

MARKET RELEASE (ASX: RDY)

## Notice of 2024 Annual General Meeting

**17 October 2024** – ReadyTech Holdings Limited (ASX: RDY) (**ReadyTech**) (ABN 25 632 137 216) attaches the 2024 Notice of Annual General Meeting.

– ENDS –

*This announcement has been authorised for release by the Board of ReadyTech Holdings Limited.*

**For more information, please contact:**

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**About ReadyTech**

ReadyTech is a leading provider of mission-critical SaaS for the education, employment services, workforce management, government and justice sectors. Bringing together the best in people management systems from students and apprentices to payroll, employment services, and community engagement, ReadyTech creates awesome technology that helps their customers navigate complexity, while also delivering meaningful outcomes. To learn more about ReadyTech's people-centric approach to technology, please visit [www.readytech.io](http://www.readytech.io).

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17 October 2024

Dear Shareholder,

On behalf of the Board of Directors of ReadyTech Holdings Limited ACN 632 137 216 (**ReadyTech**), I am pleased to invite you to ReadyTech's Annual General Meeting (**2024 AGM**).

ReadyTech's 2024 AGM will be held on **Tuesday, 19 November 2024** commencing at 11.00am (AEDT) at ReadyTech, Level 2, 77 King Street, Sydney, New South Wales 2000.

I encourage you to read the Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and consider lodging a directed proxy in advance of the meeting by following the instructions on the Proxy Form.

Chief Executive Officer, Marc Washbourne, and I will comment briefly on the performance of ReadyTech during the year ended 30 June 2024 at the meeting.

For further information please also refer to the 2024 Annual Report, which is available on our website (<https://investors.readytech.com.au/investor-centre/>).

Subject to the abstentions noted in the Explanatory Memorandum, the Directors of ReadyTech unanimously recommend that shareholders vote in favour of all resolutions to be proposed at the 2024 AGM.

Thank you for your continued support of ReadyTech and I look forward to your attendance at the 2024 AGM.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Tony Faure".

**Tony Faure**  
Chair

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**READYTECH HOLDINGS LIMITED**  
**ACN 632 137 216**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the 2024 Annual General Meeting (**AGM, 2024 AGM or Meeting**) of the shareholders of ReadyTech Holdings Limited ACN 632 137 216 (**ReadyTech or Company**) will be held:

Date: **Tuesday, 19 November 2024**  
Time: **11.00am (AEDT)**  
Venue: ReadyTech  
Level 2, 77 King Street  
Sydney, New South Wales 2000

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on the matters to be considered at the 2024 AGM.

The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

### **CONSIDERATION OF REPORTS**

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

All shareholders can view the Annual Report which contains the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the year ended 30 June 2024 on the Company's website at [www.readytech.com.au](http://www.readytech.com.au).

Shareholders are not required to vote on this item.

### **QUESTIONS AND COMMENTS**

Following consideration of the Reports, the Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about or make comments on the business of the meeting, the management of the Company or about the Company generally.

The Chair will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit.

### **ITEMS FOR APPROVAL**

#### **Resolution 1. Election of Ms Helen Lea**

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

*"That Ms Helen Lea, who retires in accordance with clause 59.2 of the Company's Constitution and being eligible, is elected as a Director of the Company."*

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## Resolution 2. Election of Mr Mark Summerhayes

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

*“That Mr Mark Summerhayes, who retires in accordance with clause 59.2 of the Company’s Constitution and being eligible, is elected as a Director of the Company.”*

## Resolution 3. Re-Election of Mr Tony Faure

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

*“That Mr Tony Faure, who retires in accordance with clause 60.1 of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”*

## Resolution 4. Remuneration Report

To consider and, if thought fit, pass the following as a non-binding ordinary resolution of the Company:

*“That the Company’s Remuneration Report for the financial year ended 30 June 2024, as set out in the Directors’ Report, is adopted.”*

The Remuneration Report is contained in the Company’s 2024 Annual Report (available at [www.readytech.com.au](http://www.readytech.com.au)).

Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (**Corporations Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

### Voting Exclusion Statement

A vote on Resolution 4 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2024 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 4 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote on the resolution; or
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
  - i. does not specify the way the proxy is to vote on the resolution; and
  - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolution 4 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act.

## Resolution 5. Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne

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

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 127,516 performance rights to Marc Washbourne under the ReadyTech Equity Incentive Plan on the terms set*

out in the ReadyTech Equity Plan and as described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved.”

#### Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- a. Marc Washbourne; or
- b. an associate of Marc Washbourne.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 5 by or on behalf of a person who is referred to in rule 10.14.1, 10.14.2, or 10.14.3 (or an associate of those persons) who is eligible to participate in the employee incentive scheme in question.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- b. the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on the Resolution as the Chair of the Meeting decides; or
- c. a shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 5; and
  - ii. the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD(1) of the Corporations Act, a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

By Order of the Board



Nimesh Shah  
Chief Financial Officer and Company Secretary  
17 October 2024

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## **ENTITLEMENT TO ATTEND AND VOTE**

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of ReadyTech as at 7.00pm (AEDT) on **Sunday, 17 November 2024** will be entitled to attend and vote at the 2024 AGM as a shareholder.

If more than one joint holder of shares is present at the 2024 AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### *Appointment of Proxy*

If you are a shareholder entitled to attend and vote, you may appoint a proxy to attend and act on your behalf at the 2024 AGM. A proxy need not be a shareholder of the Company and can be an individual or a body corporate.

If a shareholder is entitled to cast two or more votes at the 2024 AGM, the shareholder may appoint one or two proxies. If two proxies are appointed, the appointing shareholder may specify the proportion or number of their votes each proxy is appointed to exercise. In accordance with Rule 49.4 of the Company's Constitution, if no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the 2024 AGM

To be effective, the proxy must be received at the Share Registry of the Company no later than 11.00am (AEDT) on **Sunday, 17 November 2024**. Proxies must be received before that time by one of the following methods:

#### **ONLINE (preferred method)**

<https://investorcentre.linkgroup.com>

#### **BY MAIL**

ReadyTech 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\*  
Parramatta Square, Level 22,  
Tower 6,  
10 Darcy Street, Parramatta NSW 2150  
\*during business hours Sunday to Friday (9:00am to 5:00pm) and  
subject to public health orders and restrictions

#### **ALL ENQUIRIES TO**

Telephone: 1300 554 474 Overseas: +61 1300 554 474

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

### *Undirected proxies*

If the Chair of the meeting is appointed or taken to be appointed as a proxy and you do not specify in the Proxy Form the manner in which you wish the Chair to vote on the resolution to be considered at the meeting, then by submitting your Proxy Form you will be expressly authorising the Chair to exercise your proxy on the relevant resolution. The Chair intends to exercise all available votes in favour of the resolution.

### *Power of Attorney*

If you are a Shareholder entitled to attend and vote, you may appoint an attorney to act on your behalf at the 2024 AGM. Your appointment must be made by a duly executed power of attorney. The power of attorney (or a certified copy of it) must be received by ReadyTech no later than 11.00am (AEDT) on **Sunday, 17 November 2024**, being 48 hours before the 2024 AGM.

### *Corporate Representatives*

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the 2024 AGM.

The appointment of the representative must comply with the requirements under section 250D of the Corporations Act.

Appointed body corporate representatives will need to provide a signed "Appointment of Corporate Representative" form to Link Group no later than 11.00am (AEDT), on Sunday, 17 November 2024 unless it has been previously provided. The form can be obtained online at [linkmarketservices.com.au](http://linkmarketservices.com.au).

### *Voting at the Meeting*

Each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

**IMPORTANT:** If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 4 and 5 then by submitting the proxy form you will be expressly authorising the Chair to exercise your proxy on the resolution, even though the resolution is connected, directly or indirectly, with the remuneration of the KMP.

### **SHAREHOLDER QUESTIONS-SUBMITTED PRIOR TO THE MEETING**

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), select Voting then click 'Ask a Question', or alternatively submit the enclosed AGM Question Form.

