



ASX ANNOUNCEMENT

DATE: 11 October 2019

Amended Notice of Annual General Meeting to include Proxy Form

The Company's Annual General Meeting will be held on **Wednesday, 13 November 2019** at 11.00am (AEDT), at the Pact Group Head Office, Building 3, 658 Church Street, Cremorne, Victoria.

Attached are copies of documents relating to the Company's Annual General Meeting that will be dispatched to shareholders today.

Included in the attachments are:

- Notice of Annual General Meeting 2019 including Chairman's letter, Explanatory Memorandum (which includes a location map for attending); and
- Proxy Form.

For further information, contact:

Jonathon West
Company Secretary
T +61 3 8825 4100

PACT GROUP HOLDINGS LTD
ABN 55 145 989 644

Building 3, 658 Church Street, Cremorne VIC 3121 Australia
T +61 3 8825 4100 F +61 3 9815 8388 W pactgroup.com.au



Pact Group Holdings Ltd
ABN: 55 145 989 644

Notice of Annual General Meeting

2019







11 October 2019

Dear Shareholder

It is with much pleasure that I invite you to the sixth Annual General Meeting (AGM) of Pact Group Holdings Ltd (Company) to be held on Wednesday, 13 November 2019 at 11.00am AEDT. The AGM will be held at the Company's Head Office, Building 3, 658 Church Street, Cremorne, Victoria. A venue location map is on the back page of this Notice. Registration will commence at 10.00am AEDT and light refreshments will be available at the conclusion of the meeting.

If you are not able to attend the AGM, you are encouraged to lodge your vote directly, or alternatively, by appointing a proxy to attend and vote on your behalf. This can be done:

- by lodging an electronic proxy online by visiting www.investorvote.com.au; or
- by completing the enclosed personalised shareholder proxy form and returning it in the envelope provided.

In order for your vote to count by proxy, you must lodge your completed proxy form no later than 48 hours before the AGM (i.e. 11.00am AEDT Monday, 11 November 2019) or any adjournment or postponement of the AGM. Further information about the appointment of proxies is set out on page 4 of this Notice.

Corporate shareholders wishing to appoint an individual representative to attend the meeting on their behalf will need to complete a 'Certificate of Appointment of Representative'. Further information about the appointment of corporate representatives is set out on page 4 of this Notice.

Shareholders can submit AGM questions by lodging them online at www.investorvote.com.au by the cut-off time for receipt of proxies. Alternatively, shareholders can ask questions by writing them on a separate sheet of paper and returning them with your proxy form in the enclosed reply-paid envelope. We will endeavour to respond to the more frequently asked questions at the AGM.

The AGM will be webcast live for those shareholders who are unable to attend in person. A link to the webcast will be accessible via our website at <https://pactgroup.com.au/investor/investor-communications/annual-general-meeting/>. In addition, an electronic version of the Annual Report for the year ended 30 June 2019 is available on our website <https://pactgroup.com.au/investor/investor-communications/reports-and-presentations/>.

My fellow Directors and I look forward to seeing you at the AGM and welcome your participation.

Yours sincerely

A handwritten signature in black ink, appearing to read "Raphael Geminder".

Raphael Geminder
Chairman

Notice of Annual General Meeting

Notice is hereby given that the 2019 Annual General Meeting of shareholders of Pact Group Holdings Ltd (Company) will be held at the Company's Head Office, Building 3, 658 Church Street, Cremorne, Victoria on Wednesday, 13 November 2019 at 11.00am AEDT.

Items of business

1. Financial Statements and Reports

To receive and consider the annual Financial Report, the Directors' Report and the Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2019.

2. Adoption of the Remuneration Report

To consider the Company's Remuneration Report as it appears in the 2019 Annual Report of the Company and, if thought fit, pass the following non-binding resolution as an ordinary resolution in accordance with section 250R(2) of the *Corporations Act 2001* (Cth):

"That the Company's Remuneration Report for the financial year ended 30 June 2019 be adopted."

