

Sequoia Financial Group Ltd

ABN 90 091 744 884

**Notice of 2023 Annual General Meeting
to be held on Thursday, 23 November 2023**

**Explanatory Memorandum
for the Notice of
Annual General Meeting**

DATE: THURSDAY, 23 NOVEMBER 2023

TIME: 10.30 AM (AEDT)

VENUE: THE MEETING WILL BE HELD AT:

SEQUOIA FINANCIAL GROUP LTD, LEVEL 8/525 FLINDERS STREET,
MELBOURNE VIC 3000

A one-way live video stream will be available for Shareholders who are unable to attend in person. Please note however that this **does not enable participation**. Instructions for accessing the one-way stream are provided within this notice.

TO BE VALID, AN APPOINTMENT OF PROXY FOR USE AT THE 2023 ANNUAL GENERAL MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN 10.30 AM (AEDT) ON TUESDAY, 21 NOVEMBER 2023

Section A – Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting (**AGM**) of Shareholders of Sequoia Financial Group Ltd ABN 90 091 744 884 will be held on **Thursday, 23 November 2023 at 10.30am (AEDT)** with one-way video streaming available to Shareholders who cannot attend in person (**Online Video Stream**).

The Board recommends Shareholders monitor the ASX and the Company's website for any updates in relation to the AGM that may be announced. The Board encourages all Shareholders to join the AGM in person and ask any questions you/they may have and consider and vote on each resolution detailed in this Notice.

Shareholders who do not intend to join the physical meeting can direct how they want their votes cast by lodging a Proxy Form at least 48 hours in advance of the AGM. Shareholders viewing the Online Video Stream will not be able to ask questions or vote on resolutions during the meeting. As such, Shareholders viewing the Online Video Stream are encouraged to submit questions prior to the meeting via email to the Joint Company Secretary at sally.mcdow@boardroomlimited.com.au.

All resolutions will be decided by way of Poll. The Chairman will inform participants at the Physical Meeting when the poll is open and when the poll closes.

1. How to Register and Join view Online Video Stream

To register for the Online Video Stream, please use your web browser or internet enabled device to go to the following link:
https://us02web.zoom.us/webinar/register/WN_mHy7jn4QRbO7iYar9wmTEg

To avoid any delays on the day of the Meeting, please register at least 24 hours in advance. Shareholders viewing the Online Video Stream will not be able to ask questions or vote on resolution during the meeting.

2. Technical Difficulties

Technical difficulties may arise during the course of the Online Video Stream. As the Online Video Stream does not enable Shareholder participation at the AGM, should any technical difficulties arise with the Online Video Stream the AGM will not be adjourned.

ITEMS OF BUSINESS

Shareholders are invited to consider the following items of business at the Annual General Meeting:

ORDINARY BUSINESS

1. Item 1: Financial Statements and Reports

To receive the Financial Statements, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 30 June 2023.

2. Resolution 1: Adoption of the Remuneration Report

Shareholders are asked to consider, and if thought fit, to pass the following Resolution as an **Advisory Resolution**:

"That, in accordance with section 250R(2) of the Corporations Act, the Company adopts the Remuneration Report for the year ended 30 June 2023."

Note: This resolution is advisory only and does not bind the Company or the Directors.

3. Resolution 2: Re-election of Director – Kevin Pattison

Shareholders are asked to consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"That, for the purposes of ASX Listing Rule 14.4 and for all other purposes, in accordance with the Company's Constitution, Mr Kevin Pattison, who offers himself for re-election, is re-elected as a Director of the Company."

Note: Mr Kevin Pattison retires as a Director in accordance with the requirements of Listing Rule 14.4 and clause 3.6 of the Constitution. Being eligible, he offers himself for re-election.

4. Resolution 3: Increase to Non-Executive Director Fee Pool

Shareholders are asked to consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"That, for the purposes of ASX Listing Rule 10.17 and Clause 10.2 of the Company's constitution, the maximum aggregate amount of directors' fees that may be paid to the Company's non-executive Directors per annum be increased from \$350,000 per annum to \$450,000 per annum."

Note: The Non-Executive Director Fee Pool was last increased at the 2022 Annual General Meeting.

