

Notice of Annual General Meeting 2021

Shaver Shop Group Limited ACN 150 747 649

Notice is given that Shaver Shop Group Limited (the “Company” or “Shaver Shop”) will hold its 2021 Annual General Meeting:

Date: Wednesday, 10 November 2021 (virtual meeting)

Time: 11.00 am (Melbourne time - AEDT)

Venue: Online at <https://agmlive.link/shaver21>

We recommend logging into the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter <https://agmlive.link/shaver21> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Voting Form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Shareholders are requested to participate in the AGM virtually via our virtual AGM platform at

<https://agmlive.link/shaver21> or via a Direct Voting Form or the appointment of a proxy.

Further information on how to participate virtually is set out in this Notice and the Online Platform Guide which is available at Shaver Shop’s investor relations website - <http://investors.shavershop.com.au/investors/> - and was lodged with the ASX together with this Notice of Meeting.

Business

Item 1. Financial and Other Reports

To receive and consider the Financial Report, Directors’ Report and Auditor’s Report of the Company and its controlled entities for the financial year ended 30 June 2021.

Note: *There is no vote on this item of business.*

Item 2. Adoption of Remuneration Report

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

“That the Remuneration Report (which forms part of the Directors’ Report) in respect of the financial year ended 30 June 2021 be adopted.”

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

Item 3. Re-election of Director – Mr Craig Mathieson

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

“That Craig Mathieson, who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rules 14.4 and 14.5 and, being eligible for election, be elected as a Director of the Company.”

Item 4. Approval of Amended Shaver Shop Group Limited Loan Share Plan (“Amended LTI Plan”).

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

“That the Company’s Amended LTI Plan (the terms of which are summarised in the Explanatory Notes accompanying this Notice of Annual General Meeting) and the grant of LTI Shares under the Amended LTI Plan, be approved for the purposes of ASX Listing Rule 7.2 (Exception 13(b)), and Division 2 of Part 2J.1, section 259B and section 260C(4) of the Corporations Act 2001 and for all other purposes.”

Item 5. Approval of issue of securities under the Amended LTI Plan to Mr Cameron Fox, CEO and Managing Director

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

“That for the purposes of the ASX Listing Rule 10.14 and all other purposes, approval is given for the issue to the CEO and Managing Director of the Company, Mr Cameron Fox, of up to 700,000 LTI Shares as a long-term incentive on the terms and conditions and in the manner set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.”

Voting Exclusions

The Company will disregard any votes cast (in any capacity) on Item 2 (Adoption of Remuneration Report), by or on behalf of a Company’s KMP (as defined below), details of whose remuneration are included in the Remuneration Report of the Company, and their Closely Related Parties (as defined below).

However, the Company will not disregard a vote on Item 2 by the Company's KMP or a Closely Related Party if:

- it is cast by a person as a proxy appointed in writing by a person entitled to vote that specifies how the proxy is to vote on that item; or
- it is cast by the person chairing the Meeting as an undirected proxy which expressly authorises the chair to exercise the proxy even if that item is connected directly or indirectly with the remuneration of a member of the Company's KMP.

The Company will disregard any votes cast in favour of:

- Item 4 (Approval of Amended LTI Plan) by or on behalf of any Director who is eligible to participate in the Amended LTI Plan or any associate of such a Director; and
- Item 5 (Approval of issue of securities under Amended LTI Plan) by or on behalf of any Director (except one who is ineligible to participate in any employee incentive scheme of the Company) or any associate of such a Director.

However, under the ASX Listing Rules, the Company need not disregard a vote on Item 4 or Item 5 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Item 4 or Item 5; and
 - the holder votes on Item 4 or Item 5 in accordance with the directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Item 4 or 5 by a member of the Company's KMP, or a Closely Related Party, acting as a proxy, if their appointment does not specify the way the proxy is to vote on Item 4 or 5. However, this voting exclusion does not apply if the vote is cast by the person chairing the Meeting as an undirected proxy for a person entitled to vote which expressly authorises the chair to exercise the proxy even

if that item is connected directly or indirectly with the remuneration of a member of the Company's KMP.

If you appoint the chair of the Meeting as your proxy and you do not direct your proxy how to vote on Item 2, 4 or 5, you will have expressly authorised the chair of the Meeting to exercise your proxy even if that item is connected directly or indirectly with the remuneration of a member of the KMP.

Key Management Personnel ("KMP")

The Company's KMP comprise all persons having authority and responsibility for planning, directing and controlling the activities of the Company and its controlled entities, directly or indirectly, including any Director. The Company's KMP at the time of the Directors' Report are its Directors and other executives disclosed in the Company's Remuneration Report.

