

31 January 2022

## **SCHEME MEETING – CHAIRMAN'S ADDRESS**

Class Limited (ASX:CL1) (**Class**) refers to the proposed acquisition of all of the issued shares in Class by HUB24 Limited (ASX:HUB) (**HUB24**) by way of a recommended court-approved Scheme of Arrangement (**Scheme**).

In accordance with ASX Listing Rule 3.13.3, attached to this announcement are the following documents to be presented at the Scheme Meeting of Class commencing at 10:00am (Sydney time) today:

- a copy of the address to be delivered by the Chairman at the Scheme Meeting; and
- the Scheme Meeting presentation slides.

Class shareholders (or their proxies, attorneys or corporate representatives) will be able to attend and vote at the Scheme Meeting through an online platform available at <https://meetings.linkgroup.com/CL122> or via telephone (for those Class shareholders who have obtained a unique PIN for verification purposes from Link Market Services).

The voting results of the Scheme Meeting will be communicated to the ASX shortly after the conclusion of the Scheme Meeting.

## **ENDS**

### **Enquiries**

For further information please contact:

Zoe Wise

Investor Relations Assistant

Email [investor@class.com.au](mailto:investor@class.com.au)

## **SCHEME MEETING – CHAIR'S ADDRESS**

### **INTRODUCTION**

Good morning everyone and welcome to the Scheme Meeting of Class Limited. My name is Matthew Quinn and I have the pleasure of being the Chairman of your company. I will be chairing today's meeting.

As a quorum is present, I declare the Class Scheme Meeting open. I propose to take the Notice of Scheme Meeting as read.

On behalf of the Class Board and the management team, I would like to welcome our shareholders, or their proxies, attorneys or representatives present – thank you all for attending today.

This meeting has been convened in accordance with the orders made by the Supreme Court of New South Wales on 15 December 2021 and the Constitution of Class. The purpose of this meeting is for shareholders to vote on the proposed scheme of arrangement in relation to the acquisition of Class by HUB24 Limited, who I will refer to during this meeting as HUB24. HUB24 is an ASX-listed financial services company that was established in 2007 and is a leading provider of wealth management superannuation investment platforms, technology and data solutions to the Australian market.

Given the ongoing health risks associated with the COVID-19 pandemic, in the same manner as our 2021 Annual General Meeting, today's Scheme Meeting is being held via an online platform. Joining me today include fellow Class Board members together with our Class CEO and Managing Director, Andrew Russell and Company Secretary, Jasmin Chew. Representatives of Class' share registry, Link Market Services, are also present online to assist in the poll process of the Scheme Meeting. For the purpose of the Scheme Meeting, I appoint Aaron Calder as the Returning Officer. Mr Calder has agreed to act in that capacity. All other attendees are currently listening to a live webcast of the meeting, and you are also able to ask questions and submit votes through the platform.

If we experience any technical issues during today's meeting that results in a significant number of shareholders being unable to reasonably participate, I will adjourn this meeting. We would hope that any technical issues could be resolved quickly, and the reconvened meeting held later today. Please check the ASX if this eventuates.

Voting is now open. I will now provide an overview of the online platform, including how to ask questions and vote.

## **ONLINE PLATFORM**

If at any stage you have difficulties with the platform, there is a helpline number displayed at the top of the page which you can call. That number is 1800 990 363.

Today's presentation slides were lodged with the ASX this morning and are available on the ASX website.

At the bottom of the online platform there are three boxes:

- get a voting card;
- ask a question; and
- downloads.

In the downloads section you will see three documents, being:

- the Scheme Booklet;
- the Notice of Meeting; and
- the Scheme Meeting Online Guide, which provides detailed guidance on how to use the online platform.

## **HOW TO ASK A QUESTION BY PHONE**

If you have joined this meeting via telephone and would like to ask a question, when I call for questions on the Scheme Resolution, you will be asked to press \*1 on your keypad to raise your hand. When it is time to ask your question, the moderator will introduce you to the meeting and your line will be unmuted. If you no longer wish to ask your question, you can lower your hand by pressing \*2 on your keypad.

