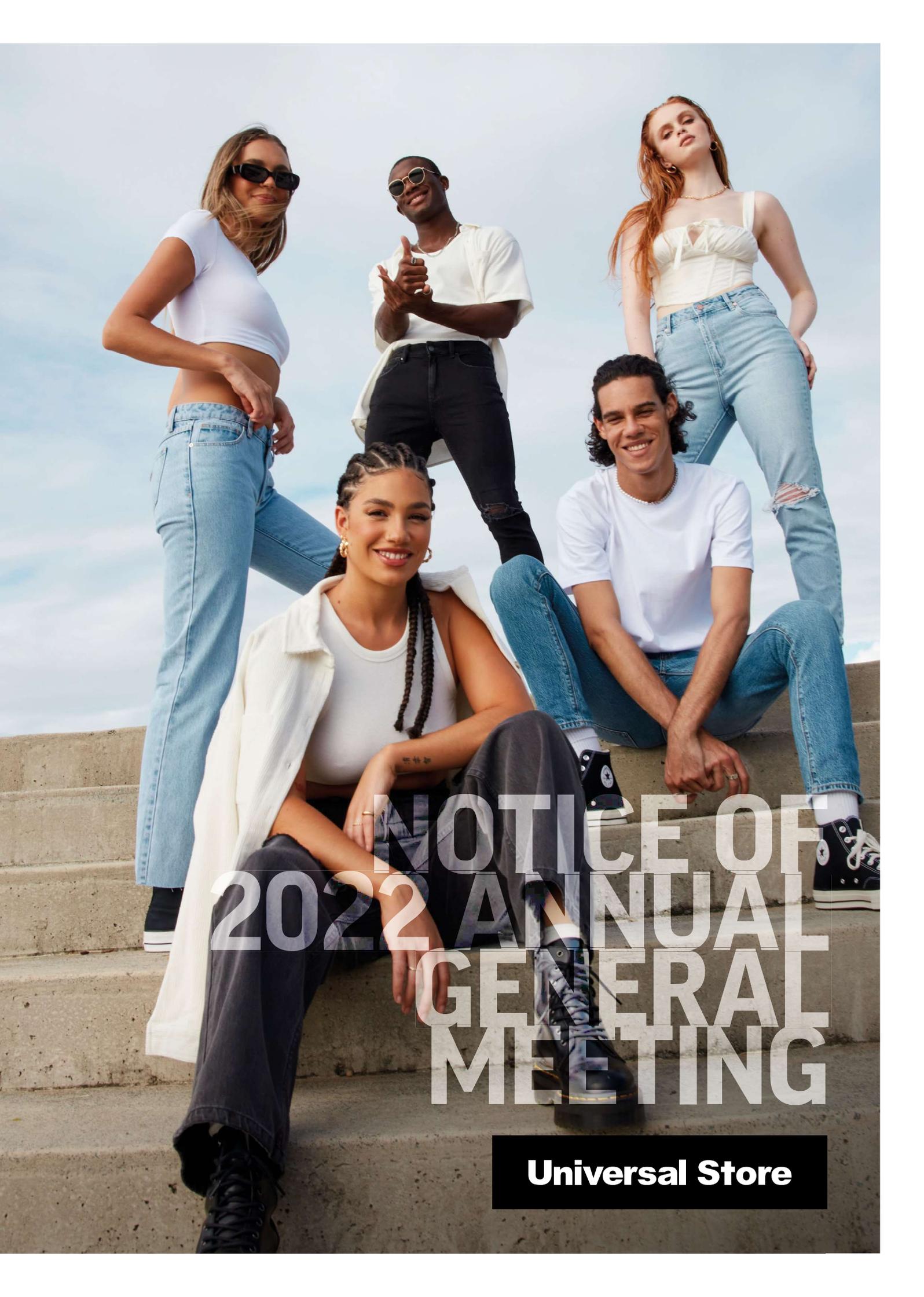
Alice Barbery
Chief Executive Officer
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ABOUT UNIVERSAL STORE

Universal Store is a specialty retailer of youth casual apparel that operates 78 physical stores across Australia and a fast-growing online store.

The Company's strategy is to deliver a frequently changing and carefully curated selection of on-trend apparel products to a target 16-35 year old fashion focused customer. Universal Store seeks to provide a high level of customer service, consistent price proposition and a welcoming and engaging store environment. It offers a diversity of brands and styles in order to cater to the constantly evolving and widely varied tastes and trends observed in the youth apparel market.



NOTICE OF
2022 ANNUAL
GENERAL
MEETING

Universal Store

Universal Store

2022 Annual General Meeting

Dear Shareholder

You are invited to attend the Annual General Meeting (**Meeting**) of Universal Store Holdings Limited (**Universal Store**) (ASX: UNI) to be held:

Date: Thursday, 24 November 2022

Time: 2.00pm (Brisbane time)

Location: Morgans Financial Limited, Riverside Centre, Level 29, 123 Eagle St, Brisbane City QLD 4000

Notice of Annual General Meeting

The Notice of Meeting (including Explanatory Notes) and Proxy Form set out the business of the meeting and provide details of how you may participate, vote and ask questions before and during the Meeting. The Notice of Meeting, Voting / Proxy Form and Shareholder Question Form are available to view and download from Universal Store's website at <https://investors.universalstore.com/investor-centre/>. You can access Universal Store's 2022 Annual Report at the same web address.

To support environmentally sustainable practices and as permitted by the Corporations Act 2001 (Cth), Universal Store will no longer distribute its Notice of Meeting and other Meeting-related materials including Voting/ Proxy Form and Shareholder Question Form in hard copy form, unless you make a one-off request or standing election to receive the materials by mail. We encourage you to switch to paperless communications by electing to receive your shareholder communications electronically and by providing us with your email address. To change your communication preference, please log into your portfolio on the share registry's website at www.linkmarketservices.com.au and follow the prompts.

You may request a hard copy of the Notice of Meeting, Voting/Proxy Form or Shareholder Question Form by phoning 1300 554 474 Overseas: +61 1300 554 474 or emailing LMSComms@linkmarketservices.com.au.

