

11 October 2024

Dear Shareholder,

**2024 Annual General Meeting**

On behalf of the Board of Directors of Nanosonics Limited (**Nanosonics** or the **Company**), I have pleasure in providing notice of the Company's Annual General Meeting (**AGM** or the **Meeting**) to be held on Tuesday, 12 November 2024, commencing at 11am (AEDT).

The AGM will be a hybrid meeting held both online and in person at our head office at Level 1, Building A, 7-11 Talavera Road, Macquarie Park NSW 2113.

For those shareholders that wish to attend in person, the Company's head office is located approximately 10 minutes' walk from Macquarie Park metro station. For those wishing to drive, parking options are available at the Macquarie Centre shopping centre which is also around 10 minutes' walk from the head office.

For those shareholders that wish to participate online, the AGM will be made accessible to shareholders via a live webcast as well as an online platform which will include the facility for shareholders to ask questions in relation to the business of the meeting and to vote in real time at the meeting. These processes are set out in the Notice of Meeting.

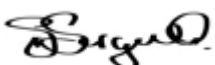
Whilst shareholders will be able to vote online during the meeting, shareholders are encouraged to lodge a proxy ahead of the meeting, even if they are participating online. If you are unable to attend the meeting, I invite you to appoint a proxy to attend and vote on your behalf, online using the Share Registry's website at [www.investorvote.com.au](http://www.investorvote.com.au).

The Explanatory Memorandum accompanying this Notice of Meeting is part of this Notice of Meeting and provides additional information on matters to be considered at the AGM.

You are welcome to submit questions you may have for the Company and its Auditor in advance of the Meeting. A form for this purpose is available on [www.investorvote.com.au](http://www.investorvote.com.au) and should be made available to the Company on or before Friday, 8 November 2024 at the address provided at the end of the form.

The Nanosonics 2024 Annual Report and subsequent Company announcements are available from the Investor Centre on the Nanosonics website at [www.nanosonics.com.au](http://www.nanosonics.com.au) or may be requested from the Company Secretary. Shareholders who have elected to receive a printed copy of the Annual Report should have received it in the post. Shareholders who have elected to receive Share Registry communications electronically should have already received an email with a link to the Annual Report.

Yours sincerely,  
**Nanosonics Limited**



**Steve Sargent**  
Non-Executive Chairman

## NOTICE OF THE 2024 ANNUAL GENERAL MEETING

The 2024 Annual General Meeting (**AGM** or the **Meeting**) of shareholders of Nanosonics Limited (**Nanosonics** or the **Company**) will be held on Tuesday, 12 November 2024 commencing at 11:00am (AEDT) via online webcast, the details for which are set out below.

The business to be considered at the Meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Notes. A Proxy Form also accompanies this Notice of Meeting.

### ATTENDING THE MEETING ONLINE

If you choose to participate online on the day of the meeting, you must use the Computershare Meeting Platform to attend and participate in the meeting.

To participate in the meeting, you can log in by entering the following URL <https://meetnow.global/MCG7U7S> on your computer, tablet or smartphone.

Online registration will open 30 minutes before the meeting at 10:30am on 12 November 2024. To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxy holders will need to contact Computershare prior to the meeting to obtain their unique email invitation link.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxy holders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their unique email invitation link.
3. Enter your postcode registered to your holding if you are an Australian Shareholder. If you are an overseas Shareholder select the country of your registered holding from the drop-down list.
4. Accept the Terms and Conditions and 'Click Continue'.

You can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

Please read the "Online Meeting User Guide" at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide) for further instructions on how to participate online. We recommend that you read this guide carefully before the AGM to ensure your technology is ready (for example to ensure that your internet browser is compatible with the online portal).

### BUSINESS OF AGM

#### 2024 Reports

To receive and consider the Company's Reports of the Directors and Auditor, and the Financial Report for the year ended 30 June 2024.

#### Resolution 1 – Re-election of a Director, Ms Marie McDonald

To consider and, if thought fit, to pass the following ordinary Resolution:

*That Ms Marie McDonald, who retires by rotation as a Director pursuant to the Company's Constitution and, being eligible, offers herself for re-election, be re-elected as a Director.*

### **Resolution 2 – Remuneration Report**

To consider and, if thought fit, to pass the following non-binding Resolution:

*That the Remuneration Report for the financial year ended 30 June 2024 be adopted.*

### **Resolution 3 – Issue of 21,914 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh’s 2024 Short Term Incentive grant (2024 STI) and under the Nanosonics Equity Plan**

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

*That approval be given under and for the purpose of ASX Listing Rule 10.14 and for all other purposes for the issue of 21,914 Service Rights to Nanosonics’ Chief Executive Officer and President, Mr Michael Kavanagh, under the Nanosonics Equity Plan in respect of Mr Kavanagh’s 2024 STI, on the terms and conditions set out in the Explanatory Notes accompanying this Notice of Meeting and the Nanosonics Equity Plan Rules (as amended from time-to-time).*

### **Resolution 4 – Issue of 470,877 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh’s 2024 Long-Term Incentive grant (2024 LTI) and under the Nanosonics Equity Plan**

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

*That approval be given under and for the purpose of ASX Listing Rule 10.14 and for all other purposes for the issue of 470,877 Performance Rights to Nanosonics’ Chief Executive Officer and President, Mr Michael Kavanagh, under the Nanosonics Equity Plan in respect of Mr Kavanagh’s 2024 LTI, on the terms and conditions set out in the Explanatory Notes accompanying this Notice of Meeting and the Nanosonics Equity Plan Rules (as amended from time-to-time).*

### **Resolution 5 – Re-insertion of Proportional Takeover Provisions in Constitution**

To consider and, if thought fit, to pass the following special Resolution:

*That the proportional takeover provisions in clause 14 of the Company’s Constitution be renewed for a period of three years commencing on the day this special Resolution is passed.*

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## VOTING EXCLUSION STATEMENTS

In respect of **Resolution 2** (Adoption of Remuneration Report), no vote may be cast (in any capacity) by or on behalf of a person who is a member of key management personnel (**KMP**) whose remuneration details are included in the Remuneration Report, or a closely related party (as defined in the Corporations Act) (**Closely Related Party**) of such a person, unless the vote is cast as proxy on behalf of a person entitled to vote and is cast either:

- in accordance with a direction on the proxy form; or
- by the person chairing the Meeting as proxy for a person who is entitled to vote and the proxy appointment expressly authorises the chair to exercise the proxy, even if the resolution is connected directly or indirectly with the remuneration of KMP.

KMP of the Company are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The KMP during the financial year to 30 June 2024 are identified in the Remuneration Report contained in the Directors' Report for the year ended 30 June 2024.

Closely-related parties are defined in the *Corporations Act 2001* (Cth), and include certain family members, dependents and companies the KMP control.

In respect of **Resolutions 3** (relating to the Issue of Service Rights to Mr Kavanagh) and **4** (relating to the Issue of Performance Rights to Mr Kavanagh), the Company will disregard any votes cast in favour of either Resolution by or on behalf of Mr Kavanagh or any of his 'associates' (as defined in the ASX Listing Rules), regardless of the capacity in which the vote is cast.

