

## Appendix 3G

### Notification of issue, conversion or payment up of equity +securities

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

#### Part 1 – Entity and announcement details

| Question no | Question   | Answer  |
|-------------|--|---|
| 1.1         | *Name of entity<br><i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>   | Japara Healthcare Limited   |
| 1.2         | *Registration type and number<br><i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i> | ABN: 54 168 631 052   |
| 1.3         | *ASX issuer code   | JHC   |
| 1.4         | *This announcement is<br><i>Tick whichever is applicable.</i>  | <input checked="" type="checkbox"/> A new announcement<br><input type="checkbox"/> An update/amendment to a previous announcement<br><input type="checkbox"/> A cancellation of a previous announcement |
| 1.5         | *Date of this announcement   | 15 December 2020  |

## Part 2 – Type of issue

| Question No. | Question   | Answer  |
|--------------|--|---|
| 2.1          | <p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>  | <p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p> |
| 2.2c.1       | <p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p> | <p>3,855,538 performance rights (ASX Code: JHCAA)</p>   |
| 2.2c.2       | <p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>  | <p>Refer attached Equity Incentive Plan Summary.</p> <p>The performance rights are subject to:</p> <ul style="list-style-type: none"> <li>- a 48 month performance period from 1 July 2020 to 30 June 2024; and</li> <li>- a gateway hurdle and vesting conditions.</li> </ul> <p>Further details are included in the Explanatory Notes accompanying the Company's 2020 Notice of Annual General Meeting which can be found at: <a href="https://investor.japara.com.au/Investor-Centre/?page=AGM">https://investor.japara.com.au/Investor-Centre/?page=AGM</a></p>   |
| 2.2c.3       | <p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>  | <p>Yes</p>  |

| 2.2c.3.a          | <p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1"> <thead> <tr> <th>Name of KMP</th> <th>Name of registered holder</th> <th>Number of +securities</th> </tr> </thead> <tbody> <tr> <td>Chris Price</td> <td>Same</td> <td>1,440,000</td> </tr> <tr> <td>Anthony Rice</td> <td>Same</td> <td>1,040,000</td> </tr> <tr> <td>Lindon Le Griffon</td> <td>Same</td> <td>459,900</td> </tr> </tbody> </table> |   | Name of KMP | Name of registered holder | Number of +securities | Chris Price | Same | 1,440,000 | Anthony Rice | Same | 1,040,000 | Lindon Le Griffon | Same | 459,900 |
|-------------------|---|---|-------------|---------------------------|-----------------------|-------------|------|-----------|--------------|------|-----------|-------------------|------|---------|
| Name of KMP       | Name of registered holder   | Number of +securities   |             |                           |                       |             |      |           |              |      |           |                   |      |         |
| Chris Price       | Same  | 1,440,000   |             |                           |                       |             |      |           |              |      |           |                   |      |         |
| Anthony Rice      | Same  | 1,040,000   |             |                           |                       |             |      |           |              |      |           |                   |      |         |
| Lindon Le Griffon | Same  | 459,900   |             |                           |                       |             |      |           |              |      |           |                   |      |         |
| 2.2d.2            | <p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>  | <p>Issue is to Company executives for FY2021 long-term incentive purposes.</p>  |             |                           |                       |             |      |           |              |      |           |                   |      |         |
| 2.3               | <p>*The +securities being issued are:</p> <p><i>Tick whichever is applicable</i></p>  | <p><input checked="" type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class")</p> <p><input type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")</p> |             |                           |                       |             |      |           |              |      |           |                   |      |         |

## Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

| Question No. | Question  | Answer                     |
|--------------|---|----------------------------|
| 3A.1         | *ASX security code & description  | JHCAA – performance rights |
| 3A.2         | *Number of +securities being issued   | 3,855,538                  |
| 3A.3a        | *Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class? | Yes                        |

## Part 4 – Issue details

| Question No. | Question  | Answer           |
|--------------|---|------------------|
| 4.1          | *Have the +securities been issued yet?  | Yes              |
| 4.1a         | *What was their date of issue?<br><i>Answer this question if your response to Q4.1 is "Yes".</i>  | 11 December 2020 |
| 4.2          | *Are the +securities being issued for a cash consideration?<br><i>If the securities are being issued for nil cash consideration, answer this question "No".</i> | No               |

|      |   |     |
|------|---|-----|
| 4.2c | Please describe the consideration being provided for the +securities<br><i>Answer this question if your response to Q4.2 is "No".</i> | Nil |
| 4.3  | Any other information the entity wishes to provide about the issue  | No  |

## Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

*Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.*

*Restricted securities should be included in table 5.1.*

|     |                                    |                                       |
|-----|------------------------------------|---------------------------------------|
| 5.1 |                                    |                                       |
|     | *ASX security code and description | *Total number of +securities on issue |
|     | JHCAA – performance rights         | 3,855,538                             |

## Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

| Question No. | Question  | Answer   |
|--------------|---|--|
| 6.1          | <p>*Are the securities being issued under Listing Rule 7.2 exception 13<sup>1</sup> and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>  | No   |
| 6.2          | <p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>  | No   |
| 6.2b         | <p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>  | Yes  |
| 6.2b.1       | <p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p> | <p>2,415,538</p> <p>The balance of the issue, being 1,440,000 performance rights, were approved by shareholders on 30 October 2020 for grant to Chris Price - Chief Executive Officer &amp; Managing Director for the purposes of listing rule 10.14 and are therefore an exception for listing rule 7.1 calculation purposes.</p> |

<sup>1</sup> Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
  - a summary of the terms of the scheme.
  - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
  - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
  - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

|      |  |    |
|------|--|----|
| 6.2c | <p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p> | No |
|------|--|----|

Introduced 01/12/19; amended 31/01/20

# JAPARA HEALTHCARE LIMITED

ACN 168 631 052

## EQUITY INCENTIVE PLAN SUMMARY

A summary of the terms, conditions and rules of the Company's Equity Incentive Plan (**EIP**) follow:

### Eligibility

Employees of the Company (or any related body corporate of the Company), including a Director employed in an executive capacity or any other person who is declared by the Board to be eligible (**Eligible Employees**), are eligible to participate in the EIP. The Board may invite Eligible Employees to participate in a grant of any one or more of performance rights, options or Restricted Shares (**Incentive Securities**).

### Grant of Incentive Securities

#### *Performance Rights*

Unless the Board determines otherwise, no payment is required for the grant of a performance right under the EIP. A performance right will entitle a Participant to receive a Share (or, in certain circumstances, to a cash payment in lieu of a Share) once applicable 'vesting conditions' have been satisfied. Performance rights will only vest if the vesting conditions and other relevant conditions determined by the Board and advised to a Participant under an offer have been satisfied. Vesting conditions may include conditions relating to any or all of:

- continuing employment;
- performance of the Participant;
- performance of the Company; or
- the occurrence of specific events.

If the applicable vesting conditions are not satisfied during the relevant performance period, those performance rights will lapse. If a Participant ceases to be an employee, the lapse date will be brought forward unless the Board determines otherwise. A Participant can also elect to surrender their performance rights.

As soon as practicable following the vesting of performance rights, the Board must issue, transfer or set aside for the Participant the number of Shares in respect of those performance rights.

#### *Options*

Unless the Board determines otherwise, no payment is required for the grant of an option under the EIP. An option will entitle a Participant to receive a Share (or, in certain circumstances, to a cash payment in lieu of a Share) upon exercise of the option by the Participant. An option may only be exercised once applicable 'vesting conditions' have been satisfied and in compliance with the applicable exercise procedure (including payment of any applicable exercise price). Vesting conditions for options are determined by the Board and advised to a Participant under an offer. They may include conditions relating to any or all of the examples outlined earlier above for performance rights.

As soon as practicable following the exercise of an option, the Board must issue, transfer or set aside for the Participant the number of Shares in respect of which the option has been exercised.

An option will lapse if the applicable vesting conditions are not satisfied during the relevant exercise period, within 5 years after the option has vested or by any other expiry date nominated by the Board in a particular offer. A Participant can also elect to surrender their options.

#### *Restricted Shares*

The Board may:

- issue Restricted Shares to a Participant;
- procure the transfer of Restricted Shares to a Participant; or
- procure the setting aside of Restricted Shares for a Participant.

Restricted Shares may be held by a trustee on behalf of a Participant.

The Board may impose restrictions on Restricted Shares, including but not limited to, dealing and 'vesting conditions'. Unless the Board determines otherwise, no payment is required for the issue of Restricted Shares.

A Share will only cease to be a Restricted Share where the vesting period and each other relevant condition has been satisfied. Once Restricted Shares become unrestricted, all restrictions on dealing with those Restricted Shares will cease (subject to the terms of their issue, the Company's policy for dealing in securities and any applicable laws). If Restricted Shares are held by a trustee and those Restricted Shares become unrestricted, the trustee may be directed to transfer the Shares into a Participant's name or sell the Shares and pay the net proceeds to a Participant.

Restricted Shares will be forfeited if the applicable vesting conditions as determined by the Board and advised to a Participant under an offer are not satisfied during the relevant vesting period. A Participant can also elect to surrender their Restricted Shares.

If the Board so determines, a Participant may purchase Restricted Shares using loan funds under a loan agreement with the Company (**Loan**). The Loan must always be repaid if the Participant wishes to benefit from the Restricted Shares by way of those Shares becoming unrestricted.

If a Loan is extended to a Participant, the Loan will be:

- limited recourse in nature, meaning that if the market value of the Restricted Shares is less than the loan value at the end of the term of the Loan, a Participant cannot be forced to repay the remaining Loan balance out of their own funds; and
- unless otherwise determined by the Board, interest free, fee-free and repayable in full upon:
  - a sale of the Restricted Shares by the trustee;
  - the termination of the Participant's employment; or
  - the date that is 10 years after the date the Company advances the Loan.

#### Entitlements

Subject to the terms of any applicable trust arrangements:

- a Participant is entitled to dividends and other distributions or benefits payable in respect of Shares;
- a Participant is entitled to exercise, or to direct the trustee to exercise (where applicable), the voting rights attached to Shares;
- any bonus shares that are issued in respect of Shares will be issued to a Participant or to the trustee on behalf of a Participant (where applicable) and will be held subject to the same terms, conditions and dealing restrictions; and
- if any rights arise in relation to a Share upon a rights issue, a Participant may deal with or exercise those rights, or instruct the trustee (where applicable) in relation to those rights in accordance with the trust deed.

For the avoidance of doubt, these entitlements also apply to Restricted Shares, subject to the terms of those Restricted Shares.

Notwithstanding any other EIP rule, Incentive Securities and Shares will not be allocated, issued, acquired, transferred or otherwise dealt with under the EIP if to do so would:

- contravene the Corporations Act, the Listing Rules, or any other applicable laws; or
- require the Company to pay, provide, or procure the payment or provision of, any money or benefits to a Participant which would require shareholder approval under the 'termination payments' provisions of the Corporations Act.

#### Prohibited dealings

Unless required by law or the Board determines otherwise, a Participant is prohibited from selling, transferring, encumbering, hedging or otherwise dealing with Incentive Securities granted under the EIP. If, in the Board's opinion, a contravention of this prohibition has occurred, the Incentive Securities will immediately lapse or be forfeited.

#### Change of control

The Board has discretion over the treatment of Incentive Securities in the event of a change of control of the Company. Accordingly, the Board may, in its absolute discretion, determine that all or a specified number of a Participant's Incentive Securities vest or cease to be subject to restrictions.



Unless the Board has determined otherwise, on a change of control event, any dealing restrictions on vested Incentive Securities will cease and any vested options will be exercisable for a specified period and will thereafter lapse.

#### Corporate actions

The Board may grant additional Incentive Securities or make adjustments it considers appropriate to the terms of Incentive Securities in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action or capital reconstruction. Any such grants or adjustments must be made prior to Shares being allocated to a Participant following the vesting of Incentive Securities.

Where additional Incentive Securities are granted to a Participant due to a corporate action or capital reconstruction, unless otherwise determined by the Board, they will be subject to the same terms and conditions as the original Incentive Securities to which they relate.

#### Clawback

If, in the opinion of the Board, a Participant's Incentive Securities vest or may vest under inappropriate circumstances (such as fraud, dishonesty, gross misconduct, an improper act, financial misstatement or breach of obligations or the law), the Board may determine that Incentive Securities held by or on behalf of a Participant will lapse or be forfeited and/or a Participant must pay or repay to the Company as a debt the net proceeds of sale and any dividends received from Shares allocated under the EIP and any cash payment received in lieu of Shares.

#### Amendments

The Board may at any time:

- amend the provisions of the EIP;
- amend the terms and conditions of any Incentive Securities granted; or
- suspend or terminate the operation of the EIP,

provided that it does not reduce the rights of a Participant (without their consent) in respect of any Incentive Securities or Shares already granted other than an amendment introduced primarily to:

- comply or conform to laws governing or regulating the maintenance or operation of the EIP;
- correct any manifest error or mistake; or
- take into consideration possible adverse tax implications in respect of the EIP.

The Board may also waive, amend or replace any vesting conditions attaching to Incentive Securities if it determines that the original vesting conditions are no longer appropriate or applicable provided that the interests of the relevant Participants are not, in the Board's opinion, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of grant.

### **OTHER DEFINITIONS**

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

**Board** means the board of directors of the Company, any committee of the Board or a duly authorised person or body to which the Board has delegated its powers under the EIP.

**Company** means Japara Healthcare Limited ACN 168 631 052.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Listing Rules** means the listing rules of ASX as amended from time to time.

**Participant** means a person who has been allocated an Incentive Security or Share under the terms of the EIP from time to time.

**Restricted Share** means a Share allocated to a Participant in accordance with the EIP that is subject to conditions and/or restrictions.

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