

Universal Store

ASX ANNOUNCEMENT

UNIVERSAL STORE HOLDINGS LIMITED

AMENDED NOTICE OF ANNUAL GENERAL MEETING

Brisbane, 24th October 2023

Universal Store Holdings Limited (**Universal Store**) (ASX: UNI) advises that a minor typographical amendment has been made to the attached Notice of Meeting (including Explanatory Memorandum) for Universal Store's Annual General Meeting to be held on Monday 20 November 2023 at 2.00pm (Brisbane time).

The financial year reference in the sentence "Company EPS in FY25" on page 12 of the Explanatory Memorandum has been amended to "Company EPS in **FY26**".

No other change has been made to the Notice of Meeting.

Authorised for release by the Company Secretary of Universal Store Holdings Limited.

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

ABOUT UNIVERSAL STORE

Universal Store Holdings owns a portfolio of premium youth fashion brands and omni-channel retail and wholesale businesses. The Company's principal businesses are Universal Store and CTC (trading the THRILLS and Worship brands). The Group is currently trialling the Perfect Stranger brand as a standalone retail concept. The Company currently operates 95 physical stores across Australia and 3 online stores. The Company's strategy is to grow and develop its premium youth fashion apparel brands and retail formats to deliver a carefully curated selection of on-trend apparel products to a target 16-35 year-old fashion focused customer.

NOTICE OF 2023 ANNUAL GENERAL MEETING



Universal Store

Universal Store

2023 Annual General Meeting

Dear Shareholder

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

Date: Monday, 20 November 2023
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 also access Universal Store’s 2023 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 from Australia or +61 1300 554 474 from overseas or by 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 (“AGM” or “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: Monday, 20 November 2023

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 2023 Annual Report are 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 Saturday, 18 November 2023 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 2023 AGM.

AGENDA

1 Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2023, 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 an **ordinary non-binding resolution**:

"That the Remuneration Report for the year ended 30 June 2023 as set out in the 2023 Annual Report be adopted."

Note: The Remuneration Report is contained in the 2023 Annual Report. Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (“Act”), the vote on this resolution is advisory only and does not bind the Directors or the Company.

3 Resolution 2 – Re-election of Ms Kaylene Gaffney as a Director

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

"That, Ms Kaylene Gaffney, 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. Renewal of Proportional Takeover Provisions

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

"That, the proportional takeover provisions in rule 15 of the Constitution, as set out in Attachment A of the Notice of Meeting, be renewed for a period of three years commencing on the day this resolution is passed."

5. Resolution 4 – 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 145,101 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."

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 EXCLUSIONS STATEMENT AND VOTING PROHIBITIONS

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

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 2023 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. Issue of Performance Share Rights under the Universal Store Equity Incentive Plan – Ms Alice Barbery

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

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

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 4 by or on behalf of a person 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 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.

BY ORDER OF THE BOARD



Renee Jones
Joint Company Secretary
19 October 2023

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 Saturday, 18 November 2023 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 Saturday, 18 November 2023. Proxies must be received before that time by one of the following methods:

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

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

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

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 (within Australia) or +61 1300 554 474 (outside Australia).

Power of Attorney

A proxy form and the original power of attorney (if applicable) 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 Saturday, 18 November 2023 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 Monday, 13 November 2023** (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.

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
- Question Form

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 timely and cost-effective receipt of your proxy.

Shareholders can also ask an AGM related question online via Universal Store's share registry's website at www.linkmarketservices.com.au .

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.

Resolution 1, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company. Resolutions 2 and 4 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the Resolutions. Resolution 3 is a special resolution which will require at least 75% of the votes cast by Shareholders present and entitled to vote on the Resolution to be in favour of the Resolution to pass.

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 2023, 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 Chair when this item is being considered.

No resolution is required 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 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 2023 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 Ms Kaylene Gaffney as a Director

Pursuant to Clause 6.2(b) of the Constitution, Ms Kaylene Gaffney, being a Director, retires by way of rotation and, being eligible, offers herself for re-election as a Director. If Shareholders do not approve the election of Ms Gaffney, then she will cease to be a Director at the conclusion of the Meeting.

Ms Gaffney was appointed to the Board of Universal Store in October 2020 as a Non-Executive Director and is Chair of the Audit & Risk Management Committee.

Qualifications

Kaylene has had a career in senior financial roles for over 25 years in the retail, health, aviation, telecommunications and information technology sectors.

Kaylene has previously served as a Non-Executive Director and Chair of the Audit and Risk Committee of formerly ASX listed National Veterinary Care Ltd, MSL Solutions Ltd and Wotif.com (all delisted). In 2016, she served as Queensland State Chair of Chartered Accountants Australia and New Zealand.

Prior to submitting herself for election, Ms Gaffney 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 Gaffney 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 Corporate Governance Council Principles & Recommendations (4th edition) (**ASX Principles**). The Board considers Ms Gaffney to be an independent Director and that she will (if re-elected), continue to be an independent director.