Voting Exclusion

Certain persons are prohibited from casting votes on this resolution. Details of the voting exclusions applicable to this resolution are set out under the heading "Voting Exclusions" on page 4 of this Notice.

Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. Re-election of Director – Ms Lyndsey Cattermole

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

"That Ms Lyndsey Cattermole, who offers herself for re-election and being eligible, be re-elected as a Director of the Company."

4. Re-election of Director – Mr Raphael Geminder

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

"That Mr Raphael Geminder, who offers himself for re-election and being eligible, be re-elected as a Director of the Company."

Notice of Annual General Meeting (cont.)

5. Approval of FY19 long term incentive grant of performance rights to the CEO

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

"That approval be given for all purposes, including ASX Listing Rule 10.14 and s200B and s200E of the Corporations Act, for the grant of performance rights to Mr Sanjay Dayal, the Company's MD and CEO, as his annual long term incentive grant for the year ended 30 June 2019 (on a pro rata basis) on the terms described in the Explanatory Memorandum accompanying this Notice of meeting."

Voting Exclusions

Certain persons are prohibited from casting votes on this resolution. Details of the voting exclusions applicable to this resolution are set out under the heading "Voting Exclusions" on page 4 of this Notice.

6. Approval of FY20 long term incentive grant of performance rights to the CEO

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

"That approval be given for all purposes, including ASX Listing Rule 10.14 and s200B and s200E of the Corporations Act, for the grant of performance rights to Mr Sanjay Dayal, the Company's MD and CEO, as his annual long term incentive grant for the year ended 30 June 2020 on the terms described in the Explanatory Memorandum accompanying this Notice of meeting."

Voting Exclusions

Certain persons are prohibited from casting votes on this resolution. Details of the voting exclusions applicable to this resolution are set out under the heading "Voting Exclusions" on page 4 of this Notice.

7. Renewal of proportional takeover plebiscite

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

"That the proportional takeover provisions contained in Rule 6 of the Company's Constitution be renewed for a further 3 years with effect from the date this resolution is passed."

The Explanatory Memorandum and Important Notes attached to this Notice is incorporated into and forms part of this Notice. A detailed explanation of the background and reasons for the proposed resolutions is set out in the Explanatory Memorandum.

By Order of the Board



Jonathon West

Company Secretary

Dated 11 October 2019

Important Notes

Voting methods

Shareholders may vote by attending the AGM in person, by proxy or by attorney. A body corporate shareholder may appoint an individual to act as its corporate representative in accordance with section 250D of the Corporations Act.

Voting entitlement

The Board has determined that persons holding fully paid ordinary shares in the capital of the Company at 7pm AEDT on Monday, 11 November 2019 will be eligible to vote at the AGM. This means that if you are not the registered holder of any fully paid ordinary shares in the capital of the Company at that time, you will not be entitled to vote.

Voting exclusions

The Corporations Act and ASX Listing Rules (as applicable) require that certain persons must not vote, and the Company must disregard votes cast by certain persons, on items 2, 5 and 6 to be considered at the AGM.

For the purpose of these voting exclusions:

- The **Key Management Personnel (KMP)** of the Company are those persons having authority and responsibility for planning, directing and controlling the activities of the Company's consolidated group either directly or indirectly. It includes all Directors (executive and non-executive) and the Chief Financial Officer. The KMP are also listed in the Remuneration Report on page 46 of the Company's Annual Report.
- A **Closely Related Party (CRP)** of a member of the KMP means:
 - a spouse or child of the member;
 - a child of the member's spouse;
 - a dependent of the member or of the member's spouse;
 - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company's consolidated group; or
 - a company the member controls.
- An **Associate** has the meaning given to that term in the Listing Rules.

Item 2

A vote must not be cast on item 2, and the Company must disregard votes cast on item 2 by or on behalf of a member of the Company's KMP named in the Company's Remuneration Report for the year ended 30 June 2019 or any of their Closely Related Parties, regardless of the capacity in which the vote is cast.