To allow time to collate questions and prepare answers, please submit any questions by 5.00pm (AEDT) on Tuesday, 12 November 2024. Questions will be collated and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

### **CONDUCT OF MEETING**

ReadyTech is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders) who attend the meeting with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about the Company generally.

ReadyTech will not allow conduct at any shareholder meeting which is discourteous to those who are present at the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chair of the Meeting will exercise his powers as the Chair to ensure that the meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.

## **ENCLOSURES**

Enclosed are the following documents:

- Proxy Form to be completed if you would like to be represented at the AGM by a proxy. Shareholders are encouraged to use the online voting facility that can be accessed on ReadyTech's share registry's website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) to ensure the timely and cost effective receipt of your Proxy Form; and
- a reply paid envelope for you to return the Proxy Form.

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## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared in relation to the business to be conducted at ReadyTech's 2024 AGM to be held at 11.00am (AEDT) on **Tuesday, 19 November 2024**.

The purpose of this Explanatory Memorandum is to provide shareholders of ReadyTech with information that is reasonably required by shareholders to decide how to vote upon the resolutions being put forward at the 2024 AGM.

The Chair of the 2024 AGM intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2, 3 and 5 are ordinary resolutions, which require a simple majority of votes cast by shareholders entitled to vote on the resolution.

Resolution 4, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

### **Resolution 1. Election of Ms Helen Lea**

Ms Helen Lea retires in accordance with Rule 59.2 of the Constitution and seeks election in accordance with Rule 59.2.

Ms Lea was appointed to the Board on 21 May 2024 as an Independent Non-Executive Director and is also the Chair of the Nomination and Remuneration Committee and a member of the Audit and Risk Committee.

Ms Lea has held various executive, directorship and committee advisory roles for ASX listed and private companies.

Ms Lea is an expert in transformation, talent and performance, human resources and holds a Master of Arts: Industrial Psychology (University of the Witwatersrand), is a Graduate of the Australian Institute of Company Directors and a Fellow of the Australian Human Resources Institute.

Ms Lea's extensive experience has been of great benefit to the Company, particularly Ms Lea's management and technology experience.

Prior to submitting herself for election, Ms Lea has confirmed that she would continue to have sufficient time to properly fulfil her duties and responsibilities to the Company.

The Board supports Ms Lea's election as a Non-Executive Director as Ms Lea provides a valuable contribution to the Board and Company, specifically in relation to management and technology matters, and therefore is recommended to shareholders for election.

*The Directors, with Ms Helen Lea abstaining, unanimously recommend that shareholders vote in favour of Resolution 1.*

### **Resolution 2. Election of Mr Mark Summerhayes**

Mr Mark Summerhayes retires in accordance with Rule 59.2 of the Constitution and seeks election in accordance with Rule 59.2.

Mr Summerhayes was appointed to the Board on 30 July 2024 as a Non-Executive Director of the Company.

Mr Summerhayes is a representative director of Pemba Capital Partners<sup>1</sup>, which is a substantial holder of the Company. Pemba is a leading investor in high-growth, entrepreneurial businesses.

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<sup>1</sup> Pemba Capital Partners currently has a relevant interest in 36,593,618 shares in the Company.

Prior to his appointment as a Non-Executive of the Company, Mr Summerhayes had been appointed as an Alternate Director for Mr Tom Matthews since 2019. Mr Tom Matthews resigned as a Non-Executive Director of the Company on 30 July 2024.

Mr Summerhayes is a Managing Director at Pemba Capital Partners, a leading investor in small and mid-sized private businesses in Australia and New Zealand. Mr Summerhayes has over 30 years of private equity, principal investing and middle market advisory experience.

Prior to joining Pemba, Mr Summerhayes was one of the Managing Directors of Smedvig Capital and one of the senior executives responsible for investing, managing and reporting on a diversified A\$350m private equity portfolio.

Before Smedvig capital, Mr Summerhayes co-founded SB Capital Partners, a private equity partnership, backed by Bain Capital where he spent several years advising corporates on a mix of strategy, M&A and operational improvements.