We look forward to you joining us at the AGM.



Peter Birtles
Chairman

Universal Store Holdings Limited

ABN 94 628 836 484

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (Meeting) of Shareholders of Universal Store Holdings Limited ("Universal Store" or "the Company") ABN 94 628 836 484 will be held at:

Time: 2:00pm (Brisbane time)

Date: Thursday, 24 November 2022

Place: Morgans Financial Limited, Riverside Centre, Level 29,123 Eagle St, Brisbane City QLD 4000, Brisbane, Queensland, Australia

The Notice of Meeting and related documents set out the business of the AGM and details of the Meeting. The Notice of Meeting, Voting/Proxy Form, Shareholder Question Form and 2022 Annual Report is available on Universal Store's website at <https://investors.universalstore.com/investor-centre/>.

I encourage you to read the Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and consider lodging a directed proxy in advance of the AGM no later than 2.00pm (Brisbane time) on Tuesday, 22 November 2022 at <http://www.linkmarketservices.com.au/> or in one of the ways specified in the Notice of Meeting and Proxy Form.

Thank you for your continued support of Universal Store. We look forward to your attendance and the opportunity to engage with you at our 2022 AGM.

AGENDA

1 Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2022, together with the Directors' Report and the Auditor's Report as set out in the Annual Report. Shareholders are not required to vote on this item.

2 Resolution 1 – Non-Binding Resolution to adopt Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2022 as set out in the 2022 Annual Report be adopted."

Note: The Remuneration Report is contained in the 2022 Annual Report. Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (Corporations Act), the vote on this resolution is advisory only and does not bind the Directors or the Company.

3 Resolution 2 – Re-election of Mr Trent Peterson as a Director

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

"That, Mr Trent Peterson, who retires in accordance with clause 6.2(b) of the Constitution and, being eligible for re-election, be re-elected as a Director."

4 Resolution 3 – Election of Ms Renee Gamble as a Director

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

"That, Ms Renee Gamble, who retires in accordance with clause 6.2(a) of the Constitution and, being eligible for election, be elected as a Director."

5 Resolution 4 – Approval of Universal Store Equity Incentive Plan

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

"That, for the purposes of Listing Rule 7.2, exception 13 and for all other purposes, the employee incentive scheme of the Company known as the Universal Store Equity Incentive Plan and the issue of Securities under that plan, as described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved."

6 Resolution 5 – Issue of Performance Share Rights under the Universal Store Equity Incentive Plan – Ms Alice Barbery

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the issue of 114,017 Performance Share Rights to the Managing Director – Ms Alice Barbery under the Universal Store Equity Incentive Plan on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved."

7. Resolution 6 – Giving of Financial Assistance by the Target to the Company for the purposes of section 260B(2) of the Corporations Act

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

"That, for the purposes of section 260B(2) of the Corporations Act 2001 (Cth), approval is given for:

- (a) the financial assistance (as described in the Explanatory Memorandum) to be provided by the Target, of which the Company is the Listed Holding Company, from time to time in connection with the Acquisition, any refinancing of all or any of the facilities, and the amendment, restatement or replacement of any of the documents detailed in the Explanatory Memorandum;*
- (b) any transaction (or element of any transaction) described or contemplated in the Explanatory Memorandum which may constitute the giving of financial assistance for the purposes of section 260A of the Corporations Act; and*
- (c) the Company entering into and giving effect to the documents required to implement any transaction and the giving of financial assistance described or contemplated in the Explanatory Memorandum."*

OTHER BUSINESS

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

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

VOTING EXCLUSION STATEMENTS AND VOTING PROHIBITIONS

For the purposes of ASX Listing Rule 14.11, the following voting exclusions statements apply to Resolutions 1, 4 and 5.

Resolution 1. Remuneration Report

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2022 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

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

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

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 1 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 4. Approval to Issue Securities under the Universal Store Equity Incentive Plan

For the purposes of ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any person who is eligible to participate in the employee incentive scheme and any of their associates.

The Non-Executive Directors are ineligible to participate in the Universal Store Equity Incentive Plan and this is the only employee incentive scheme. As a result, Non-Executive Directors will not be excluded from voting on Resolution 4. However, this does not apply to a vote cast in favour of Resolution 4 by:

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or

- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 4 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 5. Issue of Performance Share Rights under the Universal Store Equity Incentive Plan – Ms Alice Barbary

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

- a. Alice Barbary; or
- b. an associate of Alice Barbary.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 5 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (or their associates) who is eligible to participate in the employee incentive scheme in question.

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

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 5; and
 - ii. the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

BY ORDER OF THE BOARD



Renee Jones

Joint Company Secretary

21 October 2022

ALL RESOLUTIONS BY POLL

In accordance with the Act, the Chair will call a poll for each of the Resolutions proposed at the AGM.

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (Brisbane time) on Tuesday, 22 November 2022 will be entitled to attend and vote at the AGM as a shareholder.

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

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the *Corporations Act* to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

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

To be effective, the proxy must be received at the Share Registry of the Company no later than 2.00pm (Brisbane time) on Tuesday, 22 November 2022. Proxies must be received before that time by one of the following methods:

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

BY MAIL: Universal Store Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX: 02 9287 0309 (within Australia)
+61 2 9287 0309 (from outside Australia)

BY HAND: Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am to 5:00pm) and subject to public health orders and restrictions if in place.

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

ALL ENQUIRIES TO:

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

Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 2.00pm (Brisbane time) on Tuesday, 22 November 2022 being 48 hours before the AGM.

Corporate Representatives

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

SHAREHOLDER QUESTIONS – SUBMITTED PRIOR TO THE MEETING

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au select Voting then click 'Ask a Question'.

All Shareholders present at the Meeting will have a reasonable opportunity to ask questions during the AGM.