However, a person described above may cast a vote as a proxy if the vote is cast on behalf of a person who is entitled to vote on item 2 and either:

- the person is appointed as a proxy in writing that specifies the way the proxy is to vote on the resolution; or
- the person is the Chairman of the AGM and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution, but only if the proxy expressly authorises the Chairman to exercise the proxy even though item 2 is connected with the remuneration of the KMP.

Items 5 and 6

A vote must not be cast on items 5 or 6, and the Company will disregard any votes cast on items 5 or 6:

- by or on behalf of Mr Sanjay Dayal and any of his Associates or any member of the Company's KMP named in the Company's Remuneration Report for the year ended 30 June 2019, or a Closely Related Party of a member of the Company's KMP, regardless of the capacity in which the vote is cast; or
- as a proxy by a person described above, unless either:
 - the person is appointed as a proxy in writing by a person entitled to vote on item 4 that specifies the way the proxy is to vote on the resolution; or
 - the person is the Chairman of the AGM and the proxy does not specify the way the proxy is to vote on the resolution, but only if the proxy expressly authorises the Chairman to exercise the proxy even though items 5 and 6 are connected with the remuneration of the KMP.

Proxies

A shareholder entitled to attend and vote at the AGM is entitled to appoint any person to attend the AGM and vote as the shareholder's proxy. A proxy can be an individual or a body corporate. A proxy need not be a shareholder.

A proxy form for appointment of a proxy is enclosed with this Notice.

Unless the proxy is required by law to vote, the proxy may decide whether or not to vote on any particular item of business. If the appointment of a proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. Any undirected proxies on a given resolution may be voted by the appointed proxy as they choose, subject to the voting exclusions described above.

Important Notes (cont.)

If a shareholder is entitled to cast two or more votes, they may appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If the shareholder appoints two proxies and the proportion, or the number of the shareholder's votes each proxy may exercise, is not specified, each proxy may exercise half the votes (disregarding fractions).

If more than one proxy for a shareholder is present at the meeting, neither may vote on a show of hands. A proxy need not vote on a show of hands nor a poll (except if the proxy is the Chairman of the meeting) but if the proxy does so, the proxy must vote as directed. All directed proxies that are not voted on at the meeting will automatically default to the Chairman of the meeting, who is required to vote proxies as directed in the event of a poll. If you require a second proxy form, please contact Computershare Investor Services Pty Limited from within Australia on 1300 850 505 and from outside Australia on +61 3 9415 4000.

If the Chairman is appointed, or taken to be appointed, as your proxy, you can direct the Chairman of the meeting to vote 'for' or 'against', or 'abstain' from voting on item 2 on the proxy form. If you do not direct the Chairman how to vote on item 2, by completing and returning the relevant proxy form, you will be expressly authorising the Chairman to exercise your undirected proxy on item 2 even though that item may be directly or indirectly connected with the remuneration of a member of the Company's Key Management Personnel.

If you appoint a member of the Company's Key Management Personnel (other than the Chairman) or any of their Closely Related Parties as your proxy, you must direct them how to vote on item 2. If you do not do so, you risk your vote not being cast.

Completion of proxy form

A proxy form for appointment of a proxy must be signed by the shareholder or the shareholder's attorney. In the case of shares held jointly by two or more persons, any joint holder may sign the proxy form. Where a proxy is lodged by more than one of the joint holders in respect of the same shares, it will be the proxy of the holder first named in the Register that will be accepted. Electronic proxy forms do not need to be signed as they will be authenticated electronically. Where a paper proxy form is executed by an attorney the relevant power of attorney (or a certified copy of the power of attorney) must be received by the Company's Share Registry or the Company not less than 48 hours before the commencement of the meeting or any adjournment or postponement of the meeting. A proxy form cannot be completed online if it is completed under power of attorney or similar authority.