Note that only Class shareholders and proxy holders will be eligible to ask questions.

## **HOW TO ASK A QUESTION ONLINE**

If you have joined this meeting via the online platform and did not submit a question prior to the meeting, but would like to ask a question online you can do so through the following process:

1. Click the 'Ask a Question' button either at the top or bottom of the webpage;

2. In the 'Regarding' section, click on the drop down arrow and select the category for your question;
3. Click in the 'Question' section and type your question and click 'Submit'.

A 'View Questions' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to submit another question, please click 'Submit Another Question'.

If you have yet to obtain a voting card, you will be prompted to enter your shareholder number or proxy details before you can ask a question.

Please note that while you can submit questions via the online platform at any time, the Chair will only address questions at the relevant time in the meeting. Questions must be relevant to the business of today's meeting, being the approval of the Scheme. Please also note that if we receive multiple questions on one topic they may be amalgamated. But we will be very conscious to try to answer everyone's questions throughout the course of today's meeting.

Once again, if you experience any difficulties on the online platform, the helpline number is displayed at the top of the webpage. That number again is 1800 990 363 within Australia and overseas.

## **HOW TO VOTE**

I will now briefly summarise the voting procedures which apply to this meeting.

As outlined in the Scheme Booklet, the vote on the Scheme Resolution will be conducted by a poll.

Shareholders or their proxy holders, attorneys and corporate representatives are entitled to vote on the Scheme Resolution.

Shareholders had the option in advance of today's meeting to appoint a proxy or to submit a direct vote. If you did not do this, you may also vote via the online platform during the meeting using the 'Get a Voting Card' button. Instructions on how to do this are displayed on the slides now.

Please note that if you cast a live vote at today's Scheme Meetings any direct vote or proxy previously submitted will be overridden.

If you have previously appointed a proxy, when logging in to the live webcast of the Scheme Meeting, you would have been presented with the option to either revoke your proxy or view the Scheme Meeting as a 'non voting shareholder'. If you revoked your proxy when logging in, you will be able to participate in and vote at the Scheme Meeting. However, if you did not revoke your proxy, then you will only be able to view the live webcast of the Scheme Meeting and ask questions. You will not be able to vote on the Scheme Resolution.

The Chair will vote all available proxies in favour of the Scheme Resolution and we will shortly display the number of proxy votes received in relation to the Scheme Resolution prior to the meeting.

The voting will close when announced by the Chair during the Scheme Meeting. Once voting has been closed all submitted voting cards cannot be changed.

After the meeting closes, your votes will be counted by our registry, Link Market Services, and the results will be lodged on the ASX as soon as available today.

## **OVERVIEW OF THE SCHEME**

Before moving to our formal business, I would like to say a few words about the proposed scheme of arrangement. Details of the scheme of arrangement are also outlined in detail in the Scheme Booklet, which was made available to shareholders in accordance with the orders of the Supreme Court of New South Wales on 15 December 2021.

If the Scheme is approved and implemented, HUB24 will acquire all of the shares in Class held by shareholders. Eligible Class shareholders will receive 1 HUB24 Share for every 11 Class Shares held at the Scheme Record Date and cash consideration of 12.5 cents for every Class Share held at the Scheme Record Date. HUB24 shares issued as Scrip Consideration include an entitlement to any interim dividend paid by HUB24 in respect of the half year ended 31 December 2021 and any associated franking credits (noting that the potential value in franking credits attached to any HUB24 interim dividend will depend on individual circumstances of each shareholder).

On implementation of the Scheme, Class Shareholders are expected to own approximately 14.29% of the Combined Group with existing HUB24 Shareholders owning the remaining approximately 85.71% of the Combined Group.

The directors consider that the Scheme Consideration represents an attractive premium to Class shareholders.