The Company's external auditor, PricewaterhouseCoopers (**Auditor**) will attend the Meeting and there will be a reasonable opportunity to ask the Auditor questions relevant to:

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

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

To allow time to collate questions and prepare answers, please submit any questions by **5:00pm (Brisbane time) on Thursday, 17 November 2022** (being no later than the fifth business day before the AGM is held). Questions will be collated and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

CONDUCT OF MEETING

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

Universal Store will not allow conduct at any shareholder meeting which is discourteous to those who are present at the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting.

The Chair of the Meeting will exercise his powers as the Chair to ensure that the meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.

In the event that technical issues arise, Peter Warren will have regard to the impact of the technical issues on shareholders participating and casting votes and the Chair of the Meeting may, in exercising his powers as the Chair, issue any instructions for resolving the issue and may continue the Meeting if it is appropriate to do so.

ACCESS TO MEETING DOCUMENTS

The following documents are available on the Company's website at <https://investors.universalstore.com/investor-centre/>:

- Notice of Meeting and Explanatory Notes;
- Proxy Form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online proxy voting facility that can be accessed on Universal Store's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost-effective receipt of your proxy; and
- an AGM Shareholder Question Form to be completed if you would like a specific question to be addressed by the Chair or our external Auditor at the AGM.

Universal Store Holdings Limited

ABN 94 628 836 484

EXPLANATORY MEMORANDUM

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

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Resolutions 2 - 5 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the Resolution. Resolution 1, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company. Resolution 6 is a special resolution which will require at least 75% of votes cast by Shareholders present and entitled to vote on the resolution, to be in favour of the resolution.

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

Financial Reports

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2022, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

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

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

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

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

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

Resolution 1 – Non-Binding Resolution to adopt Remuneration Report

Section 250R(2) of the Corporations Act 2001 (Cth) (the **Act**) requires that the section of the Directors' Report dealing with the remuneration of directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

The Remuneration Report is set out in the Company's 2022 Annual Report and is also available on the Company's website at <https://investors.universalstore.com>.

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

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

Voting

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

Board recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Directors unanimously recommend Shareholders vote in favour of this Resolution.

Resolution 2 – Re-election of Mr Trent Peterson as a Director

Pursuant to Clause 6.2(b) of the Company's Constitution, Mr Trent Peterson, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director. If Shareholders do not approve the election of Mr Peterson then he will cease to be a Director at the conclusion of the Meeting.

Mr Peterson was appointed to the Board of Universal Store in September 2018 as a Non-Executive Director and held the role of Chair of Universal Store from October 2018 until Universal's listing on the ASX in 2020. Post-Completion Mr Peterson became a Non-executive Director and was appointed as Chair of the People and Remuneration Committee.

Qualifications

Mr Peterson has over 20 years of investment and private equity experience, focused primarily on businesses operating in consumer, retail and media sectors. He is the Managing Director of Catalyst Investment Managers and the Managing Director of Catalyst Direct Capital Management.

Mr Peterson is also a Non-executive Director of Adairs Limited, Shaver Shop Group Limited and Dusk Group Limited and is a director of Cirrus Media (trading as Australian Doctor Group). Trent was previously a director of Just Group, EziBuy, Max Fashions, SkyBus, Taverner Hotel Group and Global Television.

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

Independence

The Board considered whether Mr Peterson had any interest, position or relationship that may interfere with his independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Council Principles & Recommendations (4th edition) (**ASX Principles**). The Board considers Mr Peterson to be independent Director and that he will (if re-elected), will continue to be an independent director notwithstanding his role with Catalyst Direct Capital Management and its historical arrangements with BB Retail Capital who was a substantial shareholder of the Company. Catalyst Direct Capital Management also maintains a shareholding in the Company.

Board recommendation

The Board strongly supports the re-election of Trent Peterson as a Director of the Company as his skills, qualifications, experience, and deep knowledge of Universal Store and the retail industry generally, will assist the Company in achieving its strategic objectives.

For the reasons set out above, the Directors, with Mr Peterson abstaining, unanimously recommend Shareholders vote in favour of Resolution 2.

Resolution 3 – Election of Ms Renee Gamble as a Director

The Board appointed Ms Renee Gamble as an independent Non-executive Director of the Company pursuant to clause 6.1(c) of the Company's Constitution on 1 December 2021. She is a member of the Audit & Risk Committee.

In accordance with clause 6.2(a) of the Constitution, Ms Gamble retires from office at the conclusion of the AGM and is eligible for election as a Director of the Company. If shareholders do not approve the election of Ms Gamble then Ms Gamble will cease to be a Director at the conclusion of the Meeting.

Qualifications

Ms Gamble is Managing Director at Google Australia, leading the Sydney headquartered Large Customer Solutions sales team. She is also the Executive Sponsor of Google's APAC Retail Leadership Steering Committee and a member of the Google APAC Hiring Committee.

Ms Gamble is a Graduate Member of the Australian Institute of Company Directors and brings an extensive track record of technology and business innovation leadership with over 10 years at Microsoft in Singapore and Australia in various sales and business leadership roles. Ms Gamble previously worked as an industry analyst and business leader with International Data Corporation across Hong Kong, Beijing, and Singapore

Prior to submitting herself for election, Ms Gamble has confirmed that she would continue to have sufficient time to properly fulfil her duties and responsibilities to the Company.

Independence

The Board considered whether Ms Gamble had any interest, position or relationship that may interfere with her independence as a Director, having regard to the relevant factors as set out in the ASX Principles. Ms Gamble is considered by the Board to be independent.

Board recommendation

The Directors consider Ms Gamble's relevant skills and qualifications, in particular her extensive experience in the retail, technology and consumer sectors, will assist the Company in achieving its strategic objectives.

For the reasons set out above, the Directors, with Ms Gamble abstaining, unanimously recommend Shareholders vote in favour of Resolution 3.

Resolution 4 – Approval of Universal Store Equity Incentive Plan

The Company considers that it is desirable to adopt an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key executive directors, senior executives and employees and provide them with the opportunity to participate in the future growth of the Company.

Resolution 4 seeks Shareholder approval for the adoption of the employee incentive scheme titled Universal Store Equity Incentive Plan (**Plan**) in accordance with Listing

Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and, on the terms, set out in the rules of the Plan, a summary of the key terms and conditions is in Schedule 1.