5. Resolution 4: Approval of 10% Placement Facility

Shareholders are asked to consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities totalling up

to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and as set out in the Explanatory Memorandum accompanying this Notice.”

6. Resolution 5: Amendments to Constitution of the Company

Shareholders are asked to consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

“That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, approval is given to amend the Constitution of the Company with immediate effect from the close of the Meeting, to adopt the changes as set out in the document and as described in the Explanatory Statement.”

By order of the Board

A handwritten signature in black ink, appearing to be "S McDow", written in a cursive style.

Sally McDow, Joint Company Secretary

Dated: 23 October 2023

VOTING EXCLUSION AND PROHIBITION STATEMENTS

1. Resolutions 1 and 3

Voting Exclusion Statement

The Company will disregard any votes cast:

- by or on behalf of Directors of the Company (**on Resolutions 1 and 3**);
- by or on behalf of an associate of a Director of the Company (**on Resolutions 1 and 3**);
- by or on behalf of a member of the Key Management Personnel (**KMP**) named in the remuneration report for the year ended 30 June 2023, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast (**on Resolution 1**);
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party (**on Resolution 1**).

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

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

Voting Prohibition Statement – s250BD and s250R

In accordance with sections 250BD(1) (**Resolutions 1 and 3**) and 250R(4) (**Resolution 1**) of the Corporations Act, no member of the Key Management Personnel of the Company, details of whose remuneration are included in the Remuneration Report, or a member of the KMP of the Group at the date of the meeting acting as proxy or a Closely Related Party of any such member, may vote on the Resolution.

However, in accordance with the Corporations Act, a person described above may vote on the Resolution if:

- (a) it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the Proxy Form how to vote; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is permitted to vote, in accordance with an express direction specified on the Proxy Form to vote as the proxy decides even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

If the Chairman of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolutions 1 and 3, the Chairman is expressly authorised to vote any proxies which do not indicate on their Proxy Form the way the Chairman must vote, in favour of the Resolution.

2. Resolution 4

Voting Exclusion Statement

If at the time of the Meeting the Company is proposing to make an issue of securities under rule 7.1A, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person, or any associate of that person, who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of equity securities under the increased placement capacity under ASX Listing Rule 7.1A (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.

On that basis, no Shareholders are currently excluded from voting.

NOTES

1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice of Annual General Meeting.

2. Questions for Shareholders

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, William Buck, in relation to the conduct of the external audit for the year ended 30 June 2023, or the content of its audit report. Please send your questions to the Joint Company Secretary, at sally.mcdow@boardroomlimited.com.au. Written questions must be received no later than **10.30 am on Wednesday, 16 November 2023 (AEDT)**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001 (Cth)* and the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many Shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to Shareholders.

3. Voting Information

3.1 Proxies

Please note that:

- (a) A Shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the Shareholder is entitled to cast two or more votes at the Meeting, two proxies, to attend and vote instead of the Shareholder.
- (b) Where two proxies are appointed to attend and vote at the Meeting, each proxy may be appointed to represent a specified proportion or number of the Shareholder's voting rights at the Meeting.
- (c) A proxy need not be a Shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the Proxy Form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the Meeting.

- (e) A proxy form accompanies this Notice. If a Shareholder wishes to appoint more than one proxy, they may make a copy of the Proxy Form attached to this Notice. For the Proxy Form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority by **10.30 am (Melbourne Time) on Tuesday, 21 November 2023:**

Online: <https://www.registrydirect.com.au/investor/>

Email: registry@registrydirect.com.au

By Post: PO Box 18366 Collins Street East

By facsimile: +61 3 9111 5652

3.2 Voting and other entitlements at the Annual General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the Corporations Regulations 2001 that Shares in the Company which are on issue at **7.00 pm (AEDT) on Tuesday, 21 November 2023** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the Meeting).

3.3 Proxy voting by the Chairman

The Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Cth) imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their Shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the Chairman of a Meeting may vote an undirected proxy (i.e., a proxy that does not specify how it is to be voted), provided the Shareholder who has lodged the proxy has given an express voting direction to the Chairman to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel. If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolution 1 and 3. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1 and 3. If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

The Company's Chairman, Mr John Larsen, will chair the Meeting and intends to vote all available undirected proxies in favour of each item of business. If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1 and/or 3, he will not vote your proxy on that item of business.