Closely Related Party

A closely related party is defined in the *Corporations Act 2001* and includes a spouse, dependant and certain other close family members, as well as companies controlled by the KMP.

Attorney

The Company will also apply the above voting exclusions to persons appointed as attorney by a shareholder to attend virtually and vote at the Annual General Meeting under a power of attorney – on the basis that references to persons attending and voting as a proxy are read as references to persons attending and voting as an attorney and references to an instrument under which a proxy is appointed are read as references to the power of attorney under which the attorney is appointed.

Additional information for shareholders

A discussion will be held on all items to be considered at the AGM.

Shareholder questions

All shareholders will have a reasonable opportunity to ask questions during the AGM via the virtual AGM platform, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following when entering their question online during the virtual AGM:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including matters arising from the Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and

general questions about the performance, business or management of the Company;

- if a Shareholder has more than one question on an item, all questions should be asked at the one time;
- Shareholders should not ask questions at the Meeting regarding personal matters or those that are commercial in confidence; and
- Shareholders are courteous and respectful to all shareholders and others attending the meeting. Disrespectful or rude questions and questions using bad language will not be responded to.

Shareholders who prefer to register questions in advance of the AGM are invited to do so. Written questions must be received by the Company or Link Market Services Limited by 11:00am on 2 November 2021, and can be submitted by e-mail to investorrelations@shavershop.com.au, by mail, by fax or in person.

Entitlement to attend and vote at the Meeting

All shareholders may attend the Annual General Meeting. The Board has determined for the purpose of 7.11.37 of the *Corporations Regulations 2001* that shareholders will be taken to be those persons recorded on the Company's register of members as at 7.00 pm (Melbourne time) on 8 November 2021. Shareholders will be entitled to vote in respect of the number of Shaver Shop shares registered in their name at that time. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting online

If you attend the virtual meeting by logging into the online platform <https://agmlive.link/shaver21>, you will be able to vote online during the meeting.

If you wish to vote at the meeting, we recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

- Enter <https://agmlive.link/shaver21>, into a web browser on your computer or online device;
- Securityholders will need their SRN or HIN (printed at the top of the Voting Form); and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Online voting will be open between the commencement of the Meeting at 11:00am (Melbourne time) on 10 November 2021 and the time at which the Chair announces voting closure.

More information about online participation in the Meeting is available in the Online Platform Guide at

Shaver Shop's investor relations website: (<http://investors.shavershop.com.au/investors/>).

Voting by Proxy

If you are entitled to attend and vote at the Annual General Meeting, you may appoint a proxy to attend virtually and vote at the Meeting on your behalf. A proxy does not need to be a shareholder of the Company. If you are entitled to cast two or more votes at the Meeting, you may appoint two persons as your proxy or proxies to attend virtually and vote at the Meeting. If you appoint two proxies and you do not specify the proportion or number of your votes, each proxy may exercise half of your votes on a poll. Fractions of votes will be disregarded.

Unless the shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit (except as specified in the voting exclusions in this Notice of Annual General Meeting) or abstain from voting.

The Proxy Form (and any Power of Attorney under which it is signed) must be received as detailed on the Proxy Form not less than 48 hours before the time for holding the 2021 Annual General Meeting. Proxy Forms received after that time will be invalid.

Please refer to other notes appearing on the Proxy Form.

Corporate Representatives

A shareholder, or proxy, that is a corporation and entitled to vote at the Annual General Meeting may appoint an individual to act as its corporate representative.

Evidence of appointment of a corporate representative must be in accordance with section 250D of the *Corporations Act 2001* and be lodged with the Company before the Annual General Meeting or at the registration desk on the day of the Annual General Meeting.

Undirected Proxies

Subject to the *Corporations Act 2001* and the ASX Listing Rules, the chair of the Meeting intends to vote all undirected proxies in favour of each item of business. If there is a change in how the chair intends to vote undirected proxies at the Meeting, Shaver Shop will make an appropriate announcement to ASX stating that fact and explaining the reasons for the change. However, Shaver Shop encourages all shareholders who submit proxies including proxies in favour of the chair to direct their proxy how to vote.

Resolutions by Poll

In accordance with clause 61 of the Company's constitution, the Chair intends to call a poll on items 2 to 5 proposed at the AGM, rather than a show of hands. The Chair considers voting by poll to be in the interests of the shareholders as a whole, and to ensure the

representation of as many shareholders as possible at the meeting.