However, the Company will not disregard any such vote in favour of Resolution 3 or 4 if it is cast by:

- A person as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with the directions given to the proxy or attorney to vote on that Resolution in that way;
- The person acting as chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with a direction given to the person acting as chairperson of the Meeting to vote on that Resolution as he or she 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' (as defined in the ASX Listing Rules) 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.

The Company will also disregard any vote on Resolution 3 or 4 by a member of the KMP (as at the time the relevant Resolution is voted on at the Meeting), or a Closely Related Party of that member of the KMP, as a proxy, unless the vote is cast as proxy for a person otherwise entitled to vote on the relevant Resolution:

- in accordance with the express direction of the appointor; or
- by the person acting as chairperson of the Meeting where the proxy appointment does not specify the way the proxy is to vote on the relevant Resolution and expressly authorises the person acting as chairperson of the Meeting to vote the proxy votes the subject of that proxy appointment on the relevant

Resolution as the person acting as chairperson of the Meeting sees fit, even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

## QUORUM

The Company's Constitution provides that two Company shareholders present personally, or by representative, attorney, or proxy, shall be a quorum for a general meeting of the Company.

## GENERAL BUSINESS

Any other business brought forward in accordance with the Company's Constitution will be considered, as appropriate.

Further information in relation to each of these Resolutions is set out in the Explanatory Notes.

## VOTING ENTITLEMENTS

For the purpose of the *Corporations Act 2001* (Cth), the Company has determined that the holders of the Company's ordinary shares for the purpose of the 2024 AGM will be the holders registered as at 11:00 am (AEDT) on Sunday, 10 November 2024. Shareholders so registered are entitled to attend and vote at the AGM (and at any adjournment of the Meeting that takes place within 28 days).

## PROXIES

Proxies must be deposited, transmitted or lodged electronically at least 48 hours prior to the Meeting (or adjourned meeting).

Electronic proxies must be registered by 11:00am (AEDT) on Sunday, 10 November 2024 using the website maintained by the Company's Share Registry at [www.investorvote.com.au](http://www.investorvote.com.au) or, by Intermediary Online subscribers only, at <https://www.intermediaryonline.com>.

A completed Proxy Form, or a copy or facsimile that appears on its face to be an authentic copy of the Proxy Form (and the Power of Attorney or other authority under which the Proxy Form is signed), must be deposited at, or sent by facsimile transmission to, the Company's Share Registry:

<b>By mail:</b>	Computershare Investor Services Pty Limited GPO Box 242, Melbourne VIC 3001 Australia
<b>By facsimile:</b>	1800 783 447 (within Australia) +61 (3) 9473 2555 (outside Australia)

To lodge a proxy online, the holder identification number (HIN) or security holder reference number (SRN) is required. The HIN or SRN appears at the top of the Proxy Form attached.

A shareholder entitled to attend and vote at the Company's AGM is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights that each proxy is entitled to exercise. If the proxy appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of

votes are to be disregarded. Unless executed under a Power of Attorney, a Proxy Form by a corporation should be executed in accordance with section 127(1) of the *Corporations Act 2001* (Cth).

## RESOLUTIONS

In accordance with the *Corporations Act 2001* (Cth) and the Company's Constitution, in order for each of Resolutions 1-4 to be effective, it must be passed as an ordinary Resolution (albeit Resolution 2 is non-binding). This means that each ordinary Resolution must be passed by more than 50% of the votes cast by shareholders who are entitled to vote on the Resolution. In order for Resolution 5 to be effective, it must be passed as a special resolution. This means that it must be passed by at least 75% of the votes cast by shareholders who are entitled to vote on the Resolution.

Dated in Sydney this 11th day of October 2024

## BY ORDER OF THE BOARD



**Matthew Carbines**  
Company Secretary

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## EXPLANATORY NOTES

These Explanatory Notes are an explanation of, and contain information about, the Resolutions to be considered at the Nanosonics Limited (**Nanosonics** or the **Company**) Annual General Meeting (**AGM** or the **Meeting**) to be held on Tuesday, 12 November 2024 and are to assist shareholders to determine how they wish to vote on the Resolutions. It forms part of the accompanying Notice of AGM and should be read in conjunction with it.

### Item of Business – 2024 Reports

This item of business relates to the consideration of the Company's Financial Report, including the Directors' and Auditor's Reports, for the year ended 30 June 2024, and gives the shareholders the opportunity to ask questions or make comments concerning these Reports during the Meeting. A copy of the 2024 Annual Report is available on the Company's website at <https://www.nanosonics.com.au/> in the Investor Centre section or may be requested from the Company Secretary. There is no requirement for a formal resolution on this item.

### Resolution 1 – Re-election of a Director – Ms Marie McDonald

Ms Marie McDonald was appointed as a Non-Executive Director of Nanosonics in October 2016. She is considered to be an Independent Director. Ms McDonald brings to Nanosonics a strong background in corporate and commercial law, having practised for many years as a partner at Ashurst. Ms McDonald was Chair of the Corporations Committee of the Business Law Section of the Law Council of Australia (2012 to 2013) and was a member of the Australian Takeovers Panel from 2001 to 2010. Ms McDonald is a current Non-Executive Director of CSL Limited, Nufarm Limited, the Walter and Eliza Hall Institute of Medical Research and a member of the Melbourne University Law School Foundation Board. Under the Company's Constitution, Ms McDonald retires by rotation and, being eligible, offers herself for re-election.

#### **Directors' Recommendation:**

The Board, excluding Ms McDonald, recommends that shareholders vote in favour of the Resolution.

### Resolution 2 – Remuneration Report

The Company's Remuneration Report is required to be considered for adoption in accordance with the *Corporations Act 2001* (Cth). The Remuneration Report is contained in the Directors' Report of the Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the shareholders the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the *Corporations Act 2001* (Cth), if 25% or more of votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) will have ceased to hold office immediately beforehand but may submit themselves for re-election.

#### **Directors' Recommendation:**

The Board recommends that shareholders vote in favour of this Resolution. Voting exclusions apply.

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### Resolution 3 – Issue of 21,914 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh’s 2024 Short Term Incentive grant (2024 STI) and under the Nanosonics Equity Plan

Shareholder approval is sought for the issue of 21,914 Service Rights to Mr Michael Kavanagh, Nanosonics’ Chief Executive Officer and President, in respect of Mr Kavanagh’s 2024 STI and under the terms and conditions of the Nanosonics Equity Plan, which was approved by shareholders at the 2023 AGM (**Nanosonics Equity Plan**) and the terms and conditions set out below. As explained below, the 2024 STI has already been earned by Mr Kavanagh and fifty percent of his 2024 STI has already been paid in cash. The balance of Mr Kavanagh’s 2024 STI (being \$76,440.00) (**2024 STI Entitlement Balance**) will, subject to Resolution 3 being passed, be awarded in the form of Service Rights, which will vest on 31 August 2025. The service condition described in the ‘2024 STI Terms’ table below will apply until the Vesting Date. Once vested, these Service Rights will be subject to an exercise restriction for a further 12 months to 31 August 2026.