The Scheme Consideration to be offered to Class Shareholders has an implied value of \$2.60 per Class Share as at 28 January 2022, representing a:

- 43.8% premium to Class' closing share price of \$1.81 on Friday, 15 October 2021 (being the last trading day prior to the date of the initial announcement of the Scheme);
- 48.2% premium to the 1 month VWAP of Class Shares to Friday, 15 October; and
- 44.5% premium to the 3 month VWAP of Class Shares to Friday, 15 October.

However, it is important to note that given the Scrip Consideration component of the Scheme Consideration, the implied value of the Scheme Consideration and the premium will shift with movements in the price of HUB24 Shares up until the implementation of the Scheme.

#### **REASONS TO VOTE FOR OR AGAINST THE SCHEME**

The Class Board has identified several reasons why you might vote in favour of the Scheme and various reasons why you might vote against it. These are set out in detail in the Scheme Booklet.

In making our recommendation, the Class Board considered an extensive range of issues while being cognisant of our overarching responsibility to act in the best interests of all shareholders.

As previously mentioned, the Scheme Consideration represents an attractive premium to Class's recent historical trading prices. Further, the Scheme provides an opportunity for Class Shareholders to share in any future upside and combination benefits with HUB24.

Receiving HUB24 Shares will provide Class Shareholders with ongoing exposure to the Class business as well as to the business of HUB24. Class will be able to leverage the enhanced scale, capabilities, distribution, product offering and technological development of the HUB24 and Class combined group to deliver on its strategic initiatives of increasing value, efficiency and enhancing product solutions for both existing and new customers.

## **INDEPENDENT EXPERT'S CONCLUSION**

The Class Board appointed Leadenhall Corporate Advisory as the independent expert to assess the merits of the Scheme. A copy of the Independent Expert's Report was included in the Scheme Booklet. The independent expert has concluded that the Scheme is fair and reasonable and in the best interests of Class shareholders, in the absence of a superior proposal. In particular, the independent expert has assessed the value of each Class Share at between \$2.25 to \$2.57 per Class Share.

## **RECOMMENDATION OF THE CLASS BOARD**

The Class Board confirms that, as at the time of this meeting, no superior proposal has emerged nor is it aware of any superior proposal likely to emerge. As such, the Class Board unanimously recommends that Class shareholders vote in favour of the scheme.

Prior to this meeting, the Class Directors who hold or control Class shares have instructed that their shares held or controlled by them be voted in favour of the Scheme.

## **STATUS OF CONDITIONS**

The Scheme is now principally conditional on two things occurring, first:

- shareholders passing the Scheme Resolution at this meeting; and finally,
- the Supreme Court of New South Wales approving the scheme at the Second Court Hearing.

The Scheme is also subject to other customary operational and procedural conditions precedent which are described in further detail in the Scheme Booklet.

The Class Board is not aware of any circumstances which would cause any of the outstanding conditions precedent to not be satisfied or waived prior to the Second Court Hearing.

## **INDICATIVE IMPLEMENTATION TIMETABLE**

If the Scheme is approved by shareholders today, the timetable to implement the Scheme and provide shareholders their Scheme Consideration will be as follows:

- Friday, 4 February 2022 – the Second Court Date for approval of the Scheme;
- Monday, 7 February 2022 – the Effective Date of the Scheme and the last trading day in Class shares;



- 7:00pm (Sydney time) on Wednesday, 9 February 2022 – the Scheme Record Date – all shareholders who hold Class shares on this date will be entitled to receive the Scheme Consideration;
- Wednesday, 16 February 2022 – the Scheme will be implemented, and the Scheme consideration will be provided; and
- Thursday, 17 February 2022 (unless the ASX requires otherwise) – HUB24 Shares issued to Class Shareholders as Scrip Consideration will commence trading on the ASX.

These dates are subject to satisfaction of the outstanding conditions precedent. Any changes will be announced to the ASX.

If the outstanding conditions precedent are not satisfied or the Scheme is not approved, the Scheme will not proceed and Class will continue as a standalone entity listed on the ASX.