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

Online: <http://www.linkmarketservices.com.au>

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

By mail:

Shaver Shop Group Limited
C/- Link Market Services Limited
Locked Bag A14
South Sydney NSW 1235
Australia

By fax:

+61 2 9287 0309

By hand:

Delivering it to Link Market Services Limited during business hours Monday to Friday (9:00am - 5:00pm Sydney time) and subject to public health orders and restrictions at:

Level 12, 680 George Street, Sydney, NSW, 2000

Explanatory Notes

Explanatory Notes accompany and form part of this Notice of Annual General Meeting.

Further information on how to participate in the virtual meeting is set out in the Online Platform Guide available at <http://investors.shavershop.com.au/investors/>.

By order of the Board:

Shaver Shop Group Limited



Lawrence R Hamson
CFO & Company Secretary
8 October 2021

Explanatory Notes

These notes form part of the Notice of Annual General Meeting and are intended to provide shareholders with an explanation of the items of business of the Meeting and proposed resolutions. The Board recommends that shareholders read these Explanatory Notes carefully before determining how to vote on a resolution.

If shareholders have any doubt as to what to do, they should consult their legal, financial or other professional adviser.

Items of Business

Item 1. Financial and Other Reports

As required by section 317 of the *Corporations Act 2001* (“**Corporations Act**”), the Financial Report, Directors’ Report (which includes the Remuneration Report) and Auditor’s Report of the Company for the financial year ended 30 June 2021 will be laid before the Company’s Annual General Meeting (“**AGM**” or “**Meeting**”).

The 2021 Annual Report of the Company is available on the Company’s website:

<http://investors.shavershop.com.au/investors>

A reasonable opportunity will be given to shareholders as a whole at the AGM to ask questions about or make comments on these reports and the management or performance of the Company.

Representatives of the Company’s auditors, PricewaterhouseCoopers will be present at the Meeting and available to take shareholders’ questions relevant to the conduct of the audit, the preparation and content of the Auditor’s Report, the accounting policies adopted by the Company in relation to the preparation of its Annual Report and the Auditor’s independence in relation to the conduct of the audit.

As a shareholder, you may submit a written question to the auditor prior to the Meeting provided that the question relates to:

- the content of the Auditor’s Report; or
- the conduct of the audit.

All written questions must be received by the Company no later than 5 business days prior to the Meeting. All questions should be sent to the Company Secretary (by e-mail to larryh@shavershop.com.au) and not directly to the auditor. The Company will forward all questions to the auditor.

The auditor will answer written questions submitted prior to the Meeting. A list of the written questions (if any) will be made available to shareholders attending the AGM at or before the start of the AGM.

There is no requirement for a formal resolution on this item of business.

Item 2. Adoption of Remuneration Report

As required by section 250R(2) of the Corporations Act, the Remuneration Report of the Company for the financial year ended 30 June 2021 will be laid before the AGM and a resolution that it be adopted will be put to a vote. Although there is a requirement for a formal resolution on this item by operation of section 250R(3) of the Corporations Act, the outcome of the 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 when reviewing the remuneration policies and practices of the Company.

A reasonable opportunity will be provided at the AGM for shareholders as a whole to ask questions about and make comments on the Remuneration Report.

One of Shaver Shop’s core philosophies is that the attraction, development, engagement and retention of passionate team members provides a competitive advantage and differentiation within the market which the Board believes is fundamental to the long term success of the Company. The Company’s remuneration policies have been developed to provide market competitive remuneration in order to sustain the Company’s competitive position and protect the interests of shareholders. The Board considers that the remuneration policies adopted by the Company, as outlined in the Remuneration Report, are appropriately structured to provide rewards commensurate with the Company’s performance as well as with comparable companies within the sector.

The Remuneration Report is set out on pages 25 to 39 (and Notes 32 and 34 of the financial statements) of the Company’s 2021 Annual Report. It is also available on the Company’s website at

<http://investors.shavershop.com.au/investors>

In summary, the Remuneration Report includes:

- an explanation of the Company’s policy for determining the remuneration of Directors and other KMP of the Company;
- a discussion of the relationship between the remuneration policy and the Company’s performance;
- details of the performance conditions associated with the remuneration of Directors and other KMP of the Company; and
- the remuneration details for each Director and other KMP of the Company, including the value of any LTI Shares granted to any of those persons.

While the shareholder vote on the Remuneration Report is advisory only, the Corporations Act provides for a “two strikes rule” in relation to voting on the Remuneration Report.

In summary, the rule gives shareholders the opportunity to require a general meeting to be held to re-elect the Board (other than the Managing Director) if the Remuneration Report receives “two strikes” (at least 25% of the votes cast on the resolution are against the adoption of the Remuneration Report) at 2 consecutive annual general meetings.