3.4 Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority must be sent to the Company and/or registry at least 24 hours in advance of the Meeting.

Section B – Explanatory Memorandum

1. Introduction

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of Shareholders of Sequoia Financial Group Ltd (the **Company**) to be held at **10.30 am (AEDT) on Thursday, 23 November 2023**.

This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed resolutions. Both documents should be read in their entirety and in conjunction with each other.

All capitalised terms are defined in the Glossary of this Explanatory Memorandum.

2. Background to Agenda Items and Resolutions

2.1 Item 1: Financial Statements and Reports

Section 317 of the *Corporations Act 2001 (Cth)* requires the Company's Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2023 to be laid before the Company's Annual General Meeting. There is no requirement for a formal resolution on this item.

The financial report contains the financial statements of the consolidated entity consisting of the Company and its controlled entities.

As permitted by the *Corporations Act 2001 (Cth)*, a printed copy of the Company's 2023 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2023 Annual Report is available from the Company's website: (<https://www.sequoia.com.au/about-sequoia/annual-financial-reports/>).

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2023, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the Company's auditor in relation to the conduct of the audit.

2.2 Resolution 1: Adoption of Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2023 Annual Report and is available for the Company's website: (<https://www.sequoia.com.au/about-sequoia/annual-financial-reports/>).

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;

- sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and
- explains the differences between the basis for remunerating Non-Executive Directors and senior executives, including the Chief Executive Officer.

The vote on this item is advisory only and does not bind the Directors. The Board will take into account the discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.

Voting consequences

Under the *Corporations Act 2001 (Cth)*, if at least 25% of the votes cast on a Remuneration Report resolution are voted against the adoption of the Remuneration Report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company at the second annual general meeting (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting. All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's Annual Financial Report for the financial year ended immediately before the second annual general meeting) was approved, other than the Executive Directors of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved by the Shareholders will be the Directors of the Company.

At the Company's previous Annual General Meeting, the votes cast against the Remuneration Report considered at that Annual General Meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Voting Exclusion and Prohibition Statement

A voting exclusion statement and prohibition statement applies to this Resolution, as set out in the Notice.

Directors' Recommendation

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) *Corporations Act 2001 (Cth)*, makes no recommendation regarding this resolution.

Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.

2.3 Resolution 2: Re-election of Director – Kevin Pattison

Clause 3.6 of the Company's Constitution provides that a third of Directors must retire at each annual general meeting. Accordingly, Mr Pattison retires, and being eligible, offers himself for re-election in accordance with clause 3.6(b) of the Company's Constitution and ASX Listing Rule 14.4.

Mr Pattison was appointed as a Non-Executive Director on 5 February 2019 and is Chair of Remuneration and Nominations Committee and a member of the Risk and Compliance Committee. Mr Pattison has over 40 years of experience in financial services specialising in distribution, strategic planning and business remediation. He has been a Non-Executive Director for the past 4 years on private companies and prior to that was the CEO of various large national business in the financial services sector. He is currently the Chairman of Master Builders Insurance Brokers.

Mr Pattison is considered an Independent Director.

Mr. Mr Pattison currently holds an indirect interest in 794,869 Fully Paid Ordinary Shares and directly holds 250,000 options in the Company.

Directors' Recommendation

The Directors (with Mr Pattison abstaining) unanimously recommend that the Shareholders vote **FOR** Resolution 2.

Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.

2.4 Resolution 3: Increase to Non-Executive Director Fee Pool

Resolution 3 seeks approval of Shareholders to increase the maximum aggregate amount per annum that may be paid as fees to Non-Executive Directors (**Fee Pool**).

The Directors have recently conducted a review of Non-Executive Directors' fees and consider it reasonable and appropriate at this time to increase the Fee Pool.

The Directors do not intend to fully utilise the increased Fee Pool at this time but consider that the increase is reasonable and appropriate for the reasons outlined above.