In addition, a copy of the Plan is available for review by Shareholders at

<https://investors.universalstore.com>.

Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities over a 12 month period which exceeds 15% of the number of fully paid ordinary Shares it had on issue at the start of the 12 month period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 1.

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking Shareholder approval for the proposed issue of the Executive Director Performance Share Rights pursuant to the Plan under Resolution 5.

If Resolution 4 is not passed, future issues of Equity Securities under the Plan may still be made but must be counted towards the 15% limit on the Company's capacity to issue new securities without Shareholder approval under ASX Listing Rule 7.1. Alternatively, the Board may consider alternative remuneration arrangements which are consistent with the Company's remuneration principles.

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) A summary of the material terms of the Plan is in Schedule 1.
- (b) This is the first time the Company is seeking Shareholder approval of the Plan and no Equity Securities have been issued under the Plan as at the date of this Notice.
- (c) The maximum number of Equity Securities proposed to be issued under the Plan pursuant to Listing Rule 7.2, exception 13(b), within the 3-year period following approval of Resolution 4 will not exceed 10% of the Company's Equity Securities on issue at any given time during that period (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). As at 4 October, 2022 10% of the Company's Equity Securities on issue would be 7,319,584 shares. The maximum number is not intended to be a prediction of the actual number of Equity Securities to be issued under the Plan, simply a ceiling for the purposes of ASX Listing Rule 7.2, exception 13(b).
- (d) A voting exclusion statement is included in the Notice.

The Directors consider that the Universal Store Equity Incentive Plan will provide an appropriate mechanism to incentivise employees and is in the best interests of Universal Store Holdings Limited and therefore recommends that shareholders vote in favour of Resolution 4.

Resolution 5 – Issue of Performance Share Rights under the Universal Store Executive Long Term Incentive Plan – Ms Alice Barbery

This resolution deals with the proposed grant of Performance Share Rights under the Universal Store Limited Equity Plan Incentive Plan (**Plan**) to Ms Alice Barbery, an Executive Director of the Company.

The Company proposes to grant a total of 114,017 Performance Share Rights to Ms Barbery on or around 24 November 2022 under the terms of the Plan subject to shareholder approval (**proposed grant**).

The proposed grant under the Plan to Ms Barbery is to further encourage and facilitate share ownership for Executive Directors and as a means for enhancing the alignment of interests between Executive Directors and shareholders generally.

Details of the Plan are presented in the Explanatory Memorandum relating to Resolution 4 in Schedule 1.

Under ASX Listing Rule 10.14, shareholder approval is required in order for a Director to be issued securities under an employee incentive scheme.

Accordingly, approval is sought for the proposed grant to Ms Barbery of 114,017 Performance Share Rights under the Plan. For the purposes of Listing Rule 10.15, the key terms are detailed below. This proposed grant is conditional on receiving shareholder approval of Resolution 4.

ASX Listing Rule 7.1 imposes a 15% cap on the number of equity securities that can be issued by Universal Store without approval of shareholders in any rolling twelve-month period. However, Universal Store is permitted to issue shares (or other securities) in excess of the 15% limit if those shares or securities are issued in reliance on an exception to ASX Listing Rule 7.1 or the issue is approved by shareholders.

Resolution 5, if passed, will provide approval for this purpose in relation to both the Performance Share Rights and any Shares issued on vesting of those rights. If approval is given under Listing Rule 10.14, the issue of such Performance Share Rights to Ms Barbery will not count toward the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1, in accordance with Exception 14 in ASX Listing Rule 7.2.

If shareholders do not approve Resolution 5, the proposed issue of Performance Share Rights to Ms Barbery will not proceed. However, to ensure Universal Store can attract and retain the right talent and align Ms Barbery with those of shareholders, the Board considers it is important for Universal Store to offer incentives to its directors and executives that are in line with market practice. The Board would need to consider alternative remuneration arrangements.

The Company has determined that the proposed grant of Performance Share Rights under the Plan pursuant to the resolution in item 5 as part of Ms Barbery's remuneration package will constitute the giving of reasonable remuneration for the purposes of Chapter 2E of the Corporations Act.

Key terms of the Performance Share Rights grant to Ms Alice Barbery:

Details of the Grant	The proposed grant to Alice Barbery is 114,017 Performance Share Rights. Each Performance Share Right is a conditional right to acquire: a) by way of issue or transfer, one Share; or b) a cash payment in lieu of the issue or transfer of a Share equal to the Market Value of a Share at the vesting date of the Right, less any Tax required to be withheld and inclusive of any statutory superannuation contributions. The Market Value of a Share will be determined by the Board around the
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	<p>vesting date;</p> <p>subject to the satisfaction of the Vesting Conditions set out below.</p> <p>The grant of Performance Share Rights is conditional upon shareholder approval being obtained.</p>										
Price payable on Grant or Exercise	No amount will be payable to the Company in respect of the issue or exercise of new Performance Share Rights.										
Vesting of Performance Share Rights	The Performance Share Rights will vest following the release of the Company's FY25 results.										
Performance Period	1 July 2022 to 30 June 2025										
Date of Grant	On or around 24 November 2022, subject to shareholder approval.										
<p>Vesting Conditions which must be satisfied (or waived) before Performance Share Rights vest and can be exercised</p> <p>EPS – Performance Condition</p>	<p>In order for any Rights that have not lapsed to vest:</p> <p>a) Alice Barbery must have remained in continuous employment with Universal Store as of the end of the Performance Period;</p> <p>b) a gateway ROCE target of 20% or greater must be achieved in the final year of the performance period (FY25); and</p> <p>c) a threshold level of performance against the EPS targets must be achieved.</p> <p>The percentage of Rights that vest, will be determined over the performance period by reference to the vesting schedule set out below.</p> <p>Calculation of the Company's EPS and achievement against the EPS targets will be determined by the Board in its absolute discretion, having regard to any matters that it considers relevant. The Board retains discretion to adjust the EPS targets in exceptional circumstances.</p>										
	<table border="1"> <thead> <tr> <th>Company EPS in FY25</th> <th>% of Rights that vest</th> </tr> </thead> <tbody> <tr> <td>Less than \$0.45</td> <td>Nil</td> </tr> <tr> <td>Equal to \$0.45 (threshold)</td> <td>30%</td> </tr> <tr> <td>Between \$0.45 and \$0.60</td> <td>Straight line pro rata vesting between 30% and 100%</td> </tr> <tr> <td>At or above \$0.60 (stretch)</td> <td>100%</td> </tr> </tbody> </table>	Company EPS in FY25	% of Rights that vest	Less than \$0.45	Nil	Equal to \$0.45 (threshold)	30%	Between \$0.45 and \$0.60	Straight line pro rata vesting between 30% and 100%	At or above \$0.60 (stretch)	100%
	Company EPS in FY25	% of Rights that vest									
	Less than \$0.45	Nil									
	Equal to \$0.45 (threshold)	30%									
	Between \$0.45 and \$0.60	Straight line pro rata vesting between 30% and 100%									
At or above \$0.60 (stretch)	100%										
	Performance will not be retested if the Vesting Conditions above are not satisfied at the end of the performance period. Any Rights										