Under ASX Listing Rule 10.14, an issue of securities (including the Service Rights the subject of this Resolution 3) to a director under an employee incentive scheme is required to be approved by shareholders (subject to limited exceptions). Mr Kavanagh is a director of Nanosonics and, therefore, shareholder approval is being sought for the purposes of ASX Listing Rule 10.14. Approval of Resolution 3 for the purpose of ASX Listing Rule 10.14 will also result in any Service Rights the subject of Resolution 3 issued to Mr Kavanagh being excepted from the restriction in ASX Listing Rule 7.1. Accordingly, if Resolution 3 is passed by shareholders, the issue of Service Rights the subject of Resolution 3 (and any new ordinary shares issued to Mr Kavanagh on satisfaction of those Service Rights) will be excluded from the calculation of Nanosonics’ annual ‘placement capacity’ limit under ASX Listing Rule 7.1 and will therefore not count towards the annual 15% new security issue capacity availability to the Company under that ASX Listing Rule.

#### Background

In respect of the 2024 STI, the Board, after considering prior performance, market conditions and approved budgets, set two Group financial metrics with a total 60% weighting, being Profit Before Tax (PBT) and Global Total trophon Units. Each of the Group financial metrics included a measure for threshold, target and stretch performance outcomes. The remaining 40% weighted metrics were operational in nature and aligned with the Board’s business priorities. The Board determined that Mr Kavanagh achieved an overall STI outcome of 28% (against a potential maximum outcome of 150%), based on 0% achievement of the Group PBT and Global Total trophon Units metrics with a combined weighting of 60%, and 70% achievement of the individual operational metrics with a 40% weighting. Additional detail in respect of the 2024 STI outcomes is set out in section 4.2 of the 2024 Remuneration Report.

Service Rights were chosen by the Company as the form of the equity component of the FY24 STI as they provide alignment between the interests of the Company’s executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership unless and until the Service Rights vest and are exercised. The number of Service Rights that will be granted and issued to Mr Kavanagh (if Resolution 3 is passed at the Meeting) was calculated by dividing Mr Kavanagh’s 2024 STI Entitlement Balance by the Volume Weighted Average Price (**VWAP**) of Nanosonics’ shares traded on ASX during the 20 trading days following the release of the Company’s FY24 full year results to the ASX (that is, over the period 27 August 2024 to 23 September 2024), which was \$3.4883 (**Service Right Face Value**). Using that methodology, the value of each Service Right is \$3.4883 (being the Service Right Face Value), with the 21,914 Service Rights having a total value of \$76,440.00. The actual value (if any) of the Service Rights will depend on whether the service-based

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vesting condition described below is satisfied, the Service Rights are ultimately exercised, and the Nanosonics share price at the time of exercise.

Mr Kavanagh is currently the only Director entitled to participate in the Nanosonics Equity Plan. As at the date of this Notice of Meeting, no Directors, other than Mr Kavanagh, have been issued any equity securities (including Service Rights) under the Nanosonics Equity Plan. Details of any securities issued under the Nanosonics Equity Plan will be published in the Annual Report of Nanosonics relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Nanosonics Equity Plan after Resolution 3 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under that rule.

Since the Nanosonics Equity Plan was approved by shareholders at the 2023 AGM held on 3 November 2023 (**2023 AGM**), the following Rights (as defined in the Nanosonics Equity Plan Rules) have been issued to Mr Kavanagh under the Nanosonics Equity Plan (with shareholder approval for the purpose of ASX Listing Rule 10.14, which was given at the 2023 AGM):

- 44,054 Service Rights for nil cash consideration and with a nil exercise price (and otherwise on the terms and conditions described in the notice of 2023 AGM), which vested on 31 August 2024 (2023 STI). As described in the notice of 2023 AGM, these Service Rights are subject to an exercise restriction period of one year after the vesting date and they may only be exercised after that time.
- 385,140 Performance Rights for nil cash consideration and with a nil exercise price, and otherwise on the terms and conditions described in the notice of 2023 AGM (2023 LTI). As described in the notice of 2023 AGM, these Performance Rights are subject to performance and service vesting conditions and have a vesting date of 30 September 2026, These Performance Rights are subject to an exercise restriction period of one year after the vesting date and they may only be exercised after that time.

No other securities (as defined in the ASX Listing Rules) have been issued to Mr Kavanagh under the Nanosonics Equity Plan since the date of the 2023 AGM. For completeness, the Company has previously issued (with shareholder approval for the purpose of ASX Listing Rule 10.14) equity securities to Mr Kavanagh under the Company's "Omnibus Equity Plan" (**Omnibus Plan**). The types and number of those equity securities that Mr Kavanagh holds as at the date of this Notice of Meeting are set out in the table in the "Mr Kavanagh's remuneration" section below.

If shareholder approval for the issue of the Service Rights the subject of Resolution 3 is not obtained at the Meeting, then, subject to the achievement of the service-based vesting condition described below, Mr Kavanagh may, at the Board's discretion, be entitled to receive a cash payment at the Vesting Date (defined below) of an amount equal to the 2024 STI Entitlement Balance, being \$76,440.00.

Details of Mr Kavanagh's remuneration entitlements for the 2024 financial year and his interests in the Company's securities as at 30 June 2024 can be found on pages 55, 57 and 59 of the 2024 Remuneration Report. Mr Kavanagh's remuneration package for the 2025 financial year and the details of the equity securities that Mr Kavanagh owns or has a beneficial interest in as at the date of this Notice of Meeting are outlined below:

#### **Mr Kavanagh's remuneration**

Mr Kavanagh's total remuneration package for the 2025 financial year is as follows:

- Total Fixed Remuneration (**TFR**): \$912,533.40 (base remuneration \$882,601.20 and superannuation \$29,932.20);
- Short-Term Incentive: Up to 60% of TFR (being \$547,520.04) at Target and 90% of TFR (being \$821,280.06) at Maximum; and
- Long-Term Incentive: Up to 90% of TFR (being \$821,280.06) at Target and 180% of TFR (being \$1,642,560.12) at Maximum.

Mr Kavanagh currently owns, or has a beneficial interest in, the following securities in the Company at the date of this Notice of AGM:

Security	How Held	Number
Unrestricted shares	Indirect	673,360
Unrestricted shares	Direct	683,363
Performance Rights	Under the Omnibus Plan	363,925
Service Rights	Under the Omnibus Plan	44,054
Options	Under the Omnibus Plan	0
Share Appreciation Rights	Under the Omnibus Plan	283,930
Performance Rights	Under the Nanosonics Equity Plan	385,140

#### Summary of the terms of the Service Rights

The material terms of the Service Rights the subject of Resolution 3 are summarised below.