Board recommendation

The Board strongly supports the re-election of Kaylene Gaffney as a Director of the Company as her 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 Ms Gaffney abstaining, unanimously recommend Shareholders vote **in favour** of Resolution 2.*

Resolution 3: Renewal of Proportional Takeover Provisions

Rules 15.1, 15.2 and 15.3 of the Constitution (set out in Attachment A) provide that the Company must not register a transfer of shares which would give effect to a contract, resulting from the acceptance of an offer made under a proportional takeover bid unless shareholders, in a general meeting, approve the offer. Under the Corporations Act and rule 15.4 (a) and (b) of the Constitution, rules 15.1, 15.2 and 15.3.2 cease to have effect at the end of three years from when they were adopted or on the date that they were last renewed.

The proposed resolution seeks to reinstate the provisions of rules 15.1, 15.2 and 15.3 of the Constitution for three years from the date of approval of the proposed resolution.

The Directors consider that it is in the interests of shareholders for the Company to include a proportional takeover rule and approval is therefore being sought to renew rules 15.1, 15.2 and 15.3 of the Constitution.

The Corporations Act requires that the following information be provided to shareholders when they are considering the renewal of proportional takeover provisions in a constitution.

What is a proportional takeover bid?

In a proportional takeover bid, the bidder offers to buy a proportion only of each shareholder's shares in the target company.

Why are the proportional takeover approval provisions required?

A proportional takeover bid means that control of a company may pass without shareholders having the chance to sell all of their shares to the bidder. In addition, this means the bidder may take control of a company without paying an adequate amount for gaining control.

In order to deal with this possibility, the *Corporations Act 2001* (Cth) permits a company, in certain circumstances to provide in its constitution that if a proportional takeover bid is made for shares in the company, shareholders must vote at a general meeting on whether to accept or reject the offer.

The majority decision of shareholders present and voting at the meeting will be binding on all shareholders.

The Directors consider that members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without members being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid members feeling pressure to accept the bid even if they do not want it to succeed.

The benefit of the provision is that shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

If the offer does proceed, individual shareholders can then make a separate decision as to whether they wish to accept the bid for their shares.

What is the effect of the proportional takeover approval provisions?

If a proportional takeover bid is made, the Directors must ensure that shareholder vote on a resolution to approve the bid at least 14 days before the last day of the bid period. The vote is decided on a simple majority.

Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote, but the bidder and its associates are not allowed to vote (and if they do vote, their votes must not be counted).

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. Any contracts formed by acceptances will be rescinded. If the bid is approved (or taken to have been approved), the transfers must be registered provided they comply with the *Corporations Act 2001* (Cth) and the Company's Constitution.

If the resolution is not voted on before the 14 day deadline specified in the *Corporations Act 2001* (Cth), the bid will be taken to have been approved.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for 3 years from that date of their renewal pursuant to Resolution 3. The provisions may again be renewed or reinserted upon expiry of the initial three-year period, but only by way of a special resolution passed by members.

No present acquisition proposals

At the date this Notice of Meeting was prepared, no Director is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages

While the renewal of rules 15.1, 15.2 and 15.3 will allow the Board to ascertain shareholders' views on a proportional takeover bid, the Directors consider that the proportional takeover approval provisions have no potential advantages or disadvantages for them. They remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for shareholders include:

- the provisions give all shareholders (other than the offeror and its associates) an opportunity to study the terms of a proportional takeover proposal to determine whether it is in their best interests that it proceed and, on that basis, enables shareholders to decide whether or not to accept the offer;
- the provisions may discourage the making of a proportional takeover bid which may be considered to be opportunistic and may prevent control of the Company passing without the payment of an appropriate control premium;
- the provisions may assist shareholders in not being locked into a minority interest in the Company;
- the provisions may increase shareholders' bargaining power and may assist in ensuring that any future proportional takeover offer is structured so as to be attractive to a majority of independent shareholders; and
- knowing the view of the majority of shareholders may assist each individual shareholder in assessing the likely outcome of the proportional takeover scheme bid and whether to approve or reject that bid.

The potential disadvantages for shareholders include:

- proportional takeover bids for shares in the Company may be discouraged and may reduce any speculative element in the market price of the Company's shares arising from a takeover offer being made;
- shareholders may lose an opportunity of selling some of their shares at a premium;
- the chance of a proportional takeover bid being successful may be reduced due to the delay, cost and uncertainty in convening a General Meeting; and
- ability of shareholders to deal freely with their shares.

The Board considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

Board recommendation

*The Directors recommend that shareholders vote **in favour** of special Resolution 3 for the approval of the renewal of the proportional takeover provision in Rule 15.1, 15.2 and 15.3 of the Constitution of Universal Store Holdings Limited.*

Resolution 4 – 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 Equity Incentive Plan (**Plan**) to Ms Alice Barbery, an Executive Director of the Company.

The Company proposes to grant a total of 145,101 Performance Share Rights to Ms Barbery on or around 20 November 2023 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 relating to Resolution 4 are presented in this Explanatory Memorandum.