Lodgement

To be valid, your voting instructions must be received by one of the following methods not less than 48 hours before the commencement of the AGM or any adjournment or postponement of the AGM, being 11.00am AEDT on Monday, 11 November 2019:

- (a) electronically, by visiting www.investorvote.com.au and following the instructions provided;
- (b) by sending the proxy form by mail or lodging the proxy form in person at the registered office of the Company or to the Company's Share Registry, Computershare Investor Services Pty Limited at GPO Box 242, Melbourne, Victoria 3001, Australia;
- (c) by sending the proxy form by facsimile to the Company's Share Registry on 1800 783 447 within Australia or +61 3 9473 2555 from outside Australia; or
- (d) for certain intermediaries (such as custodians, nominees and broker participants) who subscribe to the intermediary online service – electronically, by visiting www.intermediaryonline.com and following the instructions provided.

Bodies corporate

Body corporate shareholders and proxies entitled to attend and vote at the AGM may appoint a person to act as their representative at the AGM by providing that appointee with a 'Certificate of Appointment of Representative'.

A pro forma of this certificate may be obtained by calling 1300 850 505 (within Australia), +61 3 9415 4000 (outside Australia), or online at www.investorcentre.com under the help tab 'Printable Forms'. A copy of the signed Certificate of Appointment of Representative, or other evidence satisfactory to the Chairman of the AGM, must be lodged with the Company before the meeting or at the registration desk on the day of the meeting. The Company will retain the certificate.

Resolutions

All items of business involving a vote by shareholders are ordinary resolutions. To be passed, each of these items need approval of a simple majority of the votes cast by shareholders entitled to vote on the resolution.

Explanatory Memorandum

This Explanatory Memorandum forms part of the notice convening the AGM of the Company (Notice).

Item 1 – Financial statements and reports

The Corporations Act requires the Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2019 to be laid before the AGM.

There is no requirement in the Corporations Act or the Company's Constitution for shareholders to vote on, approve or adopt these reports. However, shareholders will have a reasonable opportunity at the AGM to ask questions and make comments on these reports and the management of the Company.

The auditor of the Company is required to attend the AGM and will be available to take shareholders' questions and comments about the conduct of the audit, preparation and the content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the content of the audit. Shareholders may also submit questions (no later than 5.00pm AEDT on Wednesday, 6 November 2019) to the auditor on the conduct of the audit and the content of the Auditor's Report. To lodge questions online, visit www.investorvote.com.au. Alternatively, shareholders may forward written questions with their completed proxy form in the enclosed reply-paid envelope.

The Corporations Act requires the Company to forward all questions to the auditor and the auditor is required to prepare a list of questions that the auditor considers are relevant to the conduct of the audit and the content of the Auditor's Report. The auditor may omit questions that are the same in substance as other questions or are not received in a timely manner. At the AGM, the Chairman will give the auditor a reasonable opportunity to answer the questions on the question list. The list of questions prepared by the auditor will be available from the Company's website, www.pactgroup.com, prior to the AGM. In addition, copies of the list of questions will be available at the AGM.

Item 2 – Adoption of the Remuneration Report

The Corporations Act requires a resolution in relation to the Remuneration Report to be included in the business of the AGM. There will be an opportunity for shareholders at the AGM to comment on, and ask questions about, the 2019 Remuneration Report. The Remuneration Report can be found on pages 46–56 of the Company's 2019 Annual Report and can also be accessed online at <https://pactgroup.com.au/investor/investor-communications/reports-and-presentations/>.

The Corporations Act states that a vote on the Remuneration Report is advisory only and will not bind the Directors or the Company. The Board will, however, take the outcome of the vote and comments made by shareholders on the Remuneration Report into consideration when reviewing the Company's remuneration practices and policies.

Voting exclusions apply to this resolution as specified in the Notice of AGM.

The Chairman of the meeting intends to vote all available proxies in favour of the adoption of the Remuneration Report. If you intend to appoint a member of the Company's Key Management Personnel (including any Director of the Company or the Chairman) or any of their Closely Related Parties as your proxy, please refer to the important information contained in the Notice under the heading "Proxies" on page 4.