#### 2024 STI terms

<b>Maximum number of securities</b>	Each vested Service Right, if any, will convert into one ordinary share on exercise. Accordingly, the maximum number of shares that may be acquired by Mr Kavanagh on the exercise of the Service Rights the subject of Resolution 3 is 21,914 shares. Those shares may be, in the Board's discretion, new shares issued to Mr Kavanagh or existing shares (including shares acquired on market) that are transferred to Mr Kavanagh, or a combination of both.  Service Rights do not have dividend or voting rights. However, ordinary shares issued or transferred on the exercise of Service Rights have the same dividend and voting rights as the ordinary shares in capital of the Company currently on issue. Ordinary shares issued or transferred to Mr Kavanagh on the exercise of Service Rights will not be subject to a holding lock, and Mr Kavanagh will be free to deal with those shares, subject to compliance with Nanosonics' securities trading policy and applicable laws.
<b>Issue price</b>	As Mr Kavanagh's grant forms part of his STI remuneration, the Service Rights will be granted and issued to Mr Kavanagh for nil consideration.
<b>Exercise price</b>	The Service Rights have a nil exercise price.
<b>Vesting condition – Service</b>	The Service Rights will only vest if Mr Kavanagh remains in continuous employment with Nanosonics in his current or equivalent position from the date of grant to 31 August 2025 ( <b>Vesting Date</b> ) and is not working out a period of notice as at the Vesting

	Date (unless the Board determines otherwise in accordance with the Nanosonics Equity Plan Rules).
<b>Exercise Restriction</b>	The Service Rights that vest on the Vesting Date will be subject to a one-year exercise restriction to 31 August 2026 ( <b>Exercise Restriction End Date</b> ).
<b>Lapse</b>	Service Rights will automatically lapse if they do not vest by the Vesting Date (unless the Board determines otherwise in accordance with the Nanosonics Equity Plan Rules) or are not exercised before the Last Exercise Date.
<b>Term</b>	Service Rights will have a term ending 31 August 2034 ( <b>Last Exercise Date</b> ).
<b>Loan terms</b>	No loan will be made to Mr Kavanagh in relation to the Service Rights.
<b>Issue date</b>	If Resolution 3 is approved, the Service Rights will be issued no later than 6 months after the date of the Meeting. If shareholder approval for the issue of the Service Rights the subject of Resolution 3 is not obtained at the Meeting, then, subject to the achievement of the service-based vesting condition described below, Mr Kavanagh may, at the Board's discretion, be entitled to receive a cash payment at the Vesting Date (defined below) of an amount equal to the 2024 STI Entitlement Balance, being \$76,440.00.
<b>Malus</b>	<p>If the Board becomes aware of circumstances that have resulted in an unfair or inappropriate benefit to an Executive KMP (which includes Mr Kavanagh) including:</p> <ul style="list-style-type: none"> <li>• a material misstatement or omission in the consolidated financial statements of the Group;</li> <li>• the misconduct of any Executive KMP; or</li> <li>• any other circumstance that the Board determines in good faith to have resulted in an unfair or inappropriate benefit to the Executive KMP,</li> </ul> <p>the Board may, at its absolute discretion, reduce, cancel or clawback the Service Rights the subject of Resolution 3 or any shares issued on exercise of those Service Rights.</p>

### Summary of the key terms of the Nanosonics Equity Plan

The Service Rights the subject of Resolution 3 will be granted under, and subject to, the Nanosonics Equity Plan. The material terms of the rules governing the Nanosonics Equity Plan (**Nanosonics Equity Plan Rules**) are summarised in the table below..

<p><b>Eligibility</b></p>	<p>Under the Nanosonics Equity Plan, the Board may, from time to time, in its discretion make Offers to eligible employees (including Executive Directors, casual employees and certain contractors) for a grant of Rights or Shares.</p> <p>Rights include options, share appreciation rights, performance rights and other rights to acquire shares, which may be subject to applicable Conditions.</p> <p>Shares include:</p> <ul style="list-style-type: none"> <li>(a) exempt share awards, which are granted for no consideration or at a discount to the market value of shares with the intention that up to \$1,000 (or such other amount which is exempted under the relevant tax laws from time-to-time) of the total value or discount will be exempt from tax;</li> <li>(b) salary sacrifice share awards, which are granted under a salary sacrifice arrangement; and</li> <li>(c) performance share awards, which are subject to Conditions.</li> </ul>					
<p><b>Offer terms and conditions</b></p>	<p>The Board will determine the terms and conditions of each Offer under the Nanosonics Equity Plan, including:</p> <ul style="list-style-type: none"> <li>(a) the type of securities;</li> <li>(b) the number of securities;</li> <li>(c) any applicable Conditions;</li> <li>(d) the time when securities may vest; and</li> <li>(e) the exercise period and exercise price.</li> </ul>					
<p><b>Offer limit</b></p>	<p>No Offer will be made if it exceeds the issue cap requirements under Division 1A of Part 7.12 of the Corporations Act, which provides a regime for the making of offers in connection with an employee share scheme (<b>ESS</b>). Currently, an Offer will comply with the issue cap if:</p> <ul style="list-style-type: none"> <li>(a) the number of Shares that may be issued under the offer; <i>plus</i></li> <li>(b) the number of Shares that may be issued under an ESS in connection with offers made in the prior 3 year period,</li> </ul> <p>does not exceed 5% of the total number of Shares on issue at the Offer date.</p>					
<p><b>Conditions</b></p>	<table border="1" data-bbox="443 1435 1430 1877"> <thead> <tr> <th data-bbox="443 1435 916 1487">Rights</th> <th data-bbox="920 1435 1430 1487">Performance Share Awards</th> </tr> </thead> <tbody> <tr> <td data-bbox="443 1494 916 1877"> <p>Rights may only vest in accordance with the applicable Conditions unless the Board exercises its discretion, in circumstances where it considers it to be in the best interests of the Company, to:</p> <ul style="list-style-type: none"> <li>(a) deem the Conditions to be satisfied or waived; or</li> <li>(b) bring forward the date on which the Rights vest.</li> </ul> </td> <td data-bbox="920 1494 1430 1877"> <p>Performance Share Awards may only vest in accordance with the applicable Conditions unless the Board exercises its discretion, in circumstances where it considers it to be in the best interests of the Company, to:</p> <ul style="list-style-type: none"> <li>(a) deem the Conditions to be satisfied or waived; or</li> <li>(b) bring forward the date on which the Performance Share Awards vest.</li> </ul> </td> </tr> </tbody> </table> <p>Rights and Performance Share Awards will lapse or be forfeited under the Plan (if not already lapsed or forfeited) if the applicable Conditions are not satisfied, subject to the Board’s overriding discretion.</p>		Rights	Performance Share Awards	<p>Rights may only vest in accordance with the applicable Conditions unless the Board exercises its discretion, in circumstances where it considers it to be in the best interests of the Company, to:</p> <ul style="list-style-type: none"> <li>(a) deem the Conditions to be satisfied or waived; or</li> <li>(b) bring forward the date on which the Rights vest.</li> </ul>	<p>Performance Share Awards may only vest in accordance with the applicable Conditions unless the Board exercises its discretion, in circumstances where it considers it to be in the best interests of the Company, to:</p> <ul style="list-style-type: none"> <li>(a) deem the Conditions to be satisfied or waived; or</li> <li>(b) bring forward the date on which the Performance Share Awards vest.</li> </ul>
Rights	Performance Share Awards					
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<p><b>Exercise of Rights</b></p>	<p>A Participant may exercise Rights if:</p> <ul style="list-style-type: none"> <li>(a) the Rights have vested under the Plan;</li> <li>(b) the Rights have not otherwise lapsed or been forfeited under the Plan;</li> <li>(c) the Participant exercises the Rights during an open exercise window; and</li> <li>(d) the Participant pays the exercise price (if any) to the Company (subject to the Board’s discretion to allow a Participant to conduct a cashless exercise).</li> </ul> <p>If a Right is exercised accordingly, the Company may:</p> <ul style="list-style-type: none"> <li>(a) issue or procure the transfer of the relevant number of underlying Shares to the Participant; or</li> <li>(b) pay a cash amount to the Participant in lieu of issuing or procuring the transfer of Shares equal to the market value of the Shares that otherwise would have been issued or transferred.</li> </ul>
<p><b>Rights attaching to Shares</b></p>	<p><i>Ranking</i></p> <p>Each Participant’s Shares issued will rank equally in all respects with all existing Shares from the date of issue, except for any disposal restrictions that apply.</p> <p><i>Rights and Bonus Issues</i></p> <p>A Participant has the right to participate in rights issues and bonus issues by the Company:</p> <ul style="list-style-type: none"> <li>(a) in relation to a Participant’s Shares that are registered in the Participant’s name; or</li> <li>(b) in the case of Share Awards, that are registered in the name of a trustee, once those Share Awards are allocated.</li> </ul> <p><i>Dividends</i></p> <p>A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on the Participant’s Shares that, at the closing date for determining entitlement to those dividends, are standing to the account of the Participant.</p> <p><i>Voting rights</i></p> <p>A Participant may exercise any voting rights attaching to a Participant’s Shares registered in the Participant’s name or, in the case of Share Awards registered in the name of a trustee, once those Share Awards are allocated to the Participant.</p>
<p><b>Disposal restrictions</b></p>	<p>The Board may, in its discretion, impose any disposal restrictions in respect of Shares issued or transferred on the exercise of Rights.</p>
<p><b>Cessation of employment</b></p>	<p><i>Good Leaver</i></p> <p>If a Participant ceases employment, the Board may determine whether the Participant is a Good Leaver. A Good Leaver is a Participant who ceases employment as a result of:</p> <ul style="list-style-type: none"> <li>(a) death</li> <li>(b) serious injury or illness which prohibits continued employment;</li> <li>(c) Retirement; or</li> <li>(d) Retrenchment, or</li> </ul> <p>who the Board determines (in its absolute discretion) is a Good Leaver.</p> <p><i>Default treatment</i></p>