The Company’s Remuneration Report for the year ended 30 June 2020 was adopted at the 2020 annual general meeting of the Company held on 28 October 2020 by more than 99% of the votes cast.

Voting exclusions apply to this resolution as specified in the Notice of Annual General Meeting.

Subject to the Corporations Act, the chair of the Meeting intends to vote all available proxies in favour of this resolution.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that shareholders **vote in favour** of this resolution.

Item 3. Election of a Director – Mr Craig Mathieson

Non-Executive Director of the Company Chair of the Audit & Risk Committee

Mr Mathieson was appointed a Director of the Company in May 2011.

Craig brings to the Board extensive experience in retail and corporate management. For the last 11 years, Craig has been the Chief Executive Officer of the Mathieson Group which has diverse business interests from company investment to property development. From 2001 to 2007, Craig was the Managing Director of DMS Glass Pty Ltd which was the largest privately owned glass manufacturer in Australia. He currently sits on the Boards of Carlton Football Club and Endota Group Holdings Pty Ltd. Craig has a banking and commercial background gained while working with the ANZ Bank and St George Bank.

The chair of the Meeting intends to vote all available proxies in favour of this resolution.

Board Recommendation

The Board (with Mr Craig Mathieson abstaining) recommends that you **vote in favour** of electing Mr Craig Mathieson as a Director of the Company.

Item 4. Approval of Amended LTI Plan

Background

The Company operates a loan share plan (“**LTI Plan**”) to assist in the motivation, retention and reward of Shaver Shop senior executives and directors. In 2018, the Company amended the terms of the LTI Plan (“**Amended LTI Plan**”) so that the Company and the participants in the Amended LTI Plan can benefit from the employee share scheme provisions in the Corporations Act. No changes to the Amended LTI Plan have been made since it was approved by shareholders at the Company’s Annual General Meeting on 21 November 2018.

The Amended LTI Plan is in an employee incentive share plan designed to align the interests of executive directors and employees more closely with the interests of shareholders by providing an opportunity for eligible executive directors and employees to acquire Shaver Shop shares (“**LTI Shares**”), subject to the terms and conditions of the Amended LTI Plan.

Shareholder approval is sought under ASX Listing Rule 7.2 (Exception 13(b)) and Division 2 of Part 2J.1, section 259B and section 260C(4) of the Corporations Act and for all other purposes for the Company’s Amended LTI Plan and the grant of LTI Shares under the Amended LTI Plan.

ASX Listing Rule 7.2 (Exception 13(b)): In general terms, ASX Listing Rule 7.1 provides that a company must not without the approval of its shareholders, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds fifteen per cent (15%) of the share capital of the company on issue at the commencement of that twelve (12) month period.

However, ASX Listing Rule 7.2 sets out a number of exceptions to ASX Listing Rule 7.1. These exceptions include Exception 13(b) which relates to issues under an employee incentive scheme if, within three years before the date of issue, the holders of ordinary securities have approved the issue of securities under the scheme as an exception to this rule. Shareholder approval is now sought for the Amended LTI Plan for a three-year period.

The effect of passing the resolution in Item 4 is that the Company will be able to continue to incentivise its executive directors and employees without affecting its capacity to issue equity securities under ASX Listing Rule 7.1, because shares issued under the Amended LTI Plan

during the three years following the date of the Meeting will not be taken into account for calculations of the Company's fifteen per cent (15%) capacity under ASX Listing Rule 7.1.

For the purposes of Listing Rule 7.2 (Exception 13(b)), the following information is provided in relation to the Amended LTI Plan:

- (a) a summary of the key terms of the Amended LTI Plan is set out in Schedule 2;
- (b) 6,640,000 shares have been issued under the Amended LTI Plan since the date of last approval; and
- (c) a maximum of 8,000,000 shares will be issued under the Amended LTI Plan following approval in the next three years; and
- (d) a voting exclusion statement appears in the Notice of Annual General Meeting in connection with Item 4 (Approval of Amended LTI Plan).

Division 2 of Part 2J.1 of the Corporations Act – Buy-back of own shares: Under section 257A of the Corporations Act, if a company wishes to buy back its own shares (for example, to buy back the shares of a participant who has ceased to be appointed as an executive director of, or employed by, the Shaver Shop Group), generally the Company would need to comply with the selective buy-back procedure. However, section 257B provides a simplified procedure for the Company to buy back shares if the requirements of the definition "employee share scheme buy back" in the Corporations Act are satisfied. If Item 4 is approved by shareholders, the "employee share scheme buy back mechanism" under the Corporations Act will be available for use by the Company to buy back shares from its employees and executive directors.