Explanatory Memorandum (cont.)

Item 3 – Re-election of Director – Ms Lyndsey Cattermole

Pursuant to ASX Listing Rule 14.4, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. Ms Lyndsey Cattermole, being eligible, has offered herself for re-election.

Ms Cattermole was appointed to the Board on 26 November 2013 and is a member of the Audit, Business Risk and Compliance committee and a member of the Nomination and Remuneration committee. The Board considers Ms Cattermole to be an independent Director.

Ms Cattermole founded Aspect Computing Pty Limited and remained as Managing Director from 1974 to 2001, before selling the business to KAZ Group Limited, where she served as a Director from 2001 to 2004. Ms Cattermole has held many board and membership positions including with the Committee for Melbourne, the Prime Minister's Science and Engineering Council, the Australian Information Industries Association, the Victorian Premier's Round Table and the Women's and Children's Health Care Network.

Ms Cattermole is currently a Non-executive Director of Myer Holdings Ltd, Melbourne Rebels Rugby Union Ltd, and the Florey Institute of Neuroscience and Mental Health and several private companies. She was formerly a Non-Executive Director of Treasury Wine Estates Limited (2011-2017) and Tatts Group Limited (2005-2017).

Ms Cattermole holds a Bachelor of Science from the University of Melbourne and is a Fellow of the Australian Computer Society.

Recommendation

A review of Ms Cattermole's performance during her directorship has been undertaken by the other Directors. As a result, the Board (with Ms Cattermole abstaining) unanimously recommends that shareholders vote in favour of item 3.

The Chairman of the meeting intends to vote all available proxies in favour of the re-election of Ms Cattermole.



Explanatory Memorandum (cont.)

Item 4 – Re-election of Director – Mr Raphael Geminder

Pursuant to ASX Listing Rule 14.4, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. Mr Raphael Geminder, being eligible, has offered himself for re-election.

Mr Geminder was appointed to the Board on 19 October 2010 and is a member of Nominations and Remuneration committee. The Board considers Mr Geminder to not be an independent Director.

Mr Geminder founded Pact in 2002. Prior to this, Mr Geminder was the co-founder and Chairman of Visy Recycling, growing it into the largest recycling company in Australia. Mr Geminder was appointed Victoria's first Honorary Consul to the Republic of South Africa in July 2006. He also holds a number of other advisory and Board positions.

Mr Geminder is currently a director of several private companies.

Mr Geminder holds a Masters of Business Administration in Finance from Syracuse University, New York.

Recommendation

A review of Mr Geminder's performance during his directorship has been undertaken by the other Directors. As a result, the Board (with Mr Geminder abstaining) unanimously recommends that shareholders vote in favour of item 4.

The Chairman of the meeting intends to vote all available proxies in favour of the re-election of Mr Geminder.

Items 5 and 6 – Approval of the FY19 and FY20 long term incentive grants of performance rights to the CEO

Pursuant to ASX Listing Rule 10.14, the Company is seeking shareholder approval for the first and second grants of performance rights to the MD and CEO, Mr Sanjay Dayal, under the Pact Group Holdings Ltd Long Term Incentive Plan (the Plan).

The Plan is designed to allow the Board to make grants of awards to employees which provide the opportunity to acquire shares to assist with:

- attracting, motivating and retaining employees;
- delivering rewards to employees for individual and Company performance; and
- aligning the interests of employees with those of shareholders.

Mr Dayal was employed by the Company on 3 April 2019. This first grant of performance rights represents Mr Dayal's LTI for the financial year ended 30 June 2019 (FY19 LTI Grant) on a pro rate basis based on his period of employment. The second grant of performance rights represents Mr Dayal's LTI for the full financial year ended 30 June 2020 (FY20 LTI Grant). Details of the grants are set out below (the FY19 LTI Grant and the FY20 LTI Grant together are referred to as the LTI Grants).