	<p>that remain unvested at the end of the performance period will lapse, subject to the Board discretion.</p>
<p>Cessation of employment</p>	<p>If Alice Barbery ceases to be an employee of the Company prior to the vesting of Performance Share Rights, the treatment will depend on the circumstances of cessation.</p> <p>If Alice Barbery is terminated prior to the end of the Performance Period (Service Period) as a 'good leaver' (including as a result of death, terminal illness, total and permanent disablement, mental illness genuine redundancy or retirement (with the agreement of the Board)), Alice Barbery will be entitled to retain a pro-rata amount of unvested Rights based on the proportion of the Service Period which has elapsed at the date that employment ceases. Any remaining unvested Rights will lapse, and any retained Rights will remain subject to the applicable Performance Condition.</p> <p>If Alice Barbery's employment within the Group is terminated in circumstances in which Alice Barbery is not considered a good leaver (e.g. resignation, or termination of employment initiated by Alice Barbery or the relevant Group Company other than where such termination is as a good leaver), unvested Rights will immediately lapse, unless the Board determines otherwise.</p> <p>Notwithstanding the above, the Board may also, subject to any requirement for Shareholder approval, determine to treat Rights in a manner different to that set out above.</p>
<p>Control and Take over events</p>	<p>If a change of control event occurs with respect to the Company, the Board may determine, in its discretion, the manner in which all unvested Rights will be dealt with. This may include determining that some or all of the Rights will vest, lapse or remain on foot.</p> <p>Where the Board does not exercise its discretion and a change of control event occurs, unless the Board determines otherwise, any unvested Rights will vest on a pro-rata basis to time, based on the proportion of the relevant Service Period that has elapsed at the time of the change of control event.</p>
<p>Clawback and malus</p>	<p>Amongst other things, the Board can determine to lapse unvested Rights or recoup proceeds from vested and exercised Rights in certain circumstances (for example, in the event of fraud, dishonesty, serious misconduct or gross negligence or a material misstatement or omission in the Company's financial statements).</p>

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

- 10.15.1 Alice Barbery or her nominee.
- 10.15.2 Alice Barbery is a Director and accordingly, shareholder approval for Alice Barbery to acquire securities under an employee incentive scheme is required.

- 10.15.3 The maximum number of Performance Share Rights to be issued to Alice Barbery is 114,017. This has been determined using a face value allocation methodology by dividing the LTI opportunity of \$545,000 by \$4.78 being the 5 day VWAP of shares following release of results.
- 10.15.4 Alice Barbery's total remuneration package for FY2022 included:
- Fixed remuneration and superannuation of \$545,000; and
 - Equity settled performance share rights of nil.
 - A total remuneration package of \$545,000.
- Further information regarding the remuneration of Alice Barbery is set out in the Company's Remuneration Report which forms part of the 2022 Annual Report.
- 10.15.5 Alice Barbery has not previously received securities under the Plan.
- 10.15.6 A summary of the material terms of the Performance Share Rights are included above in this Explanatory memorandum.
- The Performance Share Rights are being issued to further encourage and facilitate share ownership for Executive Directors and as a means for enhancing the alignment of interests between Executive Directors and shareholders generally.
- 10.15.7 It is intended that the Performance Share Rights will be issued to Alice Barbery on or around 24 November 2022 subject to shareholder approval. In any event the Performance Share Rights will be issued no later than three years after the date of the Meeting.
- In the future, it is proposed that grants of Performance Share Rights or Options under the Plan will be made annually, following announcement of the Company's full-year financial results. The Board will have discretion to make grants at other times. The Plan Rules provide the Board with flexibility in relation to annual offers. Any future issues to Directors under the Plan will only be made if shareholder approval is received.
- 10.15.8 The Performance Share Rights will be issued to Alice Barbery (and/or her nominee) for nil cash consideration and no cash consideration will be payable upon the conversion of the Performance Share Rights or the subsequent issue of Shares (if any). Accordingly, no funds will be raised from the issue or conversion of the Performance Rights.
- 10.15.9 A summary of the material terms of the Plan are included above in this Explanatory memorandum. A copy of the Plan rules can be found on the Company's website at <https://investors.universalstore.com>
- 10.15.10 No loan will be provided to Alice Barbery in relation to the Performance Share Rights to be issued under the Plan.
- 10.15.11 Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing rule 10.14.
- Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
- 10.15.12 A voting exclusion statement - See section Voting Exclusion Statements and Voting Prohibitions

Resolution 5 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

The Directors consider that the award of securities to Alice Barbery is an appropriate incentive in the best interests of Universal Store Holdings Limited and therefore recommends (with Alice Barbery abstaining) that shareholders vote in favour of Resolution 5.

