



Traditional Therapy Clinics Limited

ABN 68 693 708 712

Long Term Incentive Plan (LTIP) Guidelines

LTIP Overview	<p>Traditional Therapy Clinics Limited's (TTC or the Company) long term incentive plan (LTIP) provides participants with a long-term service incentive (retention) and performance incentive and aligns personal, Company and shareholder interests.</p> <p>It is an equity-based plan which is delivered in the form of performance rights (Performance Rights). These Performance Rights have a three (3) year (approx.) vesting period and will only vest if performance hurdles are met at the end of this period.</p>
Governing Rules	<p>Employee Share Ownership LTIP (ESOP) Rules and these Guidelines are to be read subject to the ESOP Rules.</p>
Participants	<p>The Board has the discretion to determine which employees are eligible to participate in the ESOP. The definition of employee under the LTIP Rules includes any full time or permanent part time employee or officer or Director of the Company or any related body corporate of the Company. Employees can nominate an Eligible Associate (as defined in s.318 Income Tax Assessment Act 1936 (Cth) to own the Performance Rights.</p>
Allocation Process	<p>The number of Performance Rights granted is at the discretion of the Board.</p> <p>The number of Performance Rights able to be exercised, meaning they become shares in TTC, depends on the performance of the Company over a three (3) year period. These performance hurdles are based on a number of performance hurdles.</p> <p>For employees with less than twelve (12) months tenure, allocations will be issued on a pro-rata basis.</p>
Restrictions on making an Offer	<p>No Offer will be made to the extent that any such Offer would contravene the Company's Constitution, the Listing Rules, the Corporations Act or any other applicable law.</p>
Restrictions	<p>A Participant must not sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Performance Rights, or agree to do any of those things, unless the Board determines otherwise.</p>
Dividends	<p>Performance Rights do not attract dividends.</p>
Voting rights on Performance Rights	<p>Performance Rights do not have any voting rights.</p>
Vesting	<p>The Performance Rights held by a Participant will vest in, and become exercisable by, that Participant upon the satisfaction of any Vesting Conditions specified in the Offer and in accordance with the ESOP Rules. Vesting conditions include both service and performance conditions.</p> <p>Vesting Conditions may be waived at the absolute discretion of the Board (unless such waiver is excluded by the terms of the initial offer or award).</p>
Exercise	<p>A Participant is entitled to exercise a Performance Rights on or after the Vesting Date. Any exercise must be for a minimum number or multiple of Shares (if any) specified in the terms of the Offer.</p> <p>Performance Rights may be exercised by the Participant delivering to the Company a notice stating the number of Performance Rights to be exercised for the Shares to be issued.</p>

Expiry of Performance Rights	<p>Performance Rights expire (unless the Board determines otherwise) on the earlier to occur of:</p> <ul style="list-style-type: none">• 6 months after vesting;• Resignation or termination of employment for any reason;• Death or total and permanent incapacity; and• Cessation of a relationship between the Participant and an Eligible Associate.
New or Existing Shares	<p>The Company may, in its discretion, either issue new Shares or cause existing Shares to be acquired for transfer to the Participant, or a combination of both alternatives, to satisfy the Company's obligations under the ESOP.</p> <p>If the Company determines to cause the transfer of Shares to a Participant, the Shares may be acquired in such manner, as the Company considers appropriate, including from any trustee appointed.</p>
Rights attaching to Shares	<p>The Shares issued upon the exercise of a Performance Right will upon allotment be:</p> <ol style="list-style-type: none">a. credited as fully paid;b. rank equally for dividends and other entitlements where the record date is on or after the date of allotment, but will carry no right to receive any dividend or entitlement where the record date is before the date of allotment; andc. subject to any restrictions imposed will otherwise rank equally with the existing issued Shares at the time of allotment.
Quotation	<p>The Company will, unless the Board otherwise resolves, apply for Official Quotation of such Shares on the ASX.</p>
Trustee	<p>The Company may appoint a trustee on terms and conditions which it considers appropriate to acquire and hold Shares, options, or other securities of the Company either on behalf of Participants or for the purposes of the ESOP.</p>
Takeover	<p>If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then Participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Performance Rights notwithstanding that the Restriction Period in respect of such Performance Rights has not expired. The Board may, in its discretion, waive unsatisfied Vesting Conditions in relation to some or all Performance Rights in the event of such a takeover or other transaction.</p>
Adjustments	<p>The following provisions apply to Performance Rights where the Participant may be entitled to acquire Shares in the future on exercise:</p> <ol style="list-style-type: none">a. A Participant is not entitled to participate in a new issue of Shares or other securities made by the Company to holders of its Shares without exercising the Performance Rights before the record date for the relevant issue.b. If, prior to the exercise of a Performance Right, the Company makes a pro-rata bonus issue to the holders of its Shares, and the Performance Right is not exercised prior to the record date in respect of that bonus issue, the Performance Right will, when exercised, entitle the holder to one Share plus the number of bonus shares which would have been issued to the holder if the

Performance Right had been exercised prior to the record date.

- c. If, prior to the exercise of an Performance Right the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of the Performance Right of the Participant will be changed to the extent necessary to comply with the Listing Rules as they apply at the relevant time.
- d. Unless otherwise permitted by the Listing Rules, the number of Shares which the Participant is entitled to receive on exercise of an Performance Right will only be adjusted in accordance with the ESOP Rules. The Company must give notice to Participants of any adjustment to the number of Shares which the Participant is entitled to receive on exercise of an Performance Rights in accordance with the Listing Rules.

LTIP Administration

The LTIP will be administered by the Board, or a committee of the Board, which will have an absolute discretion to:

- a. determine appropriate procedures for administration of the ESOP;
- b. resolve conclusively all questions of fact or interpretation arising in connection with the ESOP;
- c. delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions under the ESOP;
- d. formulate special terms and conditions (subject to the Listing Rules), in addition to those set out in these Rules to apply to Participants employed and/or resident in and/or who are citizens of countries other than Australia. Each of these special terms and conditions will be restricted in their application to those Participants employed and/or resident in and/or who are citizens of other jurisdictions; and
- e. amend the ESOP Rules, provided that such amendments do not materially prejudice the rights of existing Participants.

While the Company is listed, the Board may only exercise its powers in accordance with the Listing Rules.

**Termination or
Suspension of the
LTIP**

Subject to the passing of any necessary resolution approving the establishment of the LTIP and the issue of the Performance Rights, the LTIP will take effect when the Board decides.

The LTIP may be suspended, terminated, or amended at any time by the Board, subject to any resolution of the Company required by the Listing Rules.