Certain LTI Shares issued under the Amended LTI Plan in prior financial years are subject to compulsory divestiture in accordance with the terms of the Amended LTI Plan ("**Forfeited Shares**"). Following the AGM and, subject to approval of Item 4, the Company may choose to enforce the compulsory divestiture of the majority of these Forfeited Shares by way of an employee share scheme buy back.

Section 259B of the Corporations Act – Taking security over own shares: As a general rule, the Corporations Act prohibits a company from taking security over shares in itself or in a company that controls it. However, section 259B(2) of the Corporations Act states that a company may take security over shares in itself or in a company that controls it that have been issued under an "employee share scheme" (as defined in the Corporations Act) that has been approved by a general meeting of the company concerned and its listed parent. As noted above, the Amended LTI Plan will, if Item 4 is

approved by shareholders, meet the requirements of section 259(2) of the Corporations Act.

Section 260C(4) of the Corporations Act – Financial Assistance: Section 260A of the Corporations Act prescribes the circumstances in which a company can financially assist a person to acquire shares in a company or in a holding company of the company. Section 260C(4) of the Corporations Act permits the giving of financial assistance under an "employee share scheme" (as defined in the Corporations Act) that has been approved by a general meeting of the company concerned and its listed parent. As noted above, the Amended LTI Plan will, if Item 4 is approved by shareholders, meet the requirements of section 260C(4) of the Corporations Act.

In order to take advantage of the simplified processes and exemptions referred to above, shareholder approval is sought for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and Division 2 of Part 2J.1, section 259B and section 260C(4) of the Corporations Act and all other purposes in respect of the Amended LTI Plan and the grant of LTI Shares under the Amended LTI Plan.

By shareholders giving such an approval, the Company, and, where applicable, a subsidiary, will be able to buy-back, give financial assistance and take security over Shaver Shop shares in relation to LTI Shares issued under the Amended LTI Plan.

Board Recommendation

Each of the non-executive Directors recommends that Shareholders **vote in favour** of this resolution. The executive Directors make no recommendation in relation to this resolution.

The chair of the Meeting intends to vote all available proxies in favour of this item of business.

Item 5. Approval of issue of securities under the Amended LTI Plan to the CEO and Managing Director

Requirements for approval

ASX Listing Rule 10.14 states that a listed company must not permit the acquisition of securities by a Director under an employee incentive scheme without the approval of its shareholders.

Accordingly, the purpose of Item 5 is to have shareholders approve the issue of up to 700,000 fully paid ordinary shares to Mr Cameron Fox, Shaver Shop's CEO and Managing Director under the Amended LTI Plan.

Please note that, as shareholder approval for the proposed issue of shares to Mr Cameron Fox is being sought under ASX Listing Rule 10.14, exception 14 in ASX Listing Rule 7.2 applies so that approval under ASX Listing 7.1 is not required for the issue of those securities.

Unless an exception applies, in general terms, ASX Listing Rule 7.1 limits the number of equity securities (for example, shares, options and convertible notes) that a listed entity such as Shaver Shop may issue or agree to issue without shareholder approval in any 12 month period to 15% of its issued share capital at the commencement of that 12 month period. Accordingly, if shareholders approve the issue of shares to Mr Fox, they will not be included in that 15% annual limit.

Background

At the Company's 2018 annual general meeting held on 21 November 2018, shareholders approved the Company's Amended LTI Plan for all purposes. A similar approval is sought under Item 4 at the Company's 2021 annual general meeting.

Under the Amended LTI Plan, LTI Shares are generally issued, allocated or transferred to participants in the Amended LTI Plan at market value, determined in good faith by the Board.

Non-executive Directors are not eligible to participate in the Amended LTI Plan.

In addition to participants under the Amended LTI Plan acquiring LTI Shares, the Company, or one of its subsidiaries, may provide a limited recourse loan to those participants to assist them to acquire LTI Shares ("**Loan**"). Each Loan is limited recourse such that a participant's obligation to repay the Loan will be the lesser of the Loan balance or the relevant LTI Share's market value. Under the Amended LTI Plan, the Company retains a discretion to waive repayment of all, or part of, any Loan.

Each LTI Share is issued as a fully paid ordinary share in the Company, subject to certain vesting conditions. A holder of LTI Shares must not dispose of them until the LTI Shares vest and any Loan relating to them has been repaid.

The number of LTI Shares which will vest under the Amended LTI Plan will be dependent on time-based service (years of service) and performance-based criteria.