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 145,101 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 4, 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 4, the proposed issue of Performance Share Rights to Ms Barbery will not proceed. The Board would need to consider alternative remuneration arrangements.

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 Company has determined that the proposed grant of Performance Share Rights under the Plan pursuant to Resolution 4 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:

<p>Details of the Grant</p>	<p>The proposed grant to Alice Barbery is 145,101 Performance Share Rights.</p> <p>Each Performance Share Right is a conditional right to acquire:</p> <ul style="list-style-type: none"> 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 vesting date; <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>
<p>Price payable on Grant or Exercise</p>	<p>No amount will be payable to the Company in respect of the issue or exercise of new Performance Share Rights.</p>
<p>Vesting of Performance Share Rights</p>	<p>The Performance Share Rights will vest following the release of the Company's FY26 results.</p>
<p>Performance Period</p>	<p>1 July 2023 to 30 June 2026</p>

Date of Grant	On or around 20 November 2023, 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 (FY26); 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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Company EPS in FY26</th> <th style="text-align: left;">% 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 FY26	% 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%
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<p>Performance will not be retested if the Vesting Conditions above are not satisfied at the end of the performance period. Any Rights 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 vested 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 145,101. This has been determined using a face value allocation

methodology by dividing the LTI opportunity of \$545,000 by \$3.756 being the 5 day VWAP of shares following release of results.

10.15.4 Alice Barbery's total remuneration package for FY2023 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 2023 Annual Report.

10.15.5 Alice Barbery has previously received 114,017 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 20 November 2023 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 at Attachment B. 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 4 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

*The Directors 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 4.*

GLOSSARY

\$ means Australian dollars.

Annual Report means the annual report of the Company for the year ended 30 June 2023.

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 2023.

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.

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 2023.

Resolution means a resolution contained in the Notice.

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

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

Proportional Takeover Provisions in the Universal Store Holdings Limited Constitution

15 Approval of Proportional Takeover Bids

15.1 Definitions

In this rule 15:

- (a) **Approving Resolution**, in relation to a Proportional Takeover Bid, means a resolution to approve the Proportional Takeover Bid passed in accordance with rule 15.3 (Resolution);
- (b) **Proportional Takeover Bid** means an off-market bid that is made or is purported to be made under section 618(1)(b) of the Corporations Act in respect of a specified proportion of shares included in a class of shares in the Company; and
- (c) **Approving Resolution Deadline**, in relation to a Proportional Takeover Bid, means the day that is 14 days before the last day of the bid period in respect of the Proportional Takeover Bid.

15.2 Transfers not to be registered

Despite rules 4.1(c) and 4.2 (**Power to decline registration of transfers**), a transfer giving effect to a takeover contract resulting from the acceptance of an offer made under a Proportional Takeover Bid must not be registered unless and until an Approving Resolution to approve the Proportional Takeover Bid has been passed or is taken to have been passed in accordance with rule 15.3 (**Resolution**).

15.3 Resolution

- (a) Where offers have been made under a Proportional Takeover Bid, the directors must:
 - (i) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing an Approving Resolution to approve the Proportional Takeover Bid; and
 - (ii) ensure that such a resolution is voted on in accordance with this rule 15.3, before the Approving Resolution Deadline in relation to that Proportional Takeover Bid.
- (b) The provisions of this constitution that apply to a general meeting of the Company apply:
 - (i) with any changes that the circumstances require, to a meeting convened under rule 15.3(a); and
 - (ii) as if the meeting convened under rule 15.3(a) was a general meeting of the Company.
- (c) The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution relating to that Proportional Takeover Bid and, if they do vote, their votes must not be counted.
- (d) Subject to rule 15.3(c), a person who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held bid class shares is entitled to vote on the Approving Resolution relating to the Proportional Takeover Bid.
- (e) An Approving Resolution is to be taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is to be taken to have been rejected.
- (f) If an Approving Resolution to approve a Proportional Takeover Bid has not been voted on in accordance with this rule 15.3 (**Resolution**) as at the end of the day before the Approving Resolution Deadline, an Approving Resolution to approve the Proportional Takeover Bid will be taken to have been passed in accordance with this rule 15.3.

Summary of the key terms of the Universal Store Holdings Limited - Equity Incentive Plan

Set out below is a summary of the key terms of the Universal Store Equity Incentive Plan, which is referenced in 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</p>

	cancel the Shares or deal with the Shares in any other manner determined by the Board).
Vesting and exercise of options and rights	<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>
Expiry of options and rights	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.
Forfeiture/lapse of Awards	<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.
Dividend and voting entitlements	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.
Participation rights of options and rights	<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>

Restrictions	<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> <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.</p>
Quotation	<p>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.</p>
Cessation of employment	<p>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.</p>
Clawback and malus	<p>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.</p>
Change of control	<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 Shares, or options or rights, will be dealt with.</p>
Trust	<p>The Company may establish an employee share trust for the purposes of the Plan.</p>



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