	<p>If a Participant is a Good Leaver:</p> <ul style="list-style-type: none"> <li>(a) any vested Rights may be exercised for a 12-month period following cessation of employment, after which they will be forfeited;</li> <li>(b) any unvested Rights will be immediately forfeited;</li> <li>(c) any vested Performance Share Awards must be disposed within a 12-month period following cessation of employment, after which they will be forfeited; and</li> <li>(d) any unvested Performance Share Awards will be immediately forfeited.</li> </ul> <p>If a Participant is not a Good Leaver:</p> <ul style="list-style-type: none"> <li>(a) any Rights (whether vested or not) will be immediately forfeited; and</li> <li>(b) any Performance Share Awards (whether vested or not) will be immediately forfeited.</li> </ul> <p>Irrespective of whether the Participant is a Good Leaver or not, the Participant's Shares (and any Shares issued or transferred on the exercise of Rights as contemplated above) will no longer be subject to any disposal restrictions.</p> <p><i>Board discretion</i></p> <p>Notwithstanding the above default treatment, the Board may, in its discretion, determine that some or all of a Participant's securities:</p> <ul style="list-style-type: none"> <li>(a) lapse;</li> <li>(b) are forfeited;</li> <li>(c) vest immediately or subject to Conditions;</li> <li>(d) are only exercisable for a specified period and will otherwise lapse; and/or</li> <li>(e) are no longer subject to, or are subject to different restrictions to, some of the restrictions including Conditions and Disposal Restrictions that previously applied.</li> </ul>
<p><b>Change of control</b></p>	<p>If a change of control event occurs before a Participant's securities have vested, then the Board may, in its discretion, determine whether:</p> <ul style="list-style-type: none"> <li>(a) some or all unvested securities will vest or will lapse (whether subject to Conditions or not); or</li> <li>(b) some or all of the unvested securities will remain subject to the applicable Conditions (or substitute Conditions).</li> </ul>
<p><b>Fraud, dishonesty or material misstatement</b></p>	<p>Where a Participant (among other things) acts fraudulently, dishonestly, or is involved in a material misstatement in the Company's financial statements, the Board may determine how to treat the Participant's securities. This may include:</p> <ul style="list-style-type: none"> <li>(a) the Conditions applying to Securities should be altered or reset;</li> <li>(b) all or any securities shall be forfeited;</li> <li>(c) where the exercise of rights has been cash settled, that the Participant be required to repay all or part of the cash proceeds received; and</li> <li>(d) where dividends have been received in respect of Shares that have been granted to the Participant on exercise of Rights or those Shares have otherwise been disposed, that the Participant required to repay all or part of the proceeds received.</li> </ul>
<p><b>Administration of the Nanosonics Equity</b></p>	<p>The Board may amend the Nanosonics Equity Plan Rules at any time, provided that any such amendment does not, without the written agreement of the relevant</p>

<p><b>Plan and Board discretion</b></p>	<p>Participant, materially reduce or otherwise prejudicially affect the rights attaching to the securities that have been provided to the Participant under the Nanosonics Equity Plan Rules (and which remain subject to the Nanosonics Equity Plan Rules), other than an amendment introduced primarily for the purpose of complying with a law or requirement of a regulator, to correct any manifest error or mistake, or to take into consideration possible adverse tax implications for the Company or the Participant.</p> <p>Under the Nanosonics Equity Plan Rules, the Board may exercise any power or discretion concerning the Nanosonics Equity Plan in its absolute discretion, and may waive any provision of the Nanosonics Equity Plan Rules or any vesting conditions or restrictions that apply to securities issued under the Nanosonics Equity Plan Rules.</p>
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**Directors' recommendation**

The Board, excluding Mr Kavanagh (who abstains from making a recommendation to shareholders because of his personal interest in the outcome of the Resolution), recommends that shareholders vote in favour of the Resolution. Voting exclusions apply, as set out in the Notice of Meeting.

**Resolution 4 – Issue of 470,877 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh's 2024 Long-Term Incentive grant (2024 LTI) and under the Nanosonics Equity Plan**

Shareholder approval is sought for the issue of 470,877 Performance Rights to Mr Michael Kavanagh, Nanosonics' Chief Executive Officer and President, in respect of Mr Kavanagh's 2024 LTI and under the terms and conditions of the Nanosonics Equity Plan and the terms and conditions set out below.

As noted in the explanatory notes to Resolution 3 above, under ASX Listing Rule 10.14, an issue of securities (including the Performance Rights the subject of this Resolution 4) to a director under an employee incentive scheme is required to be approved by shareholders (subject to limited exceptions). Mr Kavanagh is a director of Nanosonics and, therefore, shareholder approval is being sought for the purposes of ASX Listing Rule 10.14. Approval of Resolution 4 for the purpose of ASX Listing Rule 10.14 will also result in any Performance Rights the subject of Resolution 4 issued to Mr Kavanagh being excepted from the restriction in ASX Listing Rule 7.1. Accordingly, if Resolution 4 is passed by shareholders, the issue of Performance Rights the subject of Resolution 4 (and any new ordinary shares issued to Mr Kavanagh on satisfaction of those Performance Rights) will be excluded from the calculation of Nanosonics' annual 'placement capacity' limit under ASX Listing Rule 7.1 and will therefore not reduce the annual 15% new security issue capacity availability to the Company under that ASX Listing Rule.