Subject to shareholder approval, the performance rights granted under items 5 and 6 will be issued under the Plan within 12 months of the meeting.

Terms of the LTI Grants

Subject to shareholder approval, Mr Dayal will be granted 69,784 performance rights as his FY19 LTI Grant (FY19 Rights) and 538,189 performance rights as his FY20 LTI Grant (FY20 Rights) (the FY19 Rights and the FY20 Rights together referred to as the LTI Rights). The number of LTI Rights to be granted to Mr Dayal has been determined by dividing Mr Dayal's LTI opportunity (being 100% of his annual base salary of \$1,200,000) by the volume weighted average share price (VWAP) of the Company's shares traded on the ASX over the five trading days following the Company's announcement of its full year financial results for the prior year (being \$4.299 for the FY19 Grant and \$2.2297 for the FY20 Grant), rounded up to the nearest whole number. For the FY19 Grant, the number of FY19 Rights was then determined pro rata as to the period of Mr Dayal's employment during the FY19 financial year.

As the LTI Rights form part of Mr Dayal's remuneration, they will be granted for nil consideration.

Explanatory Memorandum (cont.)

Performance period

The LTI Rights will be tested based on performance over a period of 3 years, commencing on 1 July 2018 and ending on 30 June 2021 for the FY19 Rights and commencing on 1 July 2019 and ending on 30 June 2022 for the FY20 Rights.

Other terms of the LTI Grants

Each LTI Right entitles Mr Dayal to one ordinary share in the Company on vesting. Prior to vesting, LTI Rights do not entitle Mr Dayal to any dividends or voting rights. The Board retains a discretion to make a cash equivalent payment in lieu of an allocation of shares.

Performance conditions

The LTI Rights issued to Mr Dayal under the Plan will vest subject to the satisfaction of a total shareholder return (**TSR**) performance condition, based on the Company's TSR performance over the relevant performance period compared to its peer group.

The percentage of the LTI Rights that vest (if any) will be determined by the Pact Nomination and Remuneration Committee (**NRC**) with reference to the percentile ranking achieved by the Company over the relevant performance period, compared to the other entities in the relative TSR comparator group, as follows:

TSR relative to peer group	FY20 Rights that vest (%)
At or above the 75th percentile	100%
Between the 50th and 75th percentile	Pro rata vesting between 50% to 100% (i.e. on a straight line basis)
At the 50th percentile	50%
Below the 50th percentile	Nil



Explanatory Memorandum (cont.)

Testing of the performance conditions

The Company's TSR performance is tested by measuring the Company's TSR performance against the TSR performance of a peer group of companies over the relevant performance period. The peer group will consist of S&P / ASX 200 companies excluding Metals & Mining and Financials.

The comparator group may, at the discretion of the Board, be adjusted to take into account events during the relevant performance period including, but not limited to, takeovers, mergers, de-mergers or de-listings.

The Board retains discretion to adjust the relative TSR hurdle in exceptional circumstances to ensure that the MD and CEO is neither advantaged nor disadvantaged by matters outside management's control that materially affect achievement of the performance condition.

Testing of the performance condition will occur shortly after the end of the relevant performance period and release of the Company's full year results for the last financial year in that period, and the number of LTI Rights that vest (if any) will be determined by the NRC. Any LTI Rights that remain unvested will lapse immediately.

Cessation of employment

If Mr Dayal ceases employment before the relevant vesting date due to:

- resignation;
- summary dismissal; or
- in circumstances where the Company could have dismissed Mr Dayal summarily prior to the relevant vesting date, all unvested LTI Rights will be forfeited.

If Mr Dayal ceases employment for any other reason before the LTI Rights vest, a pro-rata amount of the unvested LTI Rights (reflecting the portion of the relevant performance period served) may remain "on-foot" post cessation and will be tested against the performance condition at the end of relevant performance period (subject to the Board's discretion to determine another treatment).



Explanatory Memorandum (cont.)