The Company will continue to set the actual level of remuneration of its Non-Executive Directors within the Shareholder-approved Fee Pool, having regard for independent external advice, market practice, Board performance and other relevant factors.

Disclosure of Non-Executive Directors' remuneration will continue to be made to Shareholders in annual remuneration report in accordance with the *Corporations Act 2001 (Cth)*, the Constitution and the Listing Rules.

Why is approval being sought under Listing Rule 10.17

In accordance with Listing Rule 10.17, companies are required to obtain shareholder approval for an increase in the total aggregate amount of fees which are payable to Non-Executive Directors.

For the purposes of Listing Rule 10.17, the Company notes as follows:

- (a) The Company's Fee Pool is \$350,000 as approved by Shareholders at the Company's 2022 Annual General Meeting;
- (b) Shareholder approval is now sought to increase the Fee Pool by \$100,000, to \$450,000;
- (c) There have been no securities issued to Non-Executive Directors under Listing Rules 10.11 in the preceding 3 years; and
- (d) The Non-Executive Directors were issued securities with shareholder approval under Listing Rule 10.14 on 30 December 2020, as set out in the table below.

Name	Number of Options	Vesting Date and Conditions	Terms
Charles Sweeney	250,000	1 January 2022	\$0.36 per Share and expiry date of 30 June 2022
	250,000	1 January 2024	\$0.45 per Share and expiry date of 30 June 2024
Kevin Pattison	250,000	1 January 2022	\$0.36 per Share and expiry date of 30 June 2022
	250,000	1 January 2024	\$0.45 per Share and expiry date of 30 June 2024
John Larsen	500,000	1 January 2022	\$0.36 per Share and expiry date of 30 June 2022
	500,000	1 January 2024	\$0.45 per Share and expiry date of 30 June 2024

Voting Consequences

If the resolution is passed, the Company will be able to increase the Fee Pool, which will benefit the Company in the following ways:

- (e) The increase will provide flexibility for the Company to continue to attract and retain Non-Executive Directors of a high calibre for the purpose of Board renewal;
- (f) The increase will allow for annual incremental adjustments to Non-Executive Directors' fees in line with market conditions;
- (g) The increase will enable the Company to increase the number of Non-Executive Directors, if the Board considers it appropriate to do so, as part of the process of

achieving a broad range of skills, experience and expertise on the Board which are complementary to the Company's business activities; and

- (h) The increase will allow for payment of appropriate fees over time, having regard for the increasing workload and responsibilities of Non-Executive Directors due to the increased complexity of the Company's corporate governance requirements as a result of the growth of the Company.

If the resolution is not passed, it may inhibit the Company's ability to attract and retain the highest quality Directors.

Voting Exclusion and Prohibition Statement

A voting exclusion and prohibition statement applies to this Resolution, as set out in the Notice.

Directors' Recommendation

Given that Resolution 3 involves the payment of fees to Directors, the Directors make no recommendation to Shareholders in relation to Resolution 3.

Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.

2.5 Resolution 4: Approval of 10% Placement Facility

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

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

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index, and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without further Shareholder approval.

If Resolution 4 is passed, the Company will be able to issue equity securities up to the 25% combined limited in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders entitled to vote and voting on Resolution 4.

Eligibility

An eligible entity under ASX Listing Rule 7.1A is on which, at the date of the resolution, has a market capitalisation of \$300 million or less and is not included in the S&P / ASX 300 Index. The Company anticipates that it will be an eligible entity for the purposes of ASX Listing Rule 7.1A at the time of the Meeting.

The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out in ASX Listing Rule 7.1A.2 as follows:

$$(A \times D) - E$$

where:

A = the number of fully paid ordinary securities on issue at the commencement of the relevant period,

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17,
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period),
- less the number of fully paid ordinary securities cancelled in the relevant period.

'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity

D = 10%.

E = the number of equity securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4; and

"relevant period" means:

- if the entity has been admitted to the official list for 12 months or more, the 12-month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities and issued for cash consideration. The Company presently has one class of quoted securities, being Shares (ASX:SEQ).

Required Information

The following information is provided to Shareholders to allow them to assess Resolution 4, including for the purposes of ASX Listing Rule 7.3A.