Mr Summerhayes has a Bachelor and Master of Arts (Economics) from Cambridge University.

Mr Summerhayes is also a Director of Arteva, ADDA, Ausreo, InteriorCo, Oncall, Oolio and RxPx.

Prior to submitting himself for election, Mr Summerhayes has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports Mr Summerhayes's election as a Non-Executive Director as Mr Summerhayes provides a valuable contribution to the Board and Company, specifically in relation to M&A and technology matters, and therefore is recommended to shareholders for election.

*The Directors, with Mr Mark Summerhayes abstaining, unanimously recommend that shareholders vote in favour of Resolution 2.*

### **Resolution 3. Re-election of Mr Tony Faure**

Mr Tony Faure retires in accordance with Rule 60.1 of the Constitution and seeks re-election in accordance with Rule 60.5.

Mr Faure was appointed to the Board on 8 March 2019 as an Independent Non-Executive Director and is the Chair. Mr Faure is also a member of the Audit and Risk Committee and Remuneration and Nomination Committee.

Mr Faure has deep experience in traditional and digital media and marketing, having run both small and large companies.

Mr Faure is passionate about ideas that use technology to push limits and create new experiences for consumers. Mr Faure has held the positions of Chief Executive Officer of ninemsn, Chief Executive Officer and Founder of HomeScreen Entertainment, and positions at Yahoo! including Regional Vice President, South Asia and Managing Director of Yahoo! Australia and New Zealand.

Mr Faure was also an advisor to the Board of seek.com.

Mr Faure is currently the Chair of oOh!media Limited.

Mr Faure's extensive experience and knowledge of media, technology and advertising matters has been of great benefit to the Company, particularly in his role as Chair of Board.

Prior to submitting himself for re-election, Mr Faure has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports Mr Faure's re-election as an Independent Non-Executive Director as Mr Faure provides a valuable contribution to the Board and Company, specifically in technology matters, and therefore is recommended to shareholders for re-election.

*The Directors, with Mr Tony Faure abstaining, unanimously recommend that Shareholders vote in favour of Resolution 3.*

#### **Resolution 4. Remuneration Report**

Section 250R(2) of the Corporations Act 2001 (Cth) (**Corporations Act**) requires that the section of ReadyTech's Directors' Report dealing with the remuneration of the key management personnel (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Key management personnel (**KMP**) are those persons having authority and responsibility for planning, directing and controlling the activities of ReadyTech including any executive or non-executive director.

Broadly, the Remuneration Report:

- discusses ReadyTech's policy in relation to remuneration of the KMP;
- discusses the relationship between the Board's remuneration policy and Company performance;
- details any performance conditions attached to KMP remuneration; and
- sets out remuneration details for each KMP.

Shareholders can view the full Remuneration Report on ReadyTech's website at [www.readytech.com.au](http://www.readytech.com.au).

Following consideration of the Remuneration Report, the Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration in setting remuneration policy for future years.

*Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.*

#### **Resolution 5. Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne**

This resolution deals with the proposed grant of performance rights (**Performance Rights** or **Rights**) under the Equity Incentive Plan (**Plan**) to Mr Marc Washbourne, Chief Executive Officer and a Director of the Company.

The Plan is intended to align the interest of Mr Washbourne with the interests of shareholders and is governed by the rules of the ReadyTech Equity Incentive Plan.

Awards under the Plan are structured as a Performance Right to receive Shares in the Company at a future date subject to satisfaction of the applicable vesting conditions.

The Company has agreed, subject to obtaining shareholder approval to grant a total of 127,516 Performance Rights to Mr Washbourne.

The ASX Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below.

Listing Rule 10.14 requires the approval of ordinary shareholders to issue securities under an employee incentive scheme to a Director of the Company. Accordingly, approval for the grant of the Performance Rights to Mr Washbourne is required.

Approval of this resolution will result in the grant of Performance Rights to Mr Washbourne falling within exception 14 in Listing Rule 7.2 (in addition to exception 13). Therefore, the issue of securities to Mr Washbourne will not be included in the 15% calculation for the purposes of Listing Rule 7.1. The issue of Shares in the Company on the exercise of the Performance Rights will also be excluded from Listing Rule 7.1.