Resolution 6 – Giving of Financial Assistance by the Target to the Company for the purposes of section 260B(2) of the Corporations Act

This Explanatory Memorandum has been prepared in connection with Resolution 6, which is proposed to be passed as a special resolution of the Shareholders to approve the giving by the Target of financial assistance within the meaning of section 260A of the Corporations Act. This Explanatory Memorandum is a statement under section 260B(4) of the Corporations Act in connection with Resolution 6.

Unless otherwise stated, defined terms are set out in section 8 (*Glossary*) below.

1 Background

- (a) US Australia Pty Ltd ACN 628 842 053 (**US Australia**) has purchased the entire issued share capital of Cheap Thrills Cycles Pty Ltd ACN 149 302 634 (the **Target**) pursuant to the Acquisition Document (the **Acquisition**). The Target has, on completion of the Acquisition, become a wholly-owned Subsidiary of US Australia.
- (b) The Company is the Listed Holding Company of US Australia. Accordingly, the Company became the Listed Holding Company of the Target on completion of the Acquisition.
- (c) The Company and US Australia entered into the Facility Agreement as well as a general security deed in connection with, among other things, financing the Acquisition.
- (d) Under the Facility Agreement, the Financier has made facilities of approximately \$38,500,000 available to the Company and US Australia which have been or may be used for, among other things:
 - (ii) funding any earn-out or deferred consideration or purchase price adjustments payable in respect of the Acquisition and related transaction costs in accordance with the Acquisition Document; or
 - (iii) funding such other purposes as the Financier may approve in writing,together with any subsequent refinancing or replacement of the facilities under the Facility Agreement or replacement of other Finance Documents.
- (e) The Target is required under the Facility Agreement to, among other things, accede to the Facility Agreement as a Guarantor.

2 Background to the Requirement for Resolution 6

2.1 Restrictions on Companies Giving Financial Assistance

Under section 260A(1)(b) of the Corporations Act, a company may financially assist a person to acquire shares in the company or a holding company of the company if the assistance is approved by shareholders under section 260B of the Corporations Act (that section also requires advance notice to ASIC).

A company may be regarded as providing financial assistance if it furnishes something which is needed in order for a transaction to be carried out or something in the nature of aid or help. Common examples of financial assistance include paying a dividend, debt forgiveness, issuing a debenture, giving a guarantee, or granting security over a company's assets to secure another person's liability. The Target will be providing financial assistance to the Group by acceding to the Facility Agreement as a Guarantor and entering into the General Security Deed to secure the debts and other obligations under the Facility Agreement and other Finance Documents.

The requirements for shareholder approval under section 260B of the Corporations Act are described in section 2.2 (*Shareholder Approval of Financial Assistance*) below.

2.2 Shareholder Approval of Financial Assistance

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

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

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

2.3 Approval by Shareholders under Section 260B(2)

- (a) Resolution 6 is a proposed special resolution of the Shareholders to approve the financial assistance to be provided by the Target to fund any earn-out or deferred consideration or purchase price adjustments payable in respect of the Acquisition, where the giving of the financial assistance is required by the terms of the Facility Agreement.
- (b) The Shareholders are being asked to approve these arrangements because, as a result of the Acquisition, the Company became the Listed Holding Company of the Target, and for the purpose of section 260A of the Corporations Act, the Target is providing financial assistance to assist the funding of the Acquisition.

3 Financial Assistance Approvals

3.1 Effect of Financial Assistance

As the Company and certain other members of the Group are already liable for amounts payable under the Finance Documents, the giving of the financial assistance described in this Explanatory Memorandum by the Target is unlikely to have any adverse effect on the Target, except that:

- (a) the operations of the Target will be restricted by the representations and undertakings given by it under the Finance Documents;
- (b) the Target will assume a joint and several liability with the Company and/or other Guarantors;
- (c) the Target will provide guarantees and indemnities; and
- (d) the Target may be required to make available directly or indirectly cash flows (whether through dividends, capital distributions, intercompany loans or otherwise) or other resources in order to enable the Company and/or other Guarantors to

comply with their payment and other obligations under the Facility Agreement and other Finance Documents.

If a breach occurs, the Financier may require immediate repayment of the amounts due under the Facility Agreement and/or any other Finance Documents and the Financier will be entitled to enforce its security over the assets of the Target. This may include a disposal of the shares of the Target acquired by the Company at less than the value that the Company would otherwise expect to be achieved.

The directors of the Company and the Target do not currently believe that the Target is likely to default on its obligations under the Finance Documents.

3.2 Reasons for Giving Financial Assistance

The main reasons for the giving of the financial assistance described in this document include, but are not limited to:

- (a) it benefits the Target to assist its holding company to raise money in order to later provide its Subsidiaries with finance on better terms than would be available to the Target on a stand-alone basis;
- (b) US Australia will be able to maintain its ownership of the Target, which enables the Target to:
 - (i) benefit from the synergies and cost savings through its integration with the Group; and
 - (ii) have access to new management expertise provided to US Australia and its affiliates;
- (c) it is a condition of the Facility Agreement that the Target accedes and provides security and guarantees. Failure to comply with such condition in the time specified in the Facility Agreement will be an event of default under the Finance Documents and the Target (or its holding company) may be forced to refinance on worse terms (which may include not being able to provide the Target with finance); and
- (d) it is a reasonable, customary and necessary part of obtaining finance on the most favourable terms. Obtaining a facility of this nature without that requirement would have been difficult and would have resulted in funding being obtained on more restrictive and expensive terms.

Accordingly, the directors of the Company believe that approving the transactions contemplated by this Explanatory Memorandum is in the best interests of the Company and the Target.

3.3 Disadvantages of Giving Financial Assistance

The disadvantages of the proposed resolution for the Target include the following:

- (a) it will become liable for the amounts due under the Finance Documents;
- (b) its assets will be subject to security and its operations will be restricted by the representations and undertakings given by it under the Finance Documents;
- (c) the Company may default under the Facility Agreement;
- (d) the Financier may make a demand under the guarantees provided by the Target requiring immediate repayment of the amounts due under the Finance Documents; and
- (e) the Financier may enforce the guarantee and/or security granted by the Target to recover the amounts due.