Change of control

In the event of a change in control of the Company, the Board has a discretion to determine that some or all of Mr Dayal's LTI Rights will vest.

If a change of control occurs before the Board exercises its discretion, the unvested LTI Rights will vest based on the extent to which any applicable performance conditions have been satisfied (or are estimated to have been satisfied). The service related condition will be deemed to have been satisfied.

Claw back

The Board has broad 'claw back' powers to determine that LTI Rights lapse or any shares are forfeited or that amounts are to be repaid in certain circumstances (for example, in the case of serious misconduct).

Restrictions on dealing

Mr Dayal must not transfer, hedge or deal with (except with Board approval or by force of law upon death or bankruptcy) LTI Rights. Mr Dayal will be free to deal with the shares allocated on vesting of LTI Rights, subject to the requirements of the Company's Policy for Dealing in Securities.

Additional information for items 5 and 6 required by the ASX Listing Rules

Mr Dayal is the only Director entitled to receive performance rights under the Plan.

No loan will be made by the Company in relation to the acquisition of performance rights.

For the purpose of ASX Listing Rule 10.15.4, the only securities granted under the Plan since the date of the last approval (2017 AGM) to persons referred to in ASX Listing Rule 10.14 were 228,705 performance rights granted to Mr Malcolm Bunday in November 2017 for nil financial consideration.

If approval is given, it will also serve as approval for ASX Listing Rule 7.1 purposes so that the LTI Rights granted to Mr Dayal and any shares issued pursuant to this approval will not reduce the capacity of the Company to issue securities under ASX Listing Rule 7.1. Accordingly, approval under ASX Listing Rule 7.1 is not required.

Additional information for items 5 and 6 required by the Corporations Act

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders (or if an exemption applies). This restriction applies to managerial or executive officers of the Company or any of its subsidiaries, which includes Mr Dayal.

The term "benefit" has a wide operation for these purposes and relevantly for the Company, could include the Board exercising its discretion under the rules of the Plan to permit the early vesting of performance rights granted under the Plan. Circumstances in which the Board may allow early vesting of Mr Dayal's LTI Rights include where Mr Dayal ceases to be an employee of the Company.

It is therefore proposed that this resolution will approve, under section 200E of the Corporations Act, any "termination benefit" that may be provided to Mr Dayal under the Plan in relation to the LTI Rights (including where the Board exercises its discretion to determine to vest some or all of Mr Dayal's unvested LTI Rights in the event he ceases to be employed by the Company), in addition to any other termination benefits that may be provided to Mr Dayal under the Corporations Act.

The Company is seeking this approval to provide the Company with the flexibility to continue to remunerate Mr Dayal appropriately and responsibly. Details of Mr Dayal's remuneration is set out in the Company's 2019 Annual Report.

The value of any such termination benefits cannot currently be ascertained. However, the matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- Mr Dayal's length of service and the portion of any relevant performance periods that have expired at the time he leaves employment;
- Mr Dayal's total fixed remuneration at the time he leaves employment; and
- the number of unvested FY20 Rights that Mr Dayal holds at the time he leaves employment and the extent to which any conditions attaching to those LTI Rights have been satisfied.

Recommendation

The Board (with Mr Dayal abstaining) unanimously recommends that shareholders vote in favour of items 5 and 6.

The Chairman of the meeting intends to vote all available proxies in favour of the grant of performance rights to the CEO. If you intend to appoint a member of the Company's Key Management Personnel (including any Director of the Company or the Chairman) or their Closely Related Parties as your proxy, please refer to the important information contained in the Notice under the heading "Proxies" on page 4.

Explanatory Memorandum (cont.)

Item 7 – Renewal of proportional takeover plebiscite

The Company's Constitution currently contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions, which are contained in Rule 6 of the Constitution, are designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company.

Under the Corporations Act, these provisions must be renewed every three years or they will cease to have effect. The current provisions will automatically cease to have effect after 16 November 2019 unless renewed by the proposed special resolution. Therefore, these rules must be renewed at this AGM in order to apply to any future proportional takeover offers.