If shareholders do not approve this Resolution, the proposed issue of 127,516 Performance Rights to Mr Washbourne will not proceed, and the Board may need to consider alternative remuneration arrangements. The Board considers it is important for ReadyTech to offer incentives to its executives that are in line with market practice so that it can drive executive performance, attract and retain the right talent and align Mr Washbourne's interests with those of shareholders.

#### *Purpose of the Plan*

The Company has established the Plan to assist in the motivation, retention and reward of senior executives.

The Plan is designed to align the interests of senior executives with shareholders by providing an opportunity for the participants to receive an equity interest in the Company.

#### *Calculation of the Proposed Number of Performance Rights*

The number of Performance Rights to be granted has been calculated by dividing the total value of the award by \$2.98, which is volume weighted average price (**VWAP**) for the three months prior to the commencement of the Performance Period (so 1 April 2024 to 30 June 2024), with a 10% discount. The value of the award is \$380,000, which is 80% of Mr Washbourne's base salary of \$475,000.

It is proposed that Mr Washbourne be granted 127,516 Performance Rights. If approved, the Performance Rights will be granted to Mr Washbourne for nil financial consideration.

#### *Vesting period*

The Performance Period is from 1 July 2024 to 30 June 2027.

100% of the Performance Rights awarded will be tested against the performance conditions and vest (subject to performance against the applicable vesting conditions) in Year 3 (so after 30 June 2027).

#### *Performance conditions*

Vesting of the Performance Rights will be subject to:

- a cash EBITDA per Share performance condition – applicable to 50% of the Performance Rights (**Cash EBITDA Hurdle**); and
- a recurring revenue per share compound annual growth rate performance condition – applicable to 50% of the Performance Rights (**Recurring Revenue CAGR Hurdle**).

#### *Cash EBITDA Hurdle – applicable to 50% of the Performance Rights*

The Cash EBITDA Hurdle has been determined with reference to the macroeconomic environment, relevant benchmarks and the Company's strategy.

No Rights will vest if the Cash EBITDA per Share growth rate is below 11%.

Tranche 1 of the Rights will vest subject to a Cash EBITDA per Share growth rate of between a threshold target of 11% and a target of 17%.

Calculation of the Cash EBITDA and achievement against the Cash EBITDA Hurdle will be determined by the Remuneration and Nomination Committee of the Company in its absolute discretion, having regard to any matters that it considers relevant.

The percentage of Rights that vest in the Cash EBITDA tranche, if any, will be determined by reference to the following vesting schedule, subject to any adjustments for abnormal or unusual items that the Board, in its discretion, considers appropriate:

Cash EBITDA Hurdle	Percentage of Performance Rights vesting
Cash EBITDA percentage of 17% or more	100%
Cash EBITDA percentage of between 11% and below 17%	Pro-rata vesting of the Performance Rights between 30% and 100%
Cash EBITDA percentage of 11%	30%
Cash EBITDA percentage of less than 11%	0%

*Recurring Revenue CAGR Hurdle – applicable to 50% of the Performance Rights*

50% of the Performance Rights are based on a recurring revenue performance condition tested over the period commencing 1 July 2024 and ending on 30 June 2027.

The Recurring Revenue per share CAGR Hurdle has been determined with reference to the macroeconomic environment, relevant benchmarks and the Company's strategy.

No Rights will vest if the compound annual growth rate is below 11%.

Tranche 1 of the Rights will vest subject to a compound annual growth rate in Recurring Revenue per share of between a threshold target of 11% and a target of 17%.

The percentage of Rights that vest in the recurring revenue per share CAGR tranche, if any, will be determined by reference to the following vesting schedule, subject to any adjustments for abnormal or unusual items that the Board, in its discretion, considers appropriate:

Recurring Revenue Hurdle	Percentage of Performance Rights vesting
Compound annual growth rate of 17% or more	100%
Compound annual growth rate between 11% and below 17%	Pro-rata vesting of the Performance Rights between 30% and 100%
Compound annual growth rate of 11%	30%
Compound annual growth rate of less than 11%	0%

Testing of the Cash EBITDA Hurdle and Recurring Revenue Hurdle will occur shortly after the end of the relevant performance period and release of the Company's full year audited results for the preceding financial year, and the number of Performance Rights that vest (if any) will be determined.