- **Minimum Price**

As required by ASX Listing Rule 7.1A.3, any equity securities issued by the Company under ASX Listing Rule 7.1A can only be issued at a price that is no less than 75% of the volume weighted average price (**VWAP**) for securities in that class as calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) The date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
- (b) If the securities are not issued within 10 trading days on the date in paragraph (a) above, the date on which the securities are issued.

- **Risk of economic and voting dilution to existing Shareholders**

If the Resolution is approved by Shareholders and the Company issues securities under the 10% Placement Capacity, the additional economic and voting interests in the Company will be diluted. There is a risk that the market price of the Company's securities may be significantly lower on the issue date than on the date of approval at the Annual Meeting and the securities may be issued at a price that is at a discount to the market price on the issue date.

Table 1 Dilution Table (**Dilution Table**) which is located at the end of this explanatory description of this resolution demonstrates potential dilution scenarios for a capital raising which may be conducted under ASX Listing Rule 7.1A as required by ASX Listing Rule 7.3A.4 where the number of the Company's Shares on issue (Variable "A" in the formula in ASX Listing Rule 7.1A.2) has remained current or increased by either 50% or 100% and the Share price has decreased by 50%, remained current or increased by 100% based on the closing Share price on ASX at 18 September 2023.

Table 1. Mandatory LR7.1A Dilution Table

Variable A in Listing Rule 7.1.A.2		50% decrease in issue price 0.25	Issue price at current market price 0.5	100% increase in issue price 1
Current Variable A 133,648,431	10% voting dilution funds raised	\$3,341,211	\$6,682,422	\$13,364,843
50% increase in Variable A 200,472,646	10% voting dilution funds raised	\$501,182	\$1,002,363	\$2,004,726
100% increase in Variable A 267,296,862	10% voting dilution funds raised	\$668,242	\$1,336,484	\$2,672,969

The Dilution Table uses the following assumptions which the Company does not represent will necessarily occur:

- the “issue price at current market price” is the closing price of the Shares on the ASX on 18 September 2023;
- Variable “A” is 133,648,431 which equates to the current number of Shares on issue at 18 September 2023 which also satisfies the criteria as defined above. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro-rata issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future meeting of Shareholders;
- the Company issues the maximum number of securities available under the additional 10% ASX Listing Rule 7.1A approval;
- the Dilution Table shows only the effect of issues of securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- no Performance Rights (including any Performance Rights issued under the 10% Placement Capacity) are exercised into Shares before the date of issue of equity securities;
- the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;

- (g) the Dilution Table does not show an example of dilution that may be caused to a particular Shareholder by reason of the placements under ASX Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual Meeting;
- (h) the issue of Shares under ASX Listing Rule 7.1A consists only of fully paid ordinary shares in the Company; and
- (i) "Funds Raised" are before any capital raising costs which may be incurred.

- **10% Placement Period**

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of the Annual Meeting at which approval is obtained until the earlier of:

- (a) the date which is 12 months after the date of the Annual Meeting at which the approval was obtained;
- (b) the time and date of the Company's next Annual Meeting; or
- (c) the time and date of the approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

- **Purpose of the Additional 10% Capacity**

While the Company does not have any immediate plans to issue Shares under the 10% Placement Capacity, the Company may seek to issue securities under the 10% Placement Capacity to raise funds for working capital, investing activities (including possible complementary business acquisitions if any are identified and approved by the Board), meet financing commitments or capital management activities deemed by the Board to be in the best interests of the Company.

The Company will comply with any disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon the issue of any securities under ASX Listing Rule 7.1A.

- **Allocation Policy**

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of allottees of equity securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- (a) the methods of raising funds that are then available to the Company;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from professional and corporate advisers (if applicable).

Allottees under any capital raising which may be conducted under the 10% Placement Capacity pursuant to ASX Listing Rule 7.1A have not been determined as at the date of this Notice of

Meeting and may include existing and/or new Shareholders but cannot include any related parties or associates of a related party of the Company.

- **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give the ASX:

- (a) the information required by ASX Listing Rule 3.10.3 for release to the market; and
- (b) a list of names of the persons to whom the Company issued the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4.