The Company's Nomination and Remuneration Committee together with the Board have reviewed the total reward structure for Mr Cameron Fox, the CEO and Managing Director, to ensure there is an appropriate component that is "at risk" based on the Company's performance and the value created for shareholders.

Following this review, the Board considers that the proposed issue of up to 700,000 LTI Shares for FY2022 represents reasonable remuneration for Mr Fox in relation to his "at risk" component of his total remuneration. Accordingly, it is the Board's view that the exception contained in section 211(1) of the Corporation Act applies and therefore the Company is not seeking shareholder approval for the giving of a financial benefit

to Mr Fox for the purposes of section 208 of the Corporations Act. Nevertheless, by virtue of the ASX Listing Rules, shareholders are given the opportunity to approve the proposed issue of LTI Shares to Mr Fox.

A summary of the key terms and conditions of the LTI Shares to be issued to Mr Cameron Fox is set out in Schedule 1 to these Explanatory Notes. The LTI Shares are otherwise issued subject to the terms and conditions of the Amended LTI Plan, a summary of which is set out in Schedule 2 to these Explanatory Notes.

Information required by ASX Listing Rules

ASX Listing Rule 10.15 requires the following information to be disclosed to shareholders in relation to the LTI Shares to be issued to Mr Fox under the Amended LTI Plan:

- Mr Cameron Fox is a director of the Company and falls within ASX Listing Rule 10.14.1;
- the maximum number of LTI Shares that may be acquired by Mr Fox is 700,000;
- Mr Fox's current total remuneration package for FY22 comprises:
 - a fixed base salary of \$580,000;
 - STI/Bonus of up to \$290,000; and
 - LTI of up to 700,000 LTI Shares, the subject of this resolution.
- the issue price of each LTI Share will be the volume weighted average market price of the Company's shares sold in the 5 days immediately prior to the grant date;
- Mr Fox is currently the only Director entitled to participate in the Amended LTI Plan;
- following shareholder approval at the Company's 2020 annual general meeting, Mr Fox was granted 700,000 LTI Shares under the Amended LTI Plan at an issue price of \$1.0651 per share in November 2020 – no other persons referred to in ASX Listing Rule 10.14 have received securities under the Amended LTI Plan since that last approval;
- since listing on the ASX in 2016 and excluding the LTI Shares that are the subject of this resolution, Mr Fox has been granted 3,825,000 LTI Shares at an average issue price of \$0.6648 per LTI Share. Of those LTI Shares granted, 634,350 LTI Shares have vested to date with Mr Fox, 1,590,650 have been forfeited due to the associated Performance Conditions not having been met, and 1,600,000 are yet to vest or be forfeited in accordance with the Amended LTI Plan rules.
- the Company, or one of its subsidiaries, will offer Mr Fox a limited recourse Loan to assist with the acquisition of LTI Shares under the Amended LTI Plan. The Loan will be non-interest bearing. Unless otherwise determined by the

Board, that part of the Loan balance relating to an LTI Share will become due and payable immediately on the earlier to occur of:

- the date on which that LTI Share has been compulsorily divested in accordance with the terms and conditions of the Amended LTI Plan;
- the date that Mr Fox has otherwise disposed of that LTI Share; and
- the date which is 7 years after the grant date in relation to that LTI Share;
- details of the limited recourse Loan to Mr Fox under the Amended LTI Plan are set out above and in Schedule 1 to these Explanatory Notes; and
- the Company intends to issue, transfer or allocate the LTI Shares within 1 month of the date of the AGM but, in any event, no later than 12 months after the AGM.
- Details of any LTI Shares issued under the Amended LTI Plan will be published in the Company's annual report relating to the period in which the LTI Shares are 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 the Amended LTI Plan after this resolution is approved and who are not named in this notice will not participate until approval is obtained under ASX Listing Rule 10.14 at a future meeting.

Board Recommendation

The Board (with Mr Cameron Fox abstaining) recommends that you **vote in favour** of approving the proposed issue of LTI Shares to Mr Cameron Fox under the terms and conditions of the Amended LTI Plan.

Voting exclusions apply to this resolution as specified in the Notice of Annual General Meeting.

Subject to the Corporations Act, the chair of the Meeting intends to vote all available proxies in favour of this item of business.