*Additional Terms of the Performance Rights*

- Performance Rights do not carry any dividend or voting rights prior to vesting.
- In respect of vested Performance Rights, the Board may in its absolute and unfettered discretion determine to make a cash payment in lieu of allocating some or all of the Shares (**Cash Equivalent Value**) and any Cash Equivalent Value paid will be calculated in accordance with the Plan Rules.
- The Company's obligation to allocate Shares on vesting of the Performance Rights may be satisfied by issuing new shares, procuring the transfer to, or procuring the setting aside for the participant the number of shares in respect of which Performance Rights have vested.
- The Plan contains provisions which give the Board the ability, in certain circumstances, to impose clawback, including the lapse of unvested Performance Rights and forfeit of shares allocated upon vesting of Performance Rights (e.g. in the event of fraud, dishonesty or material breach of obligations to the Group).

- The Performance Rights will be tested against the performance conditions and vest (subject to performance against the applicable vesting conditions) in Year 3 (so after 30 June 2027).
- Performance will be tested at the end of the performance period (in year 3) to determine the extent to which ReadyTech has satisfied the performance conditions.
- In the event, in the Board's opinion, there is the likely result of a change in the control (as defined in the Plan rules) of the Company, the Board has discretion to determine that all or a specified number of the Performance Rights vest. The Board has absolute discretion to deal with the Performance Rights and any Shares issued under the Plan in any way it determines and may also determine to lapse all or any of the Performance Rights for nil consideration in the event of a control event or other takeover/control event.
- In the event there is any corporate action by, or capital reconstruction in relation to the Company (including but not limited to return of capital), adjustments may be made to the number of Performance Rights and/or the number of Shares to which Mr Washbourne is entitled upon vesting in accordance with the Listing Rules or in a manner that the Board considers appropriate.
- In the event of cessation of employment, unvested Performance Rights will be treated as follows:
  - If Mr Washbourne ceases employment prior to the vesting date other than as a Good Leaver (detailed below), all of the unvested Performance Rights will lapse unless the Board determines otherwise; and
  - If Mr Washbourne ceases employment prior to the vesting date due to death, total and permanent disability or redundancy or any other circumstances in which the Board determines Mr Washbourne to be a Good Leaver (**Good Leaver**), the unvested Performance Rights remain on foot and subject to the original performance conditions, and tested in the normal course following the end of the Performance Period, vesting on a pro-rata basis.
- The Board has the discretion to lapse any or all unvested Performance Rights it deems appropriate in the circumstances.
- Under the Plan rules, any dealing in respect of a Performance Right is prohibited, unless the Board determines otherwise or the dealing is required by law.

*Technical information for the purposes of the ASX Listing Rules*

ASX Listing Rule 10.15 contains requirements as to the contents of a Notice sent to shareholders for the purposes of ASX Listing Rule 10.14 and the following information is included in this Explanatory Statement for that purpose:

- Mr Washbourne is the Chief Executive Officer of ReadyTech and is also a Director of ReadyTech and accordingly, shareholder approval for Mr Washbourne to acquire securities under an employee incentive scheme is required in accordance with ASX Listing Rule 10.14.1.
- It is proposed that 127,516 Performance Rights be allocated to Mr Washbourne. The Performance Rights may convert to Shares on a one-for-one basis subject to the achievement of the vesting conditions.
- Mr Washbourne's total remuneration package for FY2024 comprised:
  - a cash salary of \$449,650;
  - superannuation of \$27,399; and
  - equity settled of \$162,152.

Mr Washbourne's current salary is \$475,000.