At the date of this Notice of Meeting the Company has not invited and has not determined to invite any particular existing Shareholder or an identifiable class of existing Shareholder to participate in an offer under ASX Listing Rule 7.1A. Accordingly, no existing Shareholder will be excluded from voting on this Resolution.

- **Previous Approval**

No securities have been issued under Listing Rule 7.1A in the past 12 months.

Directors' Recommendation

The Directors unanimously recommend that the Shareholders vote **FOR** Resolution 4.

Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.

2.6 Resolution 5: Amendment to Constitution of the Company

A company may modify or repeal its Constitution or a provision of its Constitution by special resolution of Shareholders.

Shareholder approval is being sought for the adoption of one change to the existing Constitution of the Company.

Section 136(2) of the Corporation Act provides that the Company may amend its Constitution by special resolution. As such this resolution will only be passed if at least 75% of the votes cast by shareholders entitled to vote on this resolution are cast in favour of Resolution 5.

The current Constitution has been in place since 2014 being approved at the 2014 Annual General Meeting. The change proposed to the current Constitution has been proposed to clarify that the payment of dividends must meet the section 254T Corporations Act requirements.

Shareholders are advised to familiarise themselves with the changes proposed, which are detailed in a marked-up version of the Constitution which is available for review at the Company's website. A copy of the amended constitution can also be sent to Shareholders upon request to the Company Secretary by emailing sally.mcdow@boardroomlimited.com.au

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

The table below sets out a summary of the key material changes and the provisions of the Company's Constitution which are proposed to be amended by Resolution 5.

Amendment proposed by Resolution 5	Amended rule of Constitution
<p>Section 254T of the Corporations Act says "<i>a Company must not pay a dividend unless:</i></p> <ul style="list-style-type: none"> i) <i>The Company's assets exceed its liabilities immediately before the dividend declaration and the excess is sufficient for the dividend payment;</i> ii) <i>The dividend is fair and reasonable to the members as a whole; and</i> iii) <i>Creditors are not materially prejudiced."</i> 	<p>Under Paragraph 18 Dividends, add a new section 18.1.4</p> <p><i>"The Company must not pay a dividend unless:</i></p> <ul style="list-style-type: none"> i) <i>The Company's assets exceed its liabilities immediately before the dividend declaration and the excess is sufficient for the dividend payment;</i> ii) <i>The dividend is fair and reasonable to the shareholders as a whole; and</i> iii) <i>Creditors are not materially prejudiced."</i>

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5. If this Resolution is approved, the amendments to the Constitution will be adopted with effect from the close of the Meeting.

Section C – Glossary

The following definitions are used in the Notice of Meeting and the Explanatory Memorandum:

Annual General Meeting or **Meeting** or **AGM** means the annual general meeting of the Company to be held on Thursday, 23 November 2023 pursuant to the Notice of Meeting.

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

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules or **Listing Rules** means the official listing rules issued and enforced by the ASX as amended from time to time.

Board or **Board of Directors** means the board of Directors of Sequoia.

Closely Related Party (of a member of KMP of an entity) has the meaning given to it by section 9 of the *Corporations Act 2001 (Cth)*, and means:

- (c) A spouse of child of the member; or
- (d) A child of the member's spouse; or
- (e) A dependant of the member or the member's spouse; or
- (f) 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 entity; or
- (g) A company the member controls; or
- (h) A person prescribed by the regulations for the purposes of this definition (nothing at this stage).

Company or **Sequoia** means Sequoia Financial Group Ltd ABN 90 091 744 884.

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

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum set out in Section B of this document.

Fee Pool means the maximum aggregate amount per annum that may be paid as fees to Non-Executive Directors.

FY23 means the financial year from 1 July 2022 to 30 June 2023.

Key Management Personnel (or **KMP**) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company. The KMP are listed in the Annual Report.

Notice of Meeting or **Notice** means this notice of meeting of the Company, including the accompanying Explanatory Memorandum and Proxy Form.

Online Video Stream means a one-way video stream of the Meeting which can be accessed online, but which does not enable participation in the Meeting.

Option means an option to acquire a Share in the Company.

Proxy Form means the Proxy Form attached to this Notice.

Resolution means a resolution passed by the requisite majority of members of the Company by the requisite majority of votes given on a poll.

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

Shareholder means a holder of a Share.



26 September 2023

Investor Name(s) <designation>
C/O Example Ltd
PO BOX 0000
MELBOURNE VIC 3000

SAVE TIME & VOTE ONLINE:

Go to the address below or scan the QR code.

 registrydirect.com.au/investor



PROXY FORM

Please complete and return this form if you wish to appoint a proxy and/or direct how you want your votes cast at the Annual General Meeting of Sequoia Financial Group Ltd (ABN 90 091 744 884) to be held at 10:30 a.m. AEDT on Thursday, 23 November 2023 at Sequoia Financial Group Ltd, Level 8/525 Flinders Street, Melbourne Vic 3000 and at any adjournment or postponement of the meeting. This form must be completed and returned by 10:30 a.m. AEDT on Tuesday, 21 November 2023.

Alternatively, you can appoint a proxy and/or direct how you want your votes cast online at <https://www.registrydirect.com.au/investor/>.

Step 1 - Appoint your Proxy

I/We are or represent a member/s of Sequoia Financial Group Ltd and entitled to attend and vote hereby appoint:

☐

the Chairperson of
the Meeting (mark
box with 'X')

OR

Write here the name of the person (or body corporate)
you are appointing if this person is someone other than
the Chairperson of the Meeting

or failing attendance at the meeting of the person or body corporate named above, or if no person is named, the Chairperson of the Meeting, to act generally at the meeting on my/our behalf and to vote in accordance with the directions on this proxy form or, if no directions have been given and to the extent permitted by law, as he or she sees fit, at the Annual General Meeting of Sequoia Financial Group Ltd to be held at 10:30 a.m. AEDT on Thursday, 23 November 2023 at Sequoia Financial Group Ltd, Level 8/525 Flinders Street, Melbourne Vic 3000 and at any adjournment or postponement of the meeting.

This form authorises our proxy to vote on the lesser of

☐

all our securities

OR

☐

_____ securities

I/We acknowledge, if the Chairperson of the Meeting is appointed as our proxy (or becomes our proxy by default), the Chairperson of the Meeting intends to vote undirected proxies in the manner set out with each resolution below, even when the Chairperson of the Meeting has a conflict of interest.

Step 2 - Direct how your votes are to be cast

Resolution 1

ADOPTION OF THE REMUNERATION REPORT

Resolution type: **Non binding**

Board recommendation: **Not provided**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 2

RE-ELECTION OF DIRECTOR – KEVIN PATTISON

Resolution type: **Ordinary**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 3

INCREASE TO NON-EXECUTIVE DIRECTOR FEE POOL

Resolution type: **Ordinary**

Board recommendation: **Not provided**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 4

APPROVAL OF 10% PLACEMENT FACILITY

Resolution type: **Special**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Resolution 5

AMENDMENTS TO CONSTITUTION OF THE COMPANY

Resolution type: **Special**

Board recommendation: **For**

Chairperson's voting intention: **For**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Step 3 - Sign this form

Shareholder 1 (individual)

Sole Director & Sole Company Secretary

Joint Shareholder 2 (individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (individual)

Director

Date

Contact name

Mobile number

Email

By providing an email you agree to receive future communications electronically

SIGNING INSTRUCTIONS FOR THE PROXY FORM

Individual:

Where the holder is an individual, the security holder must sign.

Joint holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you are executing the Proxy Form under a Power of Attorney and have not previously supplied a copy, please attach a certified copy of the Power of Attorney to the Proxy Form when you return it.

Companies:


When the holder is a company, and the company has a sole director who is also the sole company secretary, the Proxy 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 the Proxy 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 and delete titles as applicable.

RETURNING THE PROXY FORM


Please note our preference is you appoint your proxy and direct how you require your vote/s be cast online. If you perform these actions online, you will not need to complete or return the Proxy Form. You can complete these actions by logging in to your account at www.registrydirect.com.au/investor.

You can return the Proxy Form by:


EMAIL:

 registry@registrydirect.com.au

POST:

 PO Box 572
Sandringham VIC 3191

FAX:

 +61 3 9111 5652