A demand made under the guarantees may result in the winding up of the Target and a sale of the Target's assets by the Financier upon an enforcement of its rights under the General Security Deed may result in a return to the Target (and ultimately its

Shareholder) significantly lower than could have been achieved by the Target had those assets been sold in the ordinary course of business or had the Target continued trading.

3.4 Passing Resolution 6

Resolution 6 accompanies this Explanatory Memorandum. Resolution 6 will be passed if 75% of the Shareholders vote in favour of the resolution pursuant to section 260B(2) of the Corporations Act. The Shareholders may vote either for or against Resolution 6 or abstain from voting.

4 Recommendation

The directors of the Company unanimously recommend that the Shareholders vote in favour of Resolution 6 to approve the giving of financial assistance by the Target from time to time.

5 Prior Notice to ASIC

As required by section 260B(5) of the Corporations Act, copies of Resolution 6 and this Explanatory Memorandum as sent to the Shareholders were lodged with ASIC prior to their dispatch to the Shareholders.

6 Disclosure

- (a) The directors consider that this Explanatory Memorandum contains all information known to the Company that would be material to the Shareholders in deciding how to vote on Resolution 6 other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the Shareholders.
 - (b) The directors confirm that as at the date of this Explanatory Memorandum the Company is solvent and understands that the Target is solvent and will not become insolvent by entering into and performing its obligations under each Finance Document to which is or will be a party.
-

7 Glossary (for the purposes of Resolution 6 only)

In this Explanatory Memorandum, unless defined otherwise:

Acquisition is defined in section 2 (*Background*) above.

Acquisition Document means the document entitled "Share Purchase Agreement" dated 23 September 2022 among US Australia, the Sellers (as defined therein) and others.

ASIC means the Australian Securities & Investments Commission.

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

Explanatory Memorandum means this document.

Facility Agreement means the document entitled "First Amended Facility Agreement – Universal Store" originally dated 26 October 2020 and amended on 28 September 2022 between, among others, the Company, US Australia and the Financier.

Finance Documents means:

- (a) the Facility Agreement;
- (b) the Accession Deed;
- (c) the General Security Deed;
- (d) any related guarantees and security documents and all other related finance documents under which the facilities under the Facility Agreement are provided;

- (e) any document refinancing, amending, varying, supplementing, replacing, releasing or restating any of the above documents or the parties to them or by which any person becomes a party to any of the above documents; and
- (f) any document which is considered necessary, expedient, advisable, incidental or desirable for giving effect to, or which relates to, the provisions of the above documents or the transactions contemplated by them.

Financier means

- (a) Australia and New Zealand Banking Group Limited ABN 11 005 357 522; and
- (b) any other person that becomes a 'Financier' under the Facility Agreement.

General Security Deed means the document entitled "General Security Deed – Universal Store (Accession)" to be entered into by, among others, the Target and the Financier.

Group means the corporate group comprising the Company and each Subsidiary of the Company from time to time.

Guarantor means any entity that accedes as a 'guarantor' in accordance with the terms of the Facility Agreement.

Listed Holding Company is defined in section 2.2 (*Shareholder Approval of Financial Assistance*) above.

Shareholder means each person who is registered in the register of members as the holder of fully paid ordinary shares in the capital of the Company, from time to time.

Subsidiary means a 'subsidiary' as defined in section 9 of the Corporations Act.

Target is defined in section 1 (*Background*) above.

GLOSSARY

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Annual Report means the annual report of the Company for the year ended 30 June 2022.

Associate has the meaning given to that term in the Listing Rules.

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

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2022.

Board means the Directors.

Chair or Chairman means the individual elected to chair any meeting of the Company from time to time.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Universal Store Holdings Limited ABN 94 628 836 484.

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

Corporations Act means Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Equity Securities means a financial instrument that represents an ownership share in a Company (including Shares, Options and/or Performance Rights).

Key Management Personnel has the meaning given to that term in the Corporations Act.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice means this Notice of Annual General Meeting.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2022.

Resolution means a resolution contained in the Notice.

ROCE means return on capital employed

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

Shares means fully paid ordinary shares in the capital of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Schedule 1 – Summary of the key terms of the Plan

Set out below is a summary of the key terms of the Universal Store Equity Incentive Plan, for which Shareholder approval is sought under Resolution 4.

Term	Description
Eligibility	<p>The Board has the discretion to determine which employees are eligible to participate in the Plan, and the number and type of Awards that they will be offered (“Eligible Employee”). The definition of employee under the Plan rules includes any employee, director, contractor or prospective employee of the Company or any of its subsidiaries.</p>
Awards	<p>The Plan provides flexibility for the Company to grant options to acquire Shares, rights to acquire Shares and/or Shares as incentives (“Awards”). The Board has the discretion to set the terms and conditions on which it will offer Awards under the Plan.</p> <p>The Board may determine that the Awards will be subject to performance, service, or other conditions which must be satisfied or waived before the Award vests (“Vesting Conditions”) and, if so, will specify those Vesting Conditions in the invitation to each Eligible Employee.</p> <p>In addition, the Board may determine that Awards in the form of options or rights will be subject to further conditions which must be satisfied or waived before vested options or rights may be exercised (“Exercise Conditions”).</p> <p>The Board may, at its discretion, vary, reduce or waive any Vesting Conditions and/or Exercise Conditions attaching to Awards at any time, subject to applicable law.</p>
Acquisition price	<p>The grant of Awards under the Plan may be subject to the payment of an acquisition price by the participant as determined by the Board, or otherwise Awards may be granted at no cost to the participant.</p>
Exercise price	<p>The exercise of Awards in the form of options or rights may be subject to payment of an exercise price by the participant as determined by the Board, or otherwise may be exercised at no cost to the participant.</p>
Shares as an Award or on vesting of an Award	<p>Shares granted under the Plan or issued or transferred on the exercise of options or rights will rank equally in all respects, and carry the same rights and entitlements, as other issued Shares, including dividend and voting rights.</p> <p>Depending on the terms of an Award, Shares may be subject to disposal restrictions, which means that they may not be disposed of or dealt with for a period of time.</p>
Vesting of Shares	<p>Shares granted under the Plan which have not been forfeited under the Plan will vest if and when any applicable Vesting Conditions have been satisfied or waived by the Board.</p> <p>Unless otherwise specified in an invitation, on vesting, Shares will cease to be subject to disposal restrictions and the forfeiture provisions of the Plan. Alternatively, the Board may determine to make a cash payment in lieu of the release of Shares from restriction (in which case, the Company will buy-back and cancel the Shares or deal with the Shares in any other manner determined by the Board).</p>