## **QUESTIONS**

I will now respond to questions in relation to the business of the meeting that shareholders have submitted during the course of today's meeting. I will endeavour to answer your questions straight away, however I may take a question on notice if necessary.

## **SCHEME RESOLUTION & VOTING THRESHOLD**

I will now turn to the formal business of the meeting. There is only one item of business before this meeting today, being the Scheme Resolution, which is set out on the screen.

For the proposed Scheme to be approved, the scheme resolution must be agreed by both a majority in number of Class shareholders present and voting on the resolution either in person or by proxy, and at least 75% of the total number of votes cast by Class shareholders (present in person or by proxy) must be in favour of the scheme resolution.

## **VOTING ON SCHEME RESOLUTION**

I now ask shareholders to cast their vote in relation to the scheme resolution if they have not already done so, as voting will be closing shortly.

While you are finalising your votes, I will read out details of proxies and direct votes received.



The proxies and direct votes received in respect of the scheme resolution are now shown on the screen and are as follows:

- 81,473,934 votes in favour from 340 shareholders, representing 97.85% by value and 87.63% by number;
- 1,721,853 votes undirected from 37 shareholders, representing 2.07% by value and 9.54% by number, which I will vote in favour; and
- 67,735 votes against from 11 shareholders, representing 0.08% by value and 2.83% by number.

2,396 proxies from 3 shareholders abstained and are accordingly not counted when determining the outcome of the scheme resolution.

Given that some shareholders may require additional time to finalise their vote using the online platform, there will be a five-minute grace period at the conclusion of this meeting to allow shareholders to finalise their vote.

Thank you very much. The results of this meeting will be released on the ASX as soon as available today and will also be available on the Class website.

This now concludes the official business of this meeting.

Thank you all for attending – I now declare the Scheme Meeting **CLOSED** for all purposes, subject to the conduct and conclusion of the poll.

(ASX:CL1)



# Scheme Meeting

31 January 2022

We will reimagine a more simple, automated world for our customers and they will love it!

Simplify. Automate. Connect.







## Chair Address

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Matthew Quinn

(Independent Non-Executive Director, Chairman of the Class Board)

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# Procedural Matters

# Procedural matters: Asking questions by phone

## Asking questions

Shareholders must  
register for a unique PIN  
to ask live questions

If you don't have a PIN call  
Link's 1800 990 363 Helpline

Only questions or comments  
pertaining to the specific  
resolution will be addressed



Call '**Questions Line**' on 1800 798 067

The moderator will request your unique **PIN**

\*\*\*\*

**Dial**  
\*1

On your keypad to ask a question

A teleconference moderator will  
introduce you at the **right time**



When your line is **unmuted** **ask your question**  
or **make a comment**

## Asking questions

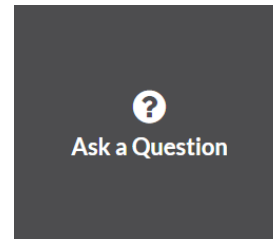
Only Shareholders and Proxyholders are able to ask questions

Click on **"Ask a Question"**

Select **"General Business"** or a specific resolution

Type in your question and click **"Submit"**

**Comments** on resolutions can also be submitted through "Ask a Question"



HELP NUMBER  
**1800 990 363**

### Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding

Question

Type your question here...