Schedule 1

Summary key terms and conditions of LTI Shares

Maximum number of securities	The maximum number of LTI Shares that may be issued to Mr Cameron Fox is 700,000 (excluding LTI Shares previously issued to him)
Issue Price	The issue price for the LTI Shares will be the volume weighted average market price of the Company's shares sold in the 5 days immediately prior to the grant date.
Performance Period	The LTI Shares will have one 3 year tranche starting on 1 July 2021 and ending on 30 June 2024 and will have vesting conditions based on performance conditions and a service condition (outlined below).
Performance Conditions	<p>The performance conditions will be measured 70% by an absolute total shareholder return ("TSR") performance hurdle and 30% by an earnings per share ("EPS") performance hurdle. The hurdles will be mutually exclusive such that performance is measured independently of the other hurdle. Where both targets are met, 100% of the LTI Shares which Mr Fox holds for the performance period will vest, subject to the service condition being met. Where only a portion of the EPS and TSR hurdles are achieved, the total number of LTI Shares which will vest under the Amended LTI Plan will be apportioned.</p>

Both of the performance hurdles are expressed as a compound annual growth rate ("CAGR") percentage.

The TSR performance hurdle is structured as an absolute TSR growth target (as determined by the Board). TSR is a measure of the performance of the Company's shares over a period of time. It combines share appreciation and dividends paid to show the total return to shareholders expressed as an annualised percentage. It is the rate of return of all cash flows to an investor during the holding period of an investment.

The starting value for the TSR performance hurdle is the 5 day volume weighted average market price ("VWAP") per share in the 5 days immediately following Shaver Shop's FY2021 full year results announcement (being \$1.0773). The TSR performance period concludes based on the 5 day VWAP of the Company's shares following Shaver Shop's FY2024 full year results announcement.

The following table outlines the TSR performance hurdles as determined by the Board which must be met in order for LTI Shares to vest:

TSR for relevant Performance Period	Proportion of LTI Shares that satisfy the TSR vesting condition
CAGR is less than 6%	0%
CAGR is $\geq 6\%$ and $\leq 15\%$	Progressive pro-rata vesting from 20% to 100% (i.e. on a straight line basis)
CAGR is $> 15\%$	100%

The EPS performance hurdle is a measure of the compound annual growth rate in the Company's EPS measure over the performance period. The EPS CAGR is determined by the Board and is the compound annual growth rate (expressed as a percentage) of the Company's EPS, which is measured by reference to the Company's consolidated underlying net profit for the performance period divided by the weighted average number of shares on issue across the relevant performance period. The Board may from time to time adjust the EPS CAGR to exclude the effects of material business acquisitions or divestments and for certain one-off costs.

The baseline EPS upon which the performance period CAGRs will be calculated is the normalised EPS of the Company for the financial year ended 30 June 2021.

The following table outlines the EPS performance hurdles (as determined by the Board) which must be met in order for LTI Shares to vest:

EPS for relevant Performance Period	Proportion of LTI Shares that satisfy the EPS vesting condition
CAGR is less than 3%	0%
CAGR is $\geq 3\%$ and $\leq 13\%$	Progressive pro-rata vesting from 20% to 100% (i.e. on a straight line basis)
CAGR is $> 13\%$	100%

Service Conditions

In addition to the performance conditions, LTI Shares are subject to a service condition meaning if Mr Fox ends his employment with Shaver Shop before the specified service period end, the LTI Shares issued to him will not vest regardless of whether the performance conditions have been met.

The service conditions attaching to the LTI shares is the date which is exactly 3 years after the Grant Date of the LTI Shares.

Loan Terms

The Company, or one of its subsidiaries, will offer Mr Fox a Loan to assist with the purchase of the LTI Shares. The material terms of the Loan are as follows:

- The initial Loan value is equal to the number of shares being granted (subject to vesting conditions) multiplied by the issue price per LTI Share.
- The Loan is non-interest bearing.
- The LTI Shares must not be disposed and no security interest may be granted over the LTI Shares while the Loan balance remains outstanding or arrangements to the satisfaction of the Board are made in respect of the proceeds.
- Unless otherwise determined by the Board, that part of the Loan balance relating to an LTI Share will become due and payable immediately on the earlier to occur of:
 - the date on which that LTI Share has been compulsorily divested in accordance with the terms and conditions of the Amended LTI Plan;
 - the date that Mr Fox has otherwise disposed of that LTI Share; and
 - the date which is 7 years after the grant date in relation to that LTI Share.
- The Loan balance may be repaid early.
- The Loan is limited recourse such that a participant's obligation to repay the Loan will be the lesser of the Loan balance or the relevant LTI Share's market value.
- The Company will agree to waive repayment of any amount owing under the Loan on LTI Shares which become vested, which exceeds an amount equal to the number of vested LTI Shares acquired under the relevant Loan multiplied by their issue price.
- The after-tax value of any dividends paid on the LTI Shares acquired under a Loan will be applied to repay the relevant Loan for as long as there is an outstanding Loan balance.