<p>Vesting and exercise of options and rights</p>	<p>Options and rights which have not lapsed under the Plan will vest if and when any applicable Vesting Conditions have been satisfied or waived by the Board. However, vested options or rights will not become exercisable until any applicable Exercise Conditions have been satisfied or waived by the Board.</p> <p>Following the valid exercise of an option or right, the Company will issue or arrange the transfer of such number of Shares to the participant that relate to the option or right being exercised. Alternatively, the Board may determine to make a cash payment in lieu of the issue or transfer of Shares.</p>
<p>Expiry of options and rights</p>	<p>Options or rights which have not been exercised by the date 15 years from the date of grant of the options or rights, or such other date determined by the Board and specified in the invitation (“Expiry Date”), will lapse unless the Board determines otherwise.</p>
<p>Forfeiture/lapse of Awards</p>	<p>Unless otherwise determined by the Board, a Share granted under the Plan will be forfeited, and an option or right will lapse, in certain circumstances including:</p> <ul style="list-style-type: none"> • where the Board determines that any Vesting or Exercise Condition applicable to the Award cannot be satisfied; • in the case of an option or right, on the Expiry Date applicable to the option or right; • in certain circumstances if the participant’s employment is terminated (see ‘Cessation of employment’ below); • if the Board determines that the Award is liable to clawback (see ‘Clawback and malus’ below) • if the Board determines that the Award will be forfeited or lapse in the event of a change of control in respect of the Company; • where the participant purports to dispose of the Award, or enter into any arrangement in respect of the Award, in breach of any disposal or hedging restrictions; and • where the participant elects to surrender the Award.
<p>Dividend and voting entitlements</p>	<p>Awards, other than Shares, are not entitled to dividend or voting rights. However, the Board may determine prior to making an invitation that any options or rights the subject of the offer will carry rights entitling the holder to receive a payment in cash or Shares equivalent to the value of dividends that would have been payable to the holder had they been the holder of the underlying Shares over which the option or right is exercisable.</p>
<p>Participation rights of options and rights</p>	<p>Options and rights do not confer the right to participate in new issues of Shares or other securities in the Company.</p> <p>However, subject to the ASX Listing Rules, the Plan provides for adjustments to be made to the number of Shares which a participant would be entitled on the exercise of options or rights or the exercise price (if any) of the options or rights in the event of a bonus issue or pro-rata issue to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) or a reorganisation of capital.</p>
<p>Restrictions</p>	<p>Awards may not be sold, transferred, mortgaged, pledged, charged, granted as security or otherwise disposed of, without the prior approval of the Board, or unless required by law.</p>

	Participants must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to any unvested Shares, or options or rights.
Quotation	Awards, except Shares, will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Plan, in accordance with the ASX Listing Rules.
Cessation of employment	The Board has discretion to determine, subject to compliance with applicable law, the treatment of an Award if a Participant ceases to be employed by a Group Company prior to the vesting or exercise of an Award, or an Award ceasing to be subject to any disposal restrictions as a term of the invitation or at the time of cessation.
Clawback and malus	If the Board becomes aware of a material misstatement in the Company's financial statements, that a participant has committed an act of fraud, negligence or gross misconduct or failed to comply with any restrictive covenant or that some other event has occurred which, as a result, means that a participant's Award should be reduced or extinguished, or should not vest, then the Board may clawback or adjust any such Award at its discretion to ensure no unfair benefit is derived by the participant.
Change of control	If a change of control event occurs with respect to the Company, the Board may determine, in its discretion, the manner in which all unvested Shares, or options or rights, will be dealt with.
Trust	The Company may establish an employee share trust for the purposes of the Plan.

Universal Store

www.universalstore.com

LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

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

 **BY FAX**
 +61 2 9287 0309

 **BY HAND**
 Link Market Services Limited
 Level 12, 680 George Street, Sydney NSW 2000

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



X99999999999

PROXY FORM

I/We being a member(s) of Universal Store Holdings Limited and entitled to participate in and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (Brisbane Time) on Thursday, 24 November 2022 at the offices of Morgans Financial Limited, Riverside Centre, Level 29, 123 Eagle St, Brisbane City QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1, 4 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, 4 and 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

VOTING DIRECTIONS

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

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

STEP 2

Resolutions

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1 Non-Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Issue of Performance Share Rights under the Universal Store Equity Incentive Plan – Ms Alice Barbery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Trent Peterson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Giving of Financial Assistance by the Target to the Company for the purposes of section 260B(2) of the Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Ms Renee Gamble as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of Universal Store Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to participate in the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Brisbane Time) on Tuesday, 22 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

<https://investorcentre.linkgroup.com>

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



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO PARTICIPATE IN AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

Universal Store

UNIVERSAL STORE HOLDINGS LIMITED

ACN 628 836 484

LODGE YOUR QUESTIONS



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

Please use this form to submit any questions about Universal Store Holdings Limited (“the Company”) that you would like us to respond to at the Company’s 2022 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company’s auditor it should be relevant to the content of the auditor’s report, or the conduct of the audit of the financial report.

This form must be received by the Company’s share registrar, Link Market Services Limited, by **Thursday, 17 November 2022**.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company’s auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

My question relates to *(please mark the most appropriate box)*

Performance or financial reports

A resolution being put to the AGM

General suggestion

Remuneration Report

Sustainability/Environment

Other

My question is for the auditor

Future direction

Performance or financial reports

A resolution being put to the AGM

General suggestion

Remuneration Report

Sustainability/Environment

Other

My question is for the auditor

Future direction

QUESTIONS