Characters left: 532

Characters : 0

Submit Question

# Procedural matters: Voting online

## Lodging your votes

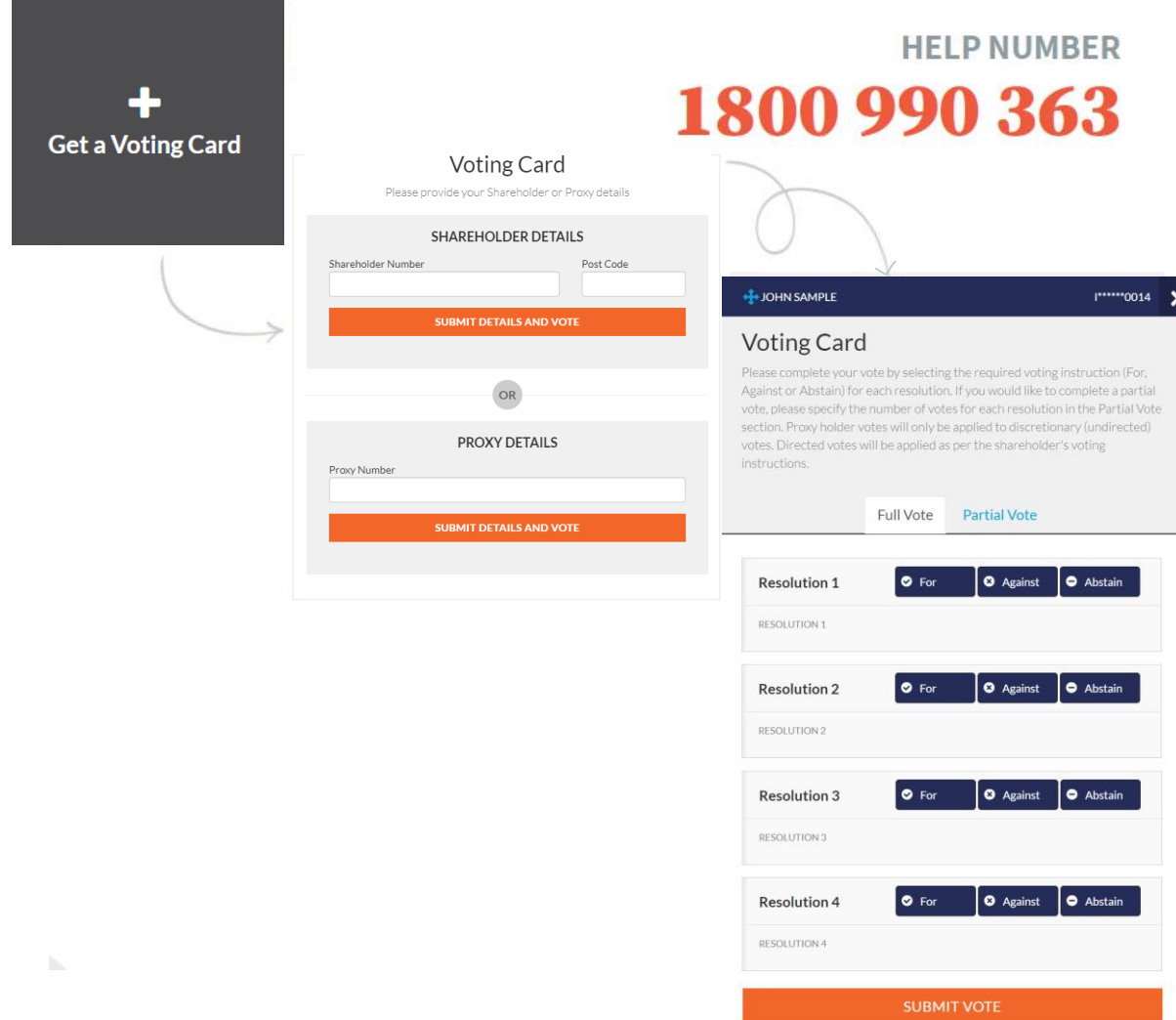
Click **"Get a Voting Card"**  
(top and bottom of platform)

Enter your SRN/HIN or  
Proxy Number and Postcode

Click **"Submit Details and Vote"**

Fill out your voting card  
for each item of business

Click **"Submit Vote"**



The image illustrates the online voting process through a series of steps and screenshots:

- Get a Voting Card:** A dark grey button with a white plus sign and the text "Get a Voting Card".
- Voting Card Form:** A form titled "Voting Card" with the instruction "Please provide your Shareholder or Proxy details". It contains two sections:
  - SHAREHOLDER DETAILS:** Fields for "Shareholder Number" and "Post Code", followed by an orange "SUBMIT DETAILS AND VOTE" button.
  - OR**
  - PROXY DETAILS:** A field for "Proxy Number", followed by an orange "SUBMIT DETAILS AND VOTE" button.
- Voting Card Page:** A screenshot of the voting interface for a user named "JOHN SAMPLE" (ID: \*\*\*\*\*0014). It includes:
  - A "HELP NUMBER 1800 990 363" at the top right.
  - Buttons for "Full Vote" and "Partial Vote".
  - Four resolutions, each with "For", "Against", and "Abstain" options (e.g., "Resolution 1", "Resolution 2", "Resolution 3", "Resolution 4").
  - An orange "SUBMIT VOTE" button at the bottom.



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# Overview of the Scheme

- HUB24 (ASX:HUB) to acquire 100% of Class (ASX:CL1) by way of a recommended Scheme of Arrangement
- If the Scheme is approved and implemented, Class Shareholders will receive:
  - Scrip consideration of 1 HUB24 share for every 11 Class shares held at the Scheme Record Date
  - Cash consideration of \$0.125 for every Class share held at the Scheme Record Date
- HUB24 shares issued as Scrip Consideration include an entitlement to the interim dividend paid by HUB24 in respect of 1H22 (if any) and any associated franking credits
- On implementation of the Scheme, Class Shareholders are expected to own approximately 14.29% of the Combined Group with existing HUB24 Shareholders owning the remaining approximately 85.71% of the Combined Group
- It is important to note that given the Scrip Consideration component of the Scheme Consideration, the implied value of the Scheme Consideration will shift with movements in the price of HUB24 Shares up until the implementation of the Scheme and the precise value of the Scrip Consideration is not known at this time of the Scheme Meeting

# Reasons to vote for or against the Scheme

## Reasons why you may consider vote FOR the Scheme

- ✓ The Scheme Consideration represents an attractive premium to historical trading prices of Class Shares
- ✓ The Class Directors believe that this Scheme is in the best interest of Class Shareholders and unanimously recommend that Class Shareholders vote in favour of the Scheme
- ✓ The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is in the best interest of Class Shareholders
- ✓ The Scheme provides opportunities to continue the transformation of Class and for future growth
- ✓ Receiving HUB24 Shares as part of the Scrip Consideration provides Class Shareholders with the opportunity to become shareholders in a leading specialist platform provider and share the proposed benefits created by the Scheme
- ✓ Since the announcement of the Scheme, no Superior Proposal has emerged
- ✓ If the Scheme does not proceed, and no Superior Proposal emerges, the Class share price may fall in the near-term
- ✓ Scheme Shareholders will not incur any brokerage charges on the transfer of their Class Shares if the Scheme proceeds

## Reasons why you may consider voting AGAINST the Scheme

- ✗ You may believe there is potential for a Superior Proposal to be made in the foreseeable future
- ✗ You may disagree with the Class Board's unanimous recommendation or the Independent Expert's conclusion
- ✗ You may wish to maintain your current investment profile and exposure to a business with Class' specific characteristics
- ✗ You may not wish to have exposure to the HUB24 Group's portfolio, business or risk profile
- ✗ The future value of HUB24 Shares after the Scheme is implemented is uncertain and may move with the market and investor sentiment
- ✗ If the Scheme is implemented and you receive HUB24 Shares, the dividend income received on HUB24 Shares may be lower than the dividend income received by Class Shareholders historically
- ✗ The tax consequences of the Scheme may not suit your current financial situation
- ✗ The Scheme may be subject to conditions that you consider unacceptable

# Independent Expert's Conclusion and Board Recommendation

## Independent Expert's Conclusion

- The Independent Expert concluded that the Scheme is **fair and reasonable**, and in the best interest of Class Shareholders, in the absence of a Superior Proposal
- The Independent Expert assessed the value of each Class Share at between \$2.25 to \$2.57 per Class Share
- A complete copy of the Independent Expert's Report is included in Annexure A to the Scheme Booklet. Class shareholders should carefully review the Independent Expert's Report in its entirety
- The Independent Expert notes the Scheme will provide Class shareholders to benefit from exposure to a combined business with increased scale, greater access to capital, more diversified revenue and the potential for accelerated growth over the medium term

## Board Recommendation

- The Class Board unanimously recommends that Class shareholders vote in favour of the Scheme. Key reasons for the directors' recommendation include:
- The attractive premium to historical trading prices of Class shares
- The expected benefit from combining the strengths and technological innovation of Class and HUB24
- The outlook, risks and opportunities available for Class as a standalone entity and separately as part of the Combined Group
- Each Class Director intends to vote Class shares held or controlled by them at the time of the Scheme Meeting in favour of the Scheme resolution

# Status of conditions

Class Directors are not aware of any circumstances which would prevent any outstanding conditions of being satisfied

## Shareholder approval

- The Scheme remains subject to Class Shareholders passing the Resolution during today's Scheme Meeting by the requisite majorities

## Court approval

- The Scheme remains subject to the Supreme Court of New South Wales approving the Scheme in accordance with the Corporations Act
- The second court hearing is scheduled to be held on Friday 4 February 2022

## Other customary conditions

- The Scheme Implementation Deed outlines a number of other customary operational and procedural conditions that must be satisfied for the Scheme to be implemented

## Conditions likely to be satisfied

- Class Directors are not currently aware of any circumstances which would prevent any of the outstanding conditions from being satisfied or waived prior to the Second Court Hearing

# Indicative implementation timetable

Time and Date	Event
10:00am (Sydney time) Monday, 31 January 2022	Scheme Meeting
9:15am (Sydney time) Friday, 4 February 2022	Second Court Hearing (For approval of the Scheme)
Monday, 7 February 2022	Effective Date Last day of trading in Class Shares – Class Shares suspended from trading on ASX with effect from close of trading
7:00pm (Sydney time) Wednesday, 9 February 2022	Scheme Record Date Determination of entitlement of Scheme Shareholders to receive the Scheme Consideration
Wednesday, 16 February 2022	Implementation Date Scheme Shareholders receive Scheme Consideration and Class Scheme Shares transferred to HUB24 in accordance with the terms of the Scheme
Thursday, 17 February 2022 (unless ASX requires otherwise)	Trading of HUB24 Shares HUB24 Shares issued to Class Shareholders as Scrip Consideration to commence trading on the ASX on a normal settlement basis

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# Questions



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# Scheme Vote

## The Scheme Resolution

*That, under and in accordance with section 411 of the Corporations Act 2001(Cth), the scheme of arrangement proposed between Class Limited (Class) and the holders of its fully paid ordinary shares, the terms of which are contained in and more particularly described in the Scheme Booklet of which the notice convening the Scheme Meeting forms part, is approved (with or without any alteration or conditions as approved by the Supreme Court of New South Wales and agreed to by Class and HUB24) and, subject to approval of the Scheme by the Court, the Class Board is authorised to implement the Scheme with any such alterations or conditions*

## Voting Threshold

- For the Scheme to proceed, the Scheme Resolution must be approved by the Requisite Majorities, being:
  - at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by eligible Class Shareholders present and voting at the Scheme Meeting; and
  - unless the Court orders otherwise, a majority in number (more than 50%) of eligible Class Shareholders present and voting at the Scheme Meeting

# Voting on Scheme Resolution: Direct voting and proxy results

	Number of votes cast	% of votes cast	Number of shareholders	% of Shareholders
For:	81,473,934	97.85%	340	87.63%
Open <sup>1</sup> :	1,721,853	2.07%	37	9.54%
Against:	67,735	0.08%	11	2.83%
<b>Total:</b>	<b>83,263,522</b>	<b>100%</b>	<b>388</b>	<b>100%</b>
Abstain <sup>2</sup> :	2,396	-	3	-
Requisite majorities for resolution to pass:	<b>At least 75%</b>		<b>More than 50%</b>	

1. Open proxies in favour of the Chair will be voted in favour of the Resolution
2. Votes relating to a shareholder who abstains from voting are not counted in the requisite majorities