Schedule 2

Summary key terms and conditions of Amended LTI Plan

Administration	The Amended LTI Plan is administered by the Board or the Board's delegate(s).
Eligibility	Participation in the Amended LTI Plan is by invitation to executive directors and employees of the Company or its subsidiaries. The Board will determine which executive directors and employees receive an invitation to participate in the Amended LTI Plan.
Vesting	The LTI Shares will vest on the satisfaction of the applicable performance, service or other vesting conditions specified at the time of the grant.
Restrictions on Disposal	<p>A participant must not dispose of an LTI Share until the LTI Share has vested, the loan balance relating to that LTI Share has been repaid or discharged or any disposal restrictions set out under the Amended LTI Plan rules or letter of invitation have expired.</p> <p>The Board may implement any procedure it deems appropriate to ensure the compliance by the participant with the disposal restrictions, including using an ASX Holding Lock on the LTI Share, using an employee share trust to hold the LTI Share or refusing to register a transfer of the LTI Share.</p>
Change in control	In the event of a change in control of the Company, the Board may in its absolute discretion determine the manner in which any or all of the participant's LTI Shares (whether vested or unvested) will be dealt with including, without limitation, in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
Plan Shares	Each LTI Share is a fully paid ordinary share in Shaver Shop.
Performance period	The performance period will be specified in the relevant offer of LTI Shares.
Shares	Unless otherwise specified in an offer made under the Amended LTI Plan, LTI Shares issued, allocated or transferred under the Amended LTI Plan will rank equally with all existing shares from the date of issue or transfer.
Loan	The Company, or one of its subsidiaries, may provide a Loan to a participant to assist them to fund the full consideration for the LTI Shares. The terms of the Loan will be set out in a separate loan agreement.
Treatment on cessation of engagement	<p>If a participant is no longer an employee or executive director of the Company, unless otherwise determined by the Board, all of their unvested LTI Shares will be compulsorily divested on a date determined by the Board. They will retain any vested LTI Shares pursuant to the terms of the Amended LTI Plan.</p> <p>Where a participant acts fraudulently or dishonestly or wilfully breaches their duties to the Shaver Shop Group, the Board may deal with their LTI Shares in accordance with the rules of the Amended LTI Plan and may require the participant to compulsorily divest all of their LTI Shares.</p>
New issues	<p>Subject to the ASX Listing Rules (where relevant):</p> <ul style="list-style-type: none">• if shares are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) in respect of the LTI Shares, those shares are deemed to be LTI Shares for the purposes of the rules of the Amended LTI Plan, and subject to the same vesting conditions as the relevant LTI Shares; and• if the Company announces a rights issue, each participant will be offered an opportunity to exercise those rights in respect of LTI Shares. Unless the participant agrees otherwise, the shares allotted to the participant as a result of the participant

exercising such rights, are not subject to vesting conditions and will not be subject to the rules of the Amended LTI Plan.

Quotation

If LTI Shares granted under the Amended LTI Plan are the same class as those shares of the Company which are listed on the ASX, the Company will apply for quotation of the LTI Shares issued (or any unquoted LTI Shares transferred or allocated) promptly following the date of grant.

Amendments

The Board may, at any time, amend the terms and conditions of the Amended LTI Plan, so long as the amendment does not materially reduce the rights of any participant as they existed before the date of the amendment.

Other terms

The Amended LTI Plan contains other terms relating to the administration, transfer, termination and variation of the Amended LTI Plan.

SHaver SHOP

TRANSFORM YOURSELF™

Shaver Shop Group Limited
ACN 150 747 649


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Shaver Shop Group 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
Level 12, 680 George Street, Sydney NSW 2000

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



X99999999999

PROXY FORM

I/We being a member(s) of Shaver Shop Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

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

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy and email address in these boxes.

Name

Email

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 (Melbourne time - AEDT) on Wednesday, 10 November 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/shaver21> (refer to details in the Notice of Meeting).

Important for Resolutions 2, 4 and 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 2, 4 and 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*

2 Adoption of Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Election of Director –
Mr Craig Mathieson

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

4 Approval of Amended Shaver Shop
Group Limited Loan Share Plan
("Amended LTI Plan")

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5 Approval of issue of securities under
the Amended LTI Plan to Mr Cameron
Fox, CEO and Managing Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

SSG PRX2101N

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address 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 attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at 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 (Melbourne time - AEDT) on Monday, 8 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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 MAIL

Shaver Shop Group 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*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions