



Lovisa Holdings Limited  
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## LOVISA HOLDINGS LIMITED NOTICE OF 2017 ANNUAL GENERAL MEETING

The Annual General Meeting of Lovisa Holdings Limited (the **Company**) will be held in the 42<sup>nd</sup> Street Conference Room, Level 1, Rydges Hotel 186 Exhibition Street Melbourne on Tuesday 31 October 2017 at 2pm (Melbourne time) to consider the following items of business:

### **Item 1. Financial and other report**

To receive and consider the Financial Report of the Company and the Directors' Report and the Auditor's Report for the year ended 2 July 2017.

### **Item 2. Adoption of Remuneration Report (non-binding resolution)**

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

"That the Remuneration Report for the year ended 2 July 2017 being part of the Directors' Report, be adopted."

### **Item 3. Election of Directors**

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

"That Tracey Blundy be re-elected as a Director of the Company."

Paul Cave will retire as a Director at the conclusion of the Annual General Meeting.

### **Item 4. Approval of grant of securities to the Managing Director**

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

"That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of options under the Equity Incentive Plan to the Managing Director, Shane Fallscheer, as his long term incentive for the year ended 1 July 2018, on the terms described in the Explanatory Statement accompanying this Notice of Meeting."

**Item 5. Renewal of proportional takeover approval provisions**

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 of the Annual General Meeting.”

**Item 6. Amendments to Constitution**

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

“That the Constitution of the Company be amended in the manner set out in the accompanying Explanatory Statement and set out in Annexure A of the Explanatory Statement, with immediate effect.”

By order of the Board



Chris Lauder  
Company Secretary

28th September 2017

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## NOTES

These Notes and the Explanatory Statement should be read together with, and form part of, the Notice of Meeting.

### Entitlement to attend and vote

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that persons who are registered holders of shares in the Company as at 2pm (Melbourne time) on Sunday 29 October 2017 will be entitled to attend and vote at the Annual General Meeting as a Shareholder. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

### Proxies

If you do not plan to attend the meeting, you may appoint a proxy by completing and returning a proxy form. If you are a Shareholder entitled to cast two or more votes, you may appoint up to two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of your votes. If you want to appoint one proxy, you can use the form provided. If you want to appoint a second proxy, an additional proxy form may be obtained by contacting the Company's share registry or you may copy the attached proxy form.

A proxy may, but need not be, a Shareholder and may either be an individual or a body corporate.

If you appoint a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act 2001* (Cth) (**Corporations Act**); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

The Company's Constitution provides that on a show of hands, every person present and entitled to vote has one vote. If you appoint two proxies, neither proxy may vote on a show of hands.

If you appoint a proxy who is also a Shareholder or is also a proxy for another Shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is taken on the relevant resolution.

If you sign and return a proxy form and either:

- you do not nominate a person to act as your proxy; or
- your appointed proxy is either not recorded as attending the meeting or does not vote on a poll in accordance with your directions,

then the Chair of the meeting will be appointed as your proxy by default (and must act in accordance with your directions, if any have been given).

### Appointment of the Chair or other Key Management Personnel as your proxy

Unless the Chair of the meeting is your proxy, members of the Company's Key Management Personnel (which includes each of the Directors) will not be able to vote as proxy on items 2 and 4 unless you direct them how to vote by marking either "For", "Against" or "Abstain" on the proxy form for items 2 and 4. If you intend to appoint a member of the Company's Key Management Personnel (such as one of the Directors) as your proxy, you should ensure that you direct that person how to vote on items 2 and 4.

## **The Chair intends to vote all available proxies in favour of each item**

If you appoint the Chair as your proxy, or the Chair is appointed your proxy by default, and you do not provide any voting directions on your proxy form, by signing and returning the proxy form, you will be expressly authorising the Chair to vote as he sees fit, even though items 2 and 4 are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

### **Where to lodge a proxy**

You may lodge a proxy by following the instructions set out on the proxy form accompanying this Notice of Meeting.

To be effective, the proxy (and the power of attorney or other authority under which it is signed, if any) must be received by the share registry in accordance with the instructions on the proxy form not later than 48 hours before the commencement of the meeting, being 2pm (Melbourne time) on Sunday 29 October 2017.

Proxy forms may be delivered as follows:

- Online :**            [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)
- By mail:**            Lovisa Holdings Limited  
                          c/o Link Market Services Limited  
                          Locked Bag A14  
                          Sydney South NSW 1235  
                          Australia
- By fax:**             +61 2 9287 0309
- By hand:**            Link Market Services Limited  
                          1A Homebush Bay Drive, Rhodes, NSW 2138; or  
                          Level 12, 680 George Street, Sydney NSW 2000

### **Corporate representatives**

A body corporate that is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it has been signed, unless it has previously been given to the Company.

### **Voting by attorney**

You may appoint an attorney to act on your behalf at the meeting. An attorney may but need not be a member of the Company.

An attorney may not vote at the meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company by 2pm (Melbourne time) on Sunday 29 October 2017.

## Questions for the Auditor

Shareholders may submit written questions to the Company's Auditor, KPMG, if the question is relevant to the content of KPMG's Audit Report for the year ended 2 July 2017 or the conduct of its audit of the Company's Financial Report for the year ended 2 July 2017.

Relevant written questions for the Auditor must be received by the Company by no later than 5:00 pm (Melbourne time), on Tuesday 24 October 2017. Please send any written questions to:

Attn: Maurice Bisetto  
KPMG  
147 Collins Street  
Melbourne, VIC 3000

A list of written questions will be made available to Shareholders attending the meeting. The Auditor is not obliged to provide written answers, however if written answers are tabled at the meeting they will be made available to Shareholders as soon as practicable after the meeting.

## Admission to meeting

If you will be attending the meeting and you will not appoint a proxy, please bring your proxy form (if you still have one) to the meeting to help speed admission. If you do not bring your proxy form with you, you will still be able to attend and vote at the meeting, but representatives from the share registry will need to verify your identity. You will be able to register from 1.30pm on the day of the meeting.

## **EXPLANATORY STATEMENT**

### **ITEM 1. FINANCIAL AND OTHER REPORTS**

The Company's Annual Report for 2017 (which includes the Financial Report, the Directors' Report and the Auditor's Report, together called the "Reports") will be presented to the meeting. Shareholders can access a copy of the Annual Report on the Company's website at [www.lovisa.com.au](http://www.lovisa.com.au).

Shareholders will be given a reasonable opportunity to ask questions about, and make comments on the Reports and the management of the Company. Similarly, you will also have reasonable opportunity at the meeting to ask KPMG, the Company's Auditor, questions about the content of the Audit Report or the conduct of the audit.

Alternatively you can submit written questions to the Auditor about its Audit Report in advance of the meeting as outlined in the notes.

There is no formal resolution to be voted on in relation to this item of business.

### **ITEM 2. ADOPTION OF REMUNERATION REPORT**

The Remuneration Report (which forms part of the Directors' Report) is set out on pages 24 to 28 of the Company's 2017 Annual Report.

The Remuneration Report includes:

- details of the remuneration provided to the Company's Key Management Personnel for the year ended 2 July 2017;
- discussion of the Board's policy in relation to the nature and level of remuneration of the Company's Key Management Personnel; and
- discussion of the relationship between the Board's remuneration policy and the Company's financial performance.

There will be a reasonable opportunity for Shareholders to comment on, and ask questions about, the Remuneration Report at the meeting.

The vote on item 2 is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the meeting into consideration when reviewing the Company's remuneration practices and policies.

## **Voting exclusion**

The Company will disregard any votes cast on item 2:

- by or on behalf of a member of the Company's Key Management Personnel named in the Company's Remuneration Report for the year ended 2 July 2017 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's Key Management Personnel at the date of the meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on item 2:

- in accordance with a direction in the proxy form; or
- by the person chairing the meeting, in accordance with an express authorisation to exercise the proxy as they decide even though item 2 is connected with the remuneration of the Company's Key Management Personnel.

The term 'closely related party' is defined in the Corporations Act and includes the Key Management Personnel's spouse, dependants and certain other close family members, as well as any companies controlled by the Key Management Personnel

## **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of item 2.

## **ITEM 3. ELECTION OF DIRECTORS**

Under the Company's Constitution, a Director who is not a Managing Director, may not hold office without re-election beyond the third annual general meeting at which the Director was last elected or re-elected. Accordingly, Tracey Blundy retires as a Director at the conclusion of the meeting and, being eligible, offer herself for re-election by Shareholders at the Annual General Meeting.

Paul Cave will retire as a Director at the conclusion of the Annual General Meeting.

Tracey Blundy was appointed as a Non-Executive Director of the Company on 6 November 2014 and is a non-independent Director.

Tracey is a member of the Remuneration and Nomination Committee and is a member of the Audit, Business, Risk and compliance Committee.

Tracey is currently a Director of BB Retail Capital Pty Limited, Bras N Things Pty Limited and BB Retail Property Pty Limited. Tracey joined BB Retail Capital in 1981 and is the nominated BB Retail Capital representative on the Board of Lovisa. Over the past 35 years, she has held a number of senior executive positions across BB Retail Capitals brands, including Chief Executive Officer of Sanity Entertainments and Bra's n Things. She is a Board level advisor across the BB Retail Capital portfolio bringing in-depth knowledge and expertise on retail operations and rollout strategy. Tracey was a founder shareholder of Lovisa in 2010.

## **Recommendation**

The Board (with Tracey abstaining) unanimously recommends that Shareholders vote in favour of item 3.

#### ITEM 4. APPROVAL OF GRANT OF SECURITIES TO THE MANAGING DIRECTOR

Pursuant to ASX Listing Rule 10.14, the Company is seeking Shareholder approval for a grant of options to Shane Fallscheer, Managing Director.

The grant of options represents Mr Fallscheer's LTI for the period ended 1 July 2018 (**FY2018 LTI Grant**). Details of the grant are set out below.

Subject to Shareholder approval, the options under item 4 will be granted under Lovisa's Equity Incentive Plan (the **Plan**) within 12 months of the meeting.

##### **FY2018 LTI Options Grant**

Under the FY2018 LTI Grant, Mr Fallscheer will be granted 1,308,901 options with a total face value of \$500,000 subject to Shareholder approval (**LTI Options**). The number of LTI Options to be granted to Mr Fallscheer has been determined by dividing Mr Fallscheer's LTI opportunity (i.e. 55.5% of Mr Fallscheer's total fixed remuneration of \$900,000) by the fair value of options calculated at the effective grant date of 17 May 2017 based on a Black Scholes formula.

The LTI Options will form part of Mr Fallscheer's remuneration and will be granted at no cost.

On vesting, an exercise price of \$3.79 will be payable by Mr Fallscheer, which represents the volume weighted average share price (**VWAP**) of the Company's shares traded on the ASX over the 30 trading days up to the effective grant date of 17 May 2017.

Each LTI Option entitles Mr Fallscheer to an option to acquire a fully paid ordinary share in the Company (subject to payment of the exercise price), that will only vest and become exercisable if the vesting condition is satisfied. The Board retains discretion to make a cash equivalent payment in lieu of an allocation of shares. Prior to exercise, LTI Options do not entitle Mr Fallscheer to any dividends or voting rights.

##### *Performance period*

The LTI Options will be tested based on performance over a period of approximately 3 years, commencing on 3 July 2017 and ending on 28 June 2020.



### *Vesting conditions*

The LTI Options issued to Mr Fallscheer will vest and become exercisable subject to the satisfaction of the vesting condition described below. The vesting condition is based on the Company's earnings per share (**EPS**) over the 3 year performance period.

The percentage of LTI Options that vest and become exercisable, if any, will be determined by reference to the following vesting schedule:

Company's EPS over the performance period	% of LTI Options that vest and become exercisable
Less than 10% compound growth	Nil
10% compound growth	20% awarded
12.5% compound growth	40% awarded
15% compound growth	60% awarded
17.5% compound growth	80% awarded
20% compound growth	100% awarded

### *Testing of the vesting condition*

Testing of the EPS vesting condition will occur shortly after the end of the performance period and release of the Company's full year results for FY2020, and the number of LTI Options that vest and become exercisable (if any) will be determined. Any LTI Options that remain unvested will lapse immediately.

Mr Fallscheer will then be able to exercise the vested LTI Options at any time from the date the LTI Options vest until the date which is 12 months after the date on which the LTI Options vest. After this 12 month period any unexercised LTI Options will lapse.

### *Cessation of employment*

If Mr Fallscheer's employment with the Company is terminated for cause, all LTI Options (vested and unvested) will automatically lapse, unless the Board determines otherwise.

In all other circumstances (including due to death, total and permanent disability, serious illness or resignation), the LTI Options will remain on foot and subject to the original performance condition, as if Mr Fallscheer had not ceased employment.

However, pursuant to the Plan Rules, the Board retains discretion to vest or lapse some or all Options in all circumstances.

### *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 Fallscheer's LTI Options will vest.

### *Claw back*

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

### *Restrictions on dealing*

Mr Fallscheer must not sell, transfer, encumber, hedge or otherwise deal with LTI Options. Mr Fallscheer will be free to deal with the shares allocated on exercise of the LTI Options, subject to the requirements of the Company's Policy for Dealing in Securities.

### **Additional information for item 4 provided in accordance with the ASX Listing Rule 10.15**

- Mr Fallscheer is the only Director entitled to receive options under the Plan.
- No loan will be made by the Company in relation to the acquisition of options.
- Following Shareholder approval at the 2016 Annual General Meeting, 1,687,764 options were granted to Mr Fallscheer (at no cost) under the Plan as his FY17 LTI grant.
- If approval is given under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.

### **Voting exclusion statement**

The Company will disregard any votes cast on item 4:

- by or on behalf of Mr Fallscheer and any of his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's Key Management Personnel at the date of the meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote:

- in accordance with a direction in the Proxy Form; or
- by the person chairing the meeting, in accordance with an express authorisation in the Proxy Form to exercise the proxy as they decide even though item 4 are connected with the remuneration of the Company's Key Management Personnel.

### **Recommendation**

The Board (with Mr Fallscheer abstaining) recommends that Shareholders vote in favour of item 4.

### **ITEM 5. RENEWAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISIONS**

The Company's Constitution currently contains provisions dealing with proportional takeover bids for Lovisa shares in accordance with the Corporations Act. The provisions, which are contained in Rule 6 of the Company's 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 17 December 2017 unless renewed by the proposed special resolution. Therefore, these provisions must be renewed at this Annual General Meeting in order to apply to any future proportional takeover offers.

If these provisions 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.lovisa.com.au](http://www.lovisa.com.au)

### **Statement under the Corporations Act**

The Corporations Act requires that the following information be provided to Shareholders when they are considering the inclusion of proportional takeover provisions in a Constitution.

#### **Effect of proportional takeover provision**

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 provisions of the Company's Constitution state that, if a proportional takeover bid is made, the Directors must ensure that Shareholders vote on a resolution to approve the bid more than 14 days before 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 3 years after approval. The provisions may be renewed, but only by a special resolution.

#### **Reasons for renewing the provisions**

If the proportional takeover approval provision is not in the Company's 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.

#### **Potential advantages and disadvantages**

The Directors consider that the renewal of the proportional takeover approval provisions has no potential advantages or disadvantages for them. They remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

The potential **advantages** of the proportional takeover approval provisions for Shareholders of the Company are:

- Shareholders 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 bargaining power of Shareholders is increased (this may help 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** for Shareholders of the Company include:

- proportional takeover bids for shares in the Company may be discouraged;
- Shareholders may lose an opportunity of selling some of their shares at a premium; and
- the chance of a proportional takeover bid being successful may be reduced.

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.

#### **No knowledge of any acquisition proposals**

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

#### **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of the renewal of the proportional takeover approval provisions in the Company's Constitution.

#### **ITEM 6. AMENDMENTS TO CONSTITUTION**

It is proposed that the Constitution be amended to include a provision for the appointment of alternate directors. Any appointment of an alternate director is required by the ASX Listing Rules to be announced to the ASX.

The role of an alternate director is to attend and vote at Board meetings for and on behalf of the Director that appointed them. The amendments are being proposed to allow a Director the flexibility to appoint an alternate director to act on their behalf when they cannot attend a Board meeting.

The proposed amendments to the Constitution are set out in Annexure A to this Explanatory Statement.

If passed by Shareholders at the meeting, the amendments will have immediate effect.

A copy of the Company's current Constitution and a mark-up of the Constitution with the amendments proposed to be adopted by Shareholders at the meeting are available on the Company's website [www.lovisa.com.au](http://www.lovisa.com.au).

#### **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of the amendments to the Company's Constitution.

## ANNEXURE A

### PROPOSED AMENDMENTS TO CONSTITUTION

Lovisa proposes to make amendments to Rules 8.2, 8.10, 8.16 and 10.1 of its Constitution and to insert a new Rule 8.16 into the Constitution.

The proposed amendments are marked below. For ease of reference, additions are marked in blue bold text and deletions are marked in red underlined text.

*Amend Rule 8.2 as follows:*

#### **8.2 Vacating office**

In addition to the circumstances prescribed by the Act and this constitution, the office of a director becomes vacant if the director:

- (a) becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (b) becomes bankrupt or insolvent or makes any arrangement or composition with his or her creditors generally;
- (c) is convicted on indictment of an offence and the Board does not within one month after that conviction resolve to confirm the director's appointment or election (as the case may be) to the office of director;
- (d) fails to attend meetings of the Board for more than 3 consecutive months **(either personally or through attendance by an alternate appointed under rule 8.15)** without leave of absence from the Board and a majority of the other directors have not, within 14 days of having been given a notice by the secretary giving details of the absence, resolved that leave of absence be granted; or
- (e) resigns by written notice to the company.

*Amend Rule 8.10 as follows:*

#### **8.10 Notice of meetings of the Board**

- (a) Notice of a meeting of the Board must be given to each person who is, **at the time the notice is given:**
  - (1) a director ~~at the time the notice is given~~, except a director on leave of absence approved by the Board; **or**
  - (2) an alternate director appointed under rule 8.15 by a director.**
- (b) A notice of a meeting of the Board:
  - (1) must specify the time and place of the meeting;
  - (2) need not state the nature of the business to be transacted at the meeting;
  - (3) may, if necessary, be given immediately before the meeting; and
  - (4) may be given in person or by post or by telephone, fax or other electronic means, or in any other way consented to by the directors from time to time.
- (c) A director **or alternate director** may waive notice of a meeting of the Board by giving notice to that effect in person or by post or by telephone, fax or other electronic means.
- (d) Failure to give a director **or alternate director** notice of a meeting of the Board does not invalidate anything done or any resolution passed at the meeting if:

- (1) the failure occurred by accident or inadvertent error; or
- (2) the director **or alternate director** attended the meeting or waived notice of the meeting (whether before or after the meeting).
- (e) A person who attends a meeting of the Board waives any objection that person may have to a failure to give notice of the meeting.

*Insert the following as new Rule 8.15:*

#### 8.15 Alternate directors

- (a) A director may, with the approval of a majority of the other directors, appoint a person to be the director's alternate director for such period as the director decides.
- (b) An alternate director may, but need not, be a member or a director of the company.
- (c) One person may act as alternate director to more than one director.
- (d) In the absence of the appointor, an alternate director may exercise any powers (except the power to appoint an alternate director) that the appointor may exercise.
- (e) An alternate director is entitled, if the appointor does not attend a meeting of the Board, to attend and vote in place of and on behalf of the appointor.
- (f) An alternate director is entitled to a separate vote for each director the alternate director represents in addition to any vote the alternate director may have as a director in his or her own right.
- (g) An alternate director, when acting as a director, is responsible to the company for his or her own acts and defaults and is not to be taken to be the agent of the director by whom he or she was appointed.
- (h) The office of an alternate director is vacated if and when the appointor vacates office as a director.
- (i) The appointment of an alternate director may be terminated or suspended at any time by the appointor or by a majority of the other directors.
- (j) An appointment, or the termination or suspension of an appointment of an alternate director, must be in writing and signed and takes effect only when the company has received notice in writing of the appointment, termination or suspension.
- (k) An alternate director is not to be taken into account in determining the minimum or maximum number of directors allowed or the rotation of directors under this constitution.
- (l) In determining whether a quorum is present at a meeting of the Board, an alternate director who attends the meeting is to be counted as a director for each director on whose behalf the alternate director is attending the meeting.
- (m) An alternate director is not entitled to receive any remuneration as a director from the company otherwise than out of the remuneration of the director appointing the alternate director but is entitled to travelling, accommodation and other expenses reasonably incurred for the purpose of attending any meeting of the Board at which the appointor is not present.

*Amend existing Rule 8.16 as follows:*

**~~8.17~~ 8.16 Validity of acts**

An act done by a meeting of the Board, a committee of the Board or a person acting as a director is not invalidated by:

- (a) a defect in the appointment of a person as a director or a member of a committee; or
- (b) a person so appointed being disqualified or not being entitled to vote,

if that circumstance was not known by the Board, committee or person when the act was done.

*Amend Rule 10.1 as follows:*

**10.1 Persons to whom rules 10.2 and 10.4 apply**

Rules 10.2 and 10.4 apply:

- (a) to each person who is or has been a director, alternate director or executive officer (within the meaning of rule 9.3(a)) of the company; and
- (b) to such other officers or former officers of the company or of its related bodies corporate as the Board in each case determines,

(each an Officer for the purposes of this rule).

For personal use only



**Lovisa Holdings Limited**  
ACN 602 304 503

**LODGE YOUR VOTE**

**ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

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

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000

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

**PROXY FORM**

I/We being a member(s) of Lovisa Holdings Limited and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

**the Chairman of the Meeting (mark box)**

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (Melbourne time) on Tuesday, 31 October 2017 at the Rydges Hotel 186 Exhibition Street, Melbourne** (the Meeting) and at any postponement or adjournment of the Meeting.

**Important for Resolutions 2 and 4:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below by signing and returning this proxy form, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

**VOTING DIRECTIONS**

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

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

**Resolutions**

		For	Against	Abstain*		For	Against	Abstain*	
<b>2</b>	Adoption of Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>6</b>	Amendments to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b>	Re-election of Tracey Blundy as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
<b>4</b>	Approval of grant of securities to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
<b>5</b>	Renewal of proportional takeover approval provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

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

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

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

For personal use only

STEP 1

STEP 2

STEP 3





## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

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

### APPOINTMENT OF PROXY

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

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted as the Chairman of the Meeting sees fit.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Melbourne time) on Sunday, 29 October 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

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



#### BY MAIL

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



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138  
or  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

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