**Background**

The structure of the 2024 LTI is as follows:

- Relative Total Shareholder Return Measure (rTSR): 50% of the 2024 LTI grant value will be based on Nanosonics' Total Shareholder Return (TSR) measured against the TSR of the ASX Small Ordinaries constituents (100 to 300), excluding the GICS Energy, Financials, Metal & Mining Industry and REITs sectors' companies. This peer group of companies is aligned to Nanosonics in terms of size and industry. This metric provides a direct link between the experience of the Company's shareholders and executive long-term rewards.

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- PBT CAGR measure: 50% of the 2024 LTI grant value will be based on a 3-year Profit Before Tax (PBT) compound annual growth (CAGR) of the Ultrasound Reprocessing Business (Core trophon Business) over the performance period FY24 to FY27 measured at the fixed foreign currency rate of 0.67 AUD:USD used in the Company's FY25 business outlook.<sup>1</sup> It is noted that the actual AUD:USD foreign exchange rate in FY24 was 0.66, as disclosed in the Company's FY24 full year results that were released to the ASX on 27 August 2024. The Company believes that PBT CAGR of the Ultrasound Reprocessing Business (Core trophon Business) is an appropriate metric as it places a focus on growth in the profitability of the Ultrasound Reprocessing Business (Core trophon Business) while continuing investment in the non-ultrasound reprocessing long term growth initiatives of the business. This metric will include all revenue and expenses directly related to the Ultrasound Reprocessing Business (Core trophon Business), inclusive of R&D related to the trophon product development roadmap as well as investments in geographical expansion. This will be determined by deducting revenue and costs associated with CORIS and any other non-ultrasound reprocessing business activities from total Company PBT. Excluding these costs maintains focus on driving the Company's long-term goals and future growth through product expansion.

In determining the PBT CAGR measure, the PBT over the performance period will be measured at the fixed foreign currency rate of 0.670 AUD:USD used in the Company's FY25 business outlook. This will be compared to the FY24 PBT of \$13.0 million (at an actual exchange rate of 0.66). The Company's performance is highly sensitive to AUD:USD foreign currency fluctuations, with a significant portion of its revenue generated in the USA. Fixing the AUD:USD rate means that the impact of changes in foreign exchange rates on the Company's earnings over the performance period will be removed. This was considered by the Company to be appropriate as it provides a correlation between management performance and remuneration outcomes and minimises the risk that management are rewarded or penalised for foreign currency fluctuations outside their control. The impact of foreign currency movements will, however, be reflected in rTSR. Although the Company could have fixed the currency for PBT measurement at the FY24 actual rate (0.66), it considered that it was preferable to use the same rate as that used in the Company's business outlook for FY25 (0.670). It is noted that the rates for other foreign currencies (the impact of which on the metrics disclosed in the Company's business outlook statement for FY25 is expected to be less significant than USD) will also be fixed at the rates that underpinned the Company's FY25 business outlook statement.

It should be noted that discipline over total R&D expenditure, including CORIS and non-ultrasound reprocessing R&D activities, is maintained through the PBT metric in the Company's short term incentive plan, which takes into account all R&D expense.

The Company considers that these two equally weighted measures achieve an appropriate balance between shareholder experience (rTSR) and Company performance (profit growth metric).

Details of the vesting conditions that will apply to the Performance Rights the subject of Resolution 4, which are based on these measures, are described in the table entitled "2024 LTI Terms" below (see the sections of the table entitled "Gate", "Performance Conditions" and "Service Condition")) (**Vesting Conditions**).

If Resolution 4 is approved, Mr Kavanagh will be invited to apply for 470,877 Performance Rights. These Performance Rights will be awarded on the terms and conditions summarised below.

The Company uses Performance Rights as the form of the FY24 LTI (including Mr Kavanagh's FY24 LTI grant the subject of Resolution 4) because they are commonly used and well supported instruments that create

<sup>1</sup> See the "Business outlook – FY25 and beyond" section of Nanosonics' ASX announcement on 27 August 2024 entitled "Nanosonics 2024 Full Year Financial Results".



long-term alignment between the interests of the Company's executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership unless and until the Performance Rights vest and are exercised.

The number of Performance Rights that will be granted and issued to Mr Kavanagh (if Resolution 4 is passed at the Meeting) was calculated by dividing \$1,642,560.12, being Mr Kavanagh's maximum entitlement to participate in the 2024 LTI, by the Nanosonics share face value determined using the VWAP of Nanosonics shares traded on ASX for the 20 trading days following the release of the Company's FY24 full year results (that is, over the period 27 August 2024 to 23 September 2024), which was \$3.4883 (**Performance Right Face Value**). Using that methodology, the value of each Performance Right is \$3.4883 (being the Performance Right Face Value), with the 470,877 Performance Rights having a total value of \$1,642,560.12. The actual value (if any) of the Performance Rights will depend on whether the Vesting Conditions described below are satisfied (or, if applicable, waived), the Performance Rights are ultimately exercised, and the Nanosonics share price at the time of exercise.

As stated in the explanatory notes to Resolution 3 above:

- Mr Kavanagh is currently the only Director entitled to participate in the Nanosonics Equity Plan;
- as at the date of this Notice of Meeting, no Directors, other than Mr Kavanagh, have been issued any equity securities (including Performance Rights) under the Nanosonics Equity Plan;
- details of any securities issued under the Nanosonics Equity Plan will be published in the Annual Report of Nanosonics relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14; and
- any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Nanosonics Equity Plan after Resolution 4 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under that rule.

The explanatory notes to Resolution 3 above include details of the securities (as defined in the ASX Listing Rules) that have been issued to Mr Kavanagh under the Nanosonics Equity Plan (with shareholder approval for the purpose of ASX Listing Rule 10.14) since the Nanosonics Equity Plan was approved by shareholders at the 2023 AGM (as well as details of the equity securities previously issued under the Omnibus Plan that Mr Kavanagh still holds as at the date of this Notice of Meeting). Other than as described in the explanatory notes to Resolution 3 above, no securities (as defined in the ASX Listing Rules) have been issued to Mr Kavanagh under the Nanosonics Equity Plan since the date of the 2023 AGM.

If shareholder approval for the issue of the Performance Rights the subject of Resolution 4 is not obtained at the Meeting, then, subject to the achievement (or, if applicable, waiver) of the Vesting Conditions described below, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Kavanagh.

The material terms of the Performance Rights the subject of Resolution 4 are summarised in the table below. The Performance Rights the subject of Resolution 4 will be granted under, and subject to, the Nanosonics Equity Plan Rules, the material terms of which are summarised in the explanatory notes to Resolution 3 above.