If these rules are renewed by shareholders at the meeting, they will be in exactly the same terms as the existing provisions and will operate for three years.

A copy of the Company's current Constitution is available on the Company's website www.pactgroup.com.

It is proposed to renew Rule 6 of the Company's Constitution for a three-year period in accordance with section 648G of the Corporations Act.

Effect

A proportional takeover offer is where an offer is made to each shareholder for a proportion of that shareholder's shares, and not for the shareholder's entire shareholding.

The current Rule 6 of the Company's Constitution states that, if a proportional or partial takeover bid is made for the Company (i.e. takeover offers for less than 100% of each holder's holding), the Directors to submit to shareholders a resolution to approve the proportional bid. The resolution must be voted on at least 14 days before the last day of the bid period closes (or such later date as is approved by the Australian Securities and Investments Commission).

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.

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. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The Directors will breach the Corporations Act if they fail to ensure the approving resolution is voted on. However, if the resolution is not voted on, 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 three years after approval. The provisions may be renewed, but only by a special resolution.

Reasons for renewing the provisions

The Directors consider it appropriate for shareholders to decide whether they wish to have a proportional takeover approval rule in the Constitution. If the proportional takeover approval provision is not in the Constitution, a proportional takeover bid may enable control of the Company to pass without shareholders having the opportunity to sell all of their shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares. The proposed proportional takeover provisions decrease this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

Review of proportional takeover provisions

While proportional takeover approval provisions have previously been in force under the Company's Constitution, there have been no full or proportional takeover bids for the Company. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders.

Explanatory Memorandum (cont.)

No knowledge of any acquisition proposals

As at the date of this Notice, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages

While the renewal of Rule 6 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:

- shareholders will have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may help shareholders avoid being locked in as a minority;
- the provisions increase the bargaining power of shareholders, which may ensure that any partial offer is adequately priced; and
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and to decide whether to accept or reject that offer.

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

- potential bidders may be discouraged from making a proportional takeover bid;
- the discouragement of potential bidders may lead to a depressed share price;
- an increased likelihood that a proportional takeover bid would not be successful; and
- the provisions may be considered by some shareholders as an unreasonable restriction on their ability to freely deal 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.

Recommendation

The Board unanimously recommends that shareholders vote in favour of item 7.

The Chairman of the meeting intends to vote all available proxies in favour of the renewal of the proportional takeover approval provisions in the Company's Constitution.





Location

Pact Group Head Office

Building 3, 658 Church Street, Cremorne VIC 3121
T: 03 8825 4100
www.pactgroup.com.au

Parking

Parking is available at Vogue Plaza located at 670 Chapel Street, South Yarra. Enter the car park from Malcolm Street.

It is an approximately 600m walk from Vogue Plaza to Pact Group.

Tram Services

No. 78 – North Richmond – Balaclava via Prahran

We suggest disembarking at tram stop 53 (Howard Street), which is the stop closest to the venue.

Train Station

The closest train station is East Richmond Station located on the Alamein, Belgrave, Glen Waverley and Lilydale lines.

It is an approx. 600m walk from East Richmond Station to Pact Group.

Access

Access is via the Church Street entrance.

www.pactgroup.com.au





Pact Group Holdings Ltd
ABN 55 145 989 644

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00 am (AEDT) on Monday, 11 November 2019.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number:
SRN/HIN:
PIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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



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

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

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Pact Group Holdings Ltd hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Pact Group Holdings Ltd to be held at the Company's Head Office, Building 3, 658 Church Street, Cremorne, Victoria on Wednesday, 13 November 2019 at 11:00 am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Items 2, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
Item 2 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Director - Ms Lyndsey Cattermole	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-election of Director - Mr Raphael Geminder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Approval of FY19 long term incentive grant of performance rights to the CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Approval of FY20 long term incentive grant of performance rights to the CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7 Renewal of proportional takeover plebiscite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

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