*Further information regarding the remuneration of Mr Washbourne is set out in the Company's Remuneration Report which forms part of the 2024 Annual Report.*

- Mr Washbourne has previously received:
  - 173,630 Performance Rights under the Plan on 9 December 2020, as approved by shareholders at the 2020 Annual General Meeting held on 18 November 2020 (issued for nil financial consideration);
  - 120,528 Performance Rights under the Plan on 17 November 2021, as approved by shareholders at the 2021 Annual General Meeting held on 17 November 2021 (issued for nil financial consideration); and
  - 94,760 Performance Rights under the Plan on 27 January 2023, as approved by shareholders at the 2022 Annual General Meeting held on 15 November 2022 (issued for nil financial consideration).
  - 100,334 Performance Rights under the Plan on 5 December 2023, as approved by shareholders at the 2023 Annual General Meeting held on 21 November 2023 (issued for nil consideration).
- The Performance Rights are not quoted on ASX and carry no voting or dividend rights. Any Shares allocated on vesting of the Performance Rights will rank equally with ordinary shares on issue at the time. A summary of the material terms of the Performance Rights are included above in this Explanatory Memorandum.
- The Performance Rights are being issued to incentivise Mr Washbourne to deliver the Company's growth strategy and drive financial performance in the interests of shareholders. The Board is satisfied that Mr Washbourne's remuneration arrangements are competitive relative to ASX market and industry peers.
- The value that the Company attributes to the Performance Rights being issued is \$380,000 and is calculated by reference to 80% of Mr Washbourne's base salary.
- It is currently expected that the Performance Rights will be issued to Mr Washbourne on or around 19 November 2024 subject to shareholder approval. The Performance Rights will be issued no later than three years after the date of the Meeting.
- The Performance Rights will be issued to Mr Washbourne for nil cash consideration and no cash consideration will be payable upon the conversion of the Performance Rights or the subsequent issue of Shares (if any). Accordingly, no funds will be raised from the issue or conversion of the Performance Rights.
- A summary of the material terms of the Plan are included in Attachment A of this Explanatory memorandum.
- No loan will be provided to Mr Washbourne in relation to the Performance Rights to be issued under the Plan.
- Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.
- Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
- A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting.

Resolution 5 is an ordinary resolution, which requires a simple majority of votes cast by shareholders present and entitled to vote on the resolution.

*The Directors, with Mr Marc Washbourne abstaining, unanimously recommend shareholders vote in favour of the Resolution.*

*The Directors (apart from Mr Washbourne), who do not have an interest in the outcome of the relevant resolution, unanimously recommend that shareholders vote in favour of this Resolution for the reasons set out below:*

- *The Directors consider that it is important for the Company to be able to attract and retain experienced Chief Executive Officer and that the proposed grant of Performance Rights to Mr Washbourne is appropriate taking into account his level of experience and contribution to the Company.*
- *The Directors consider that the proposed number of Performance Rights to be granted to Mr Washbourne is appropriate to:*
  - *motivate Mr Washbourne to pursue long-term growth and success of the Company (within an appropriate control framework);*
  - *align the interests of key leadership with the long-term interests of the Company's shareholders; and*
  - *ensure a clear correlation between performance and remuneration, in accordance with the Company's remuneration policy.*
- *The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) note that equity-based remuneration can be an effective form of remuneration for executives when linked to hurdles that are aligned to short, medium and longer-term objectives.*



## Attachment A – Terms of the ReadyTech Equity Incentive Plan

The terms of the ReadyTech Equity Incentive Plan are set out in the Plan Rules. The key elements of the ReadyTech Equity Incentive Plan are as follows:

<b>Eligibility participate</b>	<b>to</b> Offers may be made at the Board’s discretion to a director, employee, contractor or consultant of ReadyTech or its subsidiaries (as defined in the Corporations Act) ( <b>Group</b> ) or any other person whom the Board determines to be eligible to participate in the Plan and who is invited to participate in the Plan by the Company.
<b>Types securities</b>	<b>of</b> One or more of the following may be granted to eligible participants under the ReadyTech Equity Incentive Plan: <ul style="list-style-type: none"> <li>• <b>performance rights:</b> the right to be allocated or issued a share subject to the satisfaction of any applicable performance conditions or trading restrictions and the terms of the individual offer;</li> <li>• <b>options:</b> the right to a share subject to the payment of the applicable exercise price, the satisfaction of any applicable performance conditions or trading restrictions and the terms of the individual offer; and/or</li> <li>• <b>restricted shares:</b> a share issued to an eligible participant subject to the restrictions set out in the ReadyTech Equity Incentive Plan, which may include a trading restriction and the right of ReadyTech to buy back or facilitate the transfer to a third party to discharge any financial assistance applicable to the grant of the restricted shares.</li> </ul>
<b>Offers</b>	The Board, in its absolute discretion, may make offers to eligible participants to: <ul style="list-style-type: none"> <li>• participate in a grant of performance rights or options on the terms set out in the ReadyTech Equity Incentive Plan and additional terms and conditions that the Board determines apply to an individual offer; and/or</li> <li>• acquire restricted shares (separate to, and independent from, any shares acquired under a performance right or option) subject to the specific terms contained in an individual invitation letter.</li> </ul>
<b>Consideration payable</b>	Unless otherwise determined by the Board, no payment is payable by an eligible participant on grant of a performance right, option or restricted share.
<b>Vesting</b>	<p>Each grant of security under the ReadyTech Equity Incentive Plan is subject to the terms of the individual offer.</p> <p>Subject to the Board’s discretion and the participant complying with the conduct requirements under the ReadyTech Equity Incentive Plan, performance rights vest on satisfaction of the performance conditions that apply to an individual offer, unless otherwise waived by the Board acting in its sole discretion.</p> <p>Subject to the participant complying with the conduct requirements under the ReadyTech Equity Incentive Plan, options only become exercisable if the performance conditions and other relevant conditions applicable to an individual offer are satisfied. The exercise of an option will be effected in the manner determined by the Board and must be accompanied by the exercise price.</p> <p>The Board may determine in its absolute discretion that a performance right or option will be satisfied by the payment of a cash payment to the participant in lieu of allocating shares to the participant.</p>

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<p><b>Cessation of employment</b></p>	<p>Generally, if a participant ceases to be an eligible participant before the vesting date of a performance right or the exercise of an option, the performance right or option lapses, unless otherwise determined by the Board in its discretion or in accordance with the specific terms contained in an invitation letter.</p>
<p><b>Restriction on dealing with shares</b></p>	<p>The Board may, in its discretion, impose restrictions on dealing with:</p> <ul style="list-style-type: none"> <li>• shares allocated or issued on vesting of a performance right or option; or</li> <li>• restricted shares.</li> </ul>
<p><b>Change of control</b></p>	<p>On the occurrence of a change of control event, the Board may, in its absolute discretion, determine that all or a specified number of a participant's performance rights immediately vest or options be immediately exercisable or lapse.</p>

## LODGE YOUR VOTE

**ONLINE**  
<https://investorcentre.linkgroup.com>

**BY MAIL**  
 ReadyTech 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  
 Parramatta Square, Level 22, Tower 6,  
 10 Darcy Street, Parramatta NSW 2150

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

## PROXY FORM

I/We being a member(s) of ReadyTech Holdings Limited (Company) 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 **11:00am (AEDT) on Tuesday, 19 November 2024 at ReadyTech, Level 2, 77 King Street, Sydney, New South Wales 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

**Important for Resolutions 4 & 5:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 4 & 5, 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*
1 Election of Ms Helen Lea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Issue of Performance Rights under the ReadyTech Equity Incentive Plan – Marc Washbourne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Mark Summerhayes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-Election of Mr Tony Faure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Remuneration Report	<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)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

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).

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STEP 1

STEP 2

STEP 3



## HOW TO COMPLETE THIS SHAREHOLDER VOTING 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 according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### 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. 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 participate in 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 participate in the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must 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 **11:00am (AEDT) on Sunday, 17 November 2024**, 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

<https://investorcentre.linkgroup.com>

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).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

ReadyTech 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\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

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

### IMPORTANT INFORMATION

Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

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

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