## 2024 LTI terms

<p><b>Maximum number of securities</b></p>	<p>For the 2024 LTI, Mr Kavanagh will be invited to apply for 470,877 Performance Rights with a nil Exercise Price if Resolution 4 is approved at the Meeting. Each vested Performance Right, if any, will convert into one ordinary share on exercise. Accordingly, the maximum number of shares that may be acquired by Mr Kavanagh on the exercise of the Performance Rights the subject of Resolution 4 is 470,877 shares (subject to the application of the dividend equivalent entitlement provisions described below).</p> <p>Performance Rights do not have dividend or voting rights. However, ordinary shares issued or transferred on the exercise of Performance Rights have the same dividend and voting rights as the ordinary shares in capital of the Company currently on issue. Ordinary shares issued or transferred to Mr Kavanagh on the exercise of Performance Rights will not be subject to a holding lock, and Mr Kavanagh will be free to deal with those shares, subject to compliance with Nanosonics' securities trading policy and applicable laws.</p> <p>When added to the other remuneration elements, it is considered that Mr Kavanagh's 2024 LTI will produce a total remuneration package that is market competitive and appropriate given the Company's circumstances for FY25, based on market benchmarking and the current Nanosonics executive remuneration policy.</p>
<p><b>Issue price</b></p>	<p>The Performance Rights will be granted and issued to Mr Kavanagh for nil consideration.</p>
<p><b>Exercise price</b></p>	<p>The Performance Rights have a nil exercise price.</p>
<p><b>Term</b></p>	<p>The Performance Rights will have a term ending 10 years from the grant date, on the date specified in Mr Kavanagh's offer letter (<b>Last Exercise Date</b>).</p>
<p><b>Performance Period</b></p>	<p>The Performance Period is the period over which the applicable Vesting Conditions are assessed. The Performance Periods are set out below:</p> <ul style="list-style-type: none"> <li>• rTSR: from the announcement of the Company's FY24 financial results to the announcement of the Company's FY27 financial results, based on the 20-day VWAP of the Company's shares following each of those dates.</li> <li>• PBT CAGR Ultrasound Reprocessing Business (Core trophon Business): from 1 July 2024 to 30 June 2027.</li> </ul>
<p><b>Gate</b></p>	<p>A Gate is a condition that, if not fulfilled, will result in nil vesting of the Performance Rights, irrespective of performance in relation to the Performance Conditions set out below. The Gate for the 2024 LTI will be as follows:</p> <ul style="list-style-type: none"> <li>• For the rTSR tranche (being 235,438 (representing 50% of the total number) of the Performance Rights the subject of Resolution 4), the Gate is that the Company's TSR must be positive over the Performance Period (unless the Board determines otherwise in accordance with the Nanosonics Equity Plan Rules).</li> <li>• For the PBT CAGR tranche (being 235,439 (representing 50% of the total number) of the Performance Rights the subject of Resolution 4), no Gate applies.</li> </ul>

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<b>Performance Conditions</b>	<p>The Performance Conditions for the 2024 LTI (being performance-based vesting conditions that will apply to the Performance Rights) will be as follows:</p> <ul style="list-style-type: none"> <li>For the rTSR tranche (being 235,438 (representing 50% of the total number) of the Performance Rights the subject of Resolution 4), the Performance Condition will be based on the TSR of the Company over the Performance Period (equivalent to the change in share price over the Performance Period (based on the VWAP calculations at the applicable times described above), plus the value of dividends and other distributions declared or determined, assuming that all of those dividends and distributions are reinvested in new Nanosonics shares), compared with the TSR of the constituents of the ASX 300 Small Ordinaries Index after excluding the GICS Energy, Financials, Metal &amp; Mining Industry and REITs sectors companies.</li> </ul> <p>Vesting will be determined on the following scale:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Outcome</th> <th>Vesting Scale</th> </tr> </thead> <tbody> <tr> <td>75<sup>th</sup> percentile</td> <td>100% of opportunity</td> </tr> <tr> <td>50<sup>th</sup> percentile</td> <td>50% of opportunity</td> </tr> <tr> <td>&lt;50<sup>th</sup> percentile</td> <td>0%</td> </tr> <tr> <td colspan="2" style="text-align: center;">Straight-line basis in between</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>For the PBT CAGR tranche (being 235,439 (representing 50% of the total number) of the Performance Rights the subject of Resolution 4), the Performance Condition will be based on the 3-year PBT CAGR of the Ultrasound Reprocessing Business (Core trophon Business) over the Performance Period measured at the fixed foreign currency rate of 0.670 AUD:USD. This will be determined as Total Company PBT, excluding revenue and costs associated with CORIS and any other non-ultrasound reprocessing business activities. The disclosed FY24 Core trophon Business PBT on which CAGR will be calculated is \$40.4 million.</li> </ul> <p>Vesting will be determined according to the following scale:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>PBT CAGR achieved</th> <th>Vesting Scale</th> </tr> </thead> <tbody> <tr> <td>≥16%</td> <td>100% of opportunity</td> </tr> <tr> <td>13%</td> <td>50% of opportunity</td> </tr> <tr> <td>10%</td> <td>25% of opportunity</td> </tr> </tbody> </table>	Outcome	Vesting Scale	75 <sup>th</sup> percentile	100% of opportunity	50 <sup>th</sup> percentile	50% of opportunity	<50 <sup>th</sup> percentile	0%	Straight-line basis in between		PBT CAGR achieved	Vesting Scale	≥16%	100% of opportunity	13%	50% of opportunity	10%	25% of opportunity
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	Straight-line basis in between	
<b>Service Condition</b>	In addition to the above Vesting Conditions, the Performance Rights will only vest if Mr Kavanagh remains in continuous employment with Nanosonics in his current or equivalent position from the date of grant to the respective Vesting Date and is not working out a notice period as at the Vesting Date (unless the Board determines otherwise in accordance with the Nanosonics Equity Plan Rules).	
<b>Vesting Date</b>	30 September 2027	
<b>Exercise Restriction Period</b>	The Performance Rights will be subject to an Exercise Restriction Period of one year after the Vesting Date and they may only be exercised after that date.	
<b>Exercise of Rights</b>	<p>Upon exercise of vested Rights, if any dividends were paid by the Company between the Vesting Date and the date of exercise of the Performance Rights, Mr Kavanagh will be entitled to receive additional shares (or a cash payment) equal to the value of the dividends (calculated on the basis that they were reinvested in shares on ex-dividend date) that Mr Kavanagh would have been entitled to receive in respect of the shares into which his Performance Rights converted had he held those shares on the record dates in respect of those dividends.</p> <p>It is intended that any vested and exercised Performance Rights will be settled in shares. However, the board retains discretion to settle those Performance Rights in cash (of an amount equivalent to the value of those shares at the applicable time) or a combination of cash and shares in accordance with the Nanosonics Equity Plan. In accordance with the Nanosonics Equity Plan, any shares into which the Performance Rights convert on exercise may be, in the Board's discretion, new shares issued to Mr Kavanagh or existing shares (including shares acquired on market) that are transferred to Mr Kavanagh, or a combination of both.</p>	
<b>Lapse</b>	The Performance Rights will automatically lapse if the Performance Conditions are not met (unless the Board determines otherwise in accordance with the Nanosonics Equity Plan Rules) or, where Performance Conditions are met, the Performance Rights will automatically lapse if they are not exercised by the 30 September 2034. Last Exercise Date	
<b>Loan Terms</b>	No loan will be made to Mr Kavanagh in relation to the Performance Rights.	
<b>Grant date</b>	If approved, the Performance Rights will be granted no later than 6 months after the date of the Meeting. If the resolution is not approved, an alternative benefit may be considered.	

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<p><b>Malus</b></p>	<p>If the Board becomes aware of circumstances that have resulted in an unfair or inappropriate benefit to an Executive KMP (which includes Mr Kavanagh) including:</p> <ul style="list-style-type: none"> <li>• a material misstatement or omission in the consolidated financial statements of the Group;</li> <li>• the misconduct of any Executive KMP; or</li> <li>• any other circumstance that the Board determines in good faith to have resulted in an unfair or inappropriate benefit to the Executive KMP,</li> </ul> <p>the Board may, at its absolute discretion, reduce, cancel or clawback the Performance Rights the subject of Resolution 4 or any shares issued on exercise of those Performance Rights.</p>
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### Mr Kavanagh's remuneration

Details of Mr Kavanagh's remuneration entitlements for the 2024 financial year and his interests in the Company's securities as at 30 June 2024 can be found on pages 55, 57 and 59 of the 2024 Remuneration Report. A summary of Mr Kavanagh's remuneration package for the 2025 financial year and the details of the equity securities that Mr Kavanagh owns or has a beneficial interest in as at the date of this Notice of Meeting are set out in the explanatory notes to Resolution 3 above.

### Directors' recommendation

The Board, excluding Mr Kavanagh (who abstains from making a recommendation to shareholders because of his personal interest in the outcome of the Resolution), recommends that shareholders vote in favour of the Resolution. Voting exclusions apply, as set out in the Notice of Meeting.

### Resolution 5 – Re-insertion of Proportional Takeover Provision in Constitution

#### Background

A proportional takeover bid is an off-market bid under which an offer is made for only a proportion of each shareholder's securities. The *Corporations Act 2001* (Cth) permits a company to include in its constitution provisions prohibiting the registration of a transfer of securities resulting from a proportional takeover bid, unless the relevant holders of the securities in a meeting approve the bid. It is a requirement of the *Corporations Act 2001* (Cth) that such provisions in a company's constitution apply for a maximum period of three years, unless renewed earlier by special resolution. In the case of the Company, such proportional takeover bid approval provisions were last approved in 2021. At the Company's 2021 Annual General Meeting, shareholders approved a refreshed Constitution for the Company which included equivalent proportional takeover provisions (**Provisions**) to those that have been previously approved by shareholders. The Directors consider that it is in the best interests of shareholders to renew these Provisions in the form set out in the 2021 Constitution located on our website at the following URL: <https://www.nanosonics.com/media/xf2cn3oi/211027-nanosonics-limited-constitution.pdf>. Accordingly, a special resolution is being put to shareholders under section 648G of the *Corporations Act 2001* to renew the Provisions. If renewed by shareholders at the Meeting, the Provisions will operate for a further three years from the date of the Meeting (i.e. until 11 November 2027), subject to further renewal.

#### Effect of Provisions

The effect of the Provisions, as renewed, will be that where a proportional takeover bid is made for securities in the Company (i.e. a bid is made for a specified proportion, but not all, of each holder's bid class securities), the Directors must convene a meeting of holders of the relevant securities to vote on a resolution to approve that bid. The meeting must be held, and the resolution voted on (other than by the bidder and

their associates), at least 14 days before the last day of the bid period. To be passed, the resolution must be approved by a majority of votes at the meeting. However, the *Corporations Act 2001* (Cth) also provides that, if the meeting is not held within the time required, then a resolution to approve the proportional takeover bid will be deemed to have been passed. If the resolution to approve the proportional takeover bid is passed or deemed to have been passed, the transfer of securities resulting from acceptance of an offer under that bid will be permitted, and the transfers registered, subject to the *Corporations Act 2001* (Cth) and the Constitution of the Company. If the resolution is rejected, the registration of any transfer of shares resulting from an offer under the proportional takeover bid will be prohibited, and the bid deemed to be withdrawn. The Provisions, as renewed, will not apply to full takeover bids.

### ***Reasons for proposing the resolution***

The Board considers that shareholders should continue to have the opportunity to vote on a proposed proportional takeover bid. In the absence of the Provisions, as renewed, a proportional takeover bid for the Company may enable effective control of the Company to be acquired by a person who has not offered to acquire 100% of the Company's shares (and, therefore, has not offered to pay a 'control premium' that reflects 100% ownership).

As a result, if a proportional takeover bid for the Company is made:

- shareholders may not have the opportunity to dispose of all their shares; and
- shareholders risk becoming part of a minority interest in the Company or suffering loss following such a change of control if the market price of the Company's shares decreases or the Company's shares become less attractive and, accordingly, more difficult to sell.

If the Provisions are renewed, the Board considers that this risk will be minimised by enabling shareholders to decide whether a proportional takeover bid should be permitted to proceed.

### ***Acquisition proposals***

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

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

The *Corporations Act 2001* (Cth) requires these explanatory notes to discuss the potential future advantages and disadvantages of the Provisions for both directors and shareholders. Re-insertion of the Provisions will enable the Directors to formally ascertain the views of the shareholders in respect of a proportional takeover bid. Without such Provisions, the Directors are dependent upon their perception of the interests and views of shareholders. Other than this advantage, the Directors consider that there are no advantages or disadvantages for them as they remain free to make a recommendation on whether a proportional takeover bid should be accepted. For shareholders, the potential advantages of the Provisions, as re-inserted, are that they will provide all relevant holders with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a proportional takeover bid should be approved. This affords the relevant shareholders an opportunity to have a say in the future ownership and control of the Company and help the shareholders to avoid being locked into a minority. Your Directors believe this will encourage any proportional takeover bid to be structured so as to be attractive to at least a majority of the relevant shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic. Finally, knowing the view of a majority of the relevant shareholders may help each individual holder to assess the likely outcome of the proportional takeover bid and decide whether or not to accept an offer under the bid. A potential disadvantage for shareholders arising from the Provisions, if re-inserted, is that proportional takeover bids may be discouraged by further procedural steps that the Provisions entail and, accordingly, this may reduce any takeover speculation element in the price of the Company's securities. Shareholders may be denied an opportunity to sell a portion of their securities at an

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attractive price where the majority rejects an offer from persons seeking control of the Company. On balance, the Directors do not perceive those or any other possible disadvantages as justification for not reinserting the Provisions.

***Directors' Recommendation:***

The Board recommends that shareholders vote in favour of the special Resolution. A special Resolution must be passed by at least 75% of the votes cast by shareholders who are entitled to vote on the matter.

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## Need assistance?

 **Phone:**  
1300 855 080 (within Australia)  
+61 3 9415 4000 (outside Australia)

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Sunday, 10 November 2024.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 184202**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



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

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Nanosonics Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Nanosonics Limited to be held at Level 1, Building A, 7-11 Talavera Road, Macquarie Park, NSW 2113 and as a virtual meeting on Tuesday, 12 November 2024 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2, 3 and 4 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2, 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2, 3 and 4 by marking the appropriate box in step 2.

## Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Re-election of a Director, Marie McDonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of 21,914 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh's 2024 Short Term Incentive grant (2024 STI) and under the Nanosonics Equity Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of 470,877 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, in respect of Mr Kavanagh's 2024 Long-Term Incentive grant (2024 LTI) and under the Nanosonics Equity Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-insertion of Proportional Takeover Provisions in Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

**Update your communication details** (Optional)

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

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