Notice of Annual General Meeting and Explanatory Memorandum

The Annual General Meeting of
Kip McGrath Education Centres Limited ACN 003 415 889
will be held at Level 2 Boardroom, 31 Market Street, Sydney NSW 2000
on Tuesday, 29 September 2026 at 2.00 pm AEST

Kip McGrath Education Centres Limited ("Company")

IMPORTANT

1 To be valid, the proxy form enclosed for use at the Meeting must be completed and returned no later than 2.00 pm AEST on Sunday, 27 September 2026.

2 This document is important and requires your immediate attention. It should be read in its entirety. If you are in doubt as to any matter in this document, you should consult your legal, financial or other professional adviser immediately.

The Annual General Meeting of the Company will be held at Level 2 Boardroom, 31 Market Street, Sydney NSW 2000 on Tuesday, 29 September 2026 at 2.00 pm AEST.

Ordinary Business

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1 Chair's address and presentation by the Chief Executive Officer

2 Receipt of Financial Statements and Reports

To receive and consider the financial report, the Directors' report and the auditor's report of the Company for the financial year ended 30 June 2026, as set out in the Company's Annual Report released to ASX on 28 August 2026.

Note: no resolution is required in respect of this item of business.

3 Resolution 1 – Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the *Corporations Act 2001* (Cth) and for all other purposes, the Remuneration Report for the Company for the financial year ended 30 June 2026, as set out in the Directors' Report in the Annual Report, be adopted."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company. A voting prohibition statement applies to this Resolution – please see below.

4 Resolution 2 – Re-election of Ms Lynne Lewis

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

"That, for the purposes of ASX Listing Rule 14.4 and for all other purposes, Ms Lynne Lewis, who retires by rotation in accordance with clause 20.2 of the Company's

Constitution and, being eligible in accordance with clause 20.3 of the Company's Constitution, offers herself for re-election, be re-elected as a Director of the Company."

5 Resolution 3 – Approval of Additional 10% Share Placement Capacity

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue Shares totalling up to 10% of the issued capital of the Company (at the time of issue) (**10% Share Placement Capacity**) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Note: a voting exclusion does not apply to this Resolution – however, please see the important note in the voting statements below.

6 Resolution 4 – Approval of ordinary dividend

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

"That Shareholders approve the determination, declaration and payment by the Company of an ordinary dividend of 1.0 cent per Share, on the terms and conditions set out in the Explanatory Memorandum."

7 Resolution 5 – Approval of special dividend

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

"That Shareholders approve the determination, declaration and payment by the Company of a special dividend of 3.0 cents per Share, on the terms and conditions set out in the Explanatory Memorandum."

8 Resolution 6 – Approval of further special dividend (conditional on Resolution 7)

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

"That, subject to and conditional on Resolution 7 being passed and the new constitution referred to in Resolution 7 being adopted, Shareholders approve the determination, declaration and payment by the Company of a further special dividend of 2.0 cents per Share, on the terms and conditions set out in the Explanatory Memorandum."

Note: this Resolution is conditional on Resolution 7 being passed and the new constitution being adopted. If Resolution 7 is not passed, this Resolution will not take effect, whether or not it is passed. Resolutions 4 and 5 are not conditional on Resolution 7.

9 Resolution 7 – Approval of a replacement constitution

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

"That, for the purposes of sections 136(1)(b) and 136(2) of the *Corporations Act 2001* (Cth) and for all other purposes, the Company repeal its existing Constitution and adopt in its place the new constitution in the form tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the conclusion of the Meeting."

Note: this Resolution is a special resolution and will only be passed if at least 75% of the votes cast on the Resolution by shareholders entitled to vote are in favour. Resolution 6 (Approval of further special dividend) is conditional on this Resolution being passed. A copy of the proposed new constitution is available on the Company's website at https://www.kipmcgrath.com/global/shareholder-information and may be obtained free of charge on request from the Company Secretary. The copy to be tabled at the Meeting and signed by the Chair for the purposes of identification will be in the same form.

10 Resolution 8 – Issue of Performance Rights to Ms Melinda Smith

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

"That, for the purposes of Listing Rule 10.14, Listing Rule 7.9 and for all other purposes, shareholders approve the issue of 268,200 performance rights to Ms Melinda Smith on the terms and conditions described in the Explanatory Memorandum accompanying this Notice."

11 Resolution 9 – Issue of Performance Rights to other key personnel

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

"That, for the purposes of Listing Rule 7.1, Listing Rule 7.9 and for all other purposes, shareholders approve the issue of 317,300 performance rights to the members of the Company's senior executive team described in the Explanatory Memorandum, on the terms and conditions described in the Explanatory Memorandum accompanying this Notice."

Voting Prohibition and Voting Exclusion Statements

In accordance with section 250R(4) of the Corporations Act, a vote on Resolution 1 (Adoption of Remuneration Report) must not be cast, and the Company will disregard any votes cast, in any capacity, by or on behalf of either of the following persons:

- a member of the Company's key management personnel (**KMP**) whose remuneration details are included in the Remuneration Report; or
- a closely related party of such a member (as defined in the Corporations Act).

However, a person (the **voter**) described above may cast a vote on Resolution 1 as a proxy or attorney if the vote is not cast on behalf of a person described above and either:

- the voter is appointed as a proxy or attorney by writing that specifies the way the proxy or attorney is to vote on Resolution 1; or
- the voter is the chair of the meeting and the appointment of the chair as proxy:
  - does not specify the way the proxy is to vote on Resolution 1; and
  - expressly authorises the chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

Under ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons:

- Resolution 8 (Issue of Performance Rights to Ms Melinda Smith) by or on behalf of Ms Smith, being the person for whom approval is sought under Listing Rule 10.14, and any associate of Ms Smith; and
- Resolution 9 (Issue of Performance Rights to other key personnel) by or on behalf of any person who is to receive Executive Rights if Resolution 9 is passed, and any associate of those persons.

However, the Company need not disregard a vote cast in favour of Resolution 8 or Resolution 9 by:

(1) a person as proxy or attorney for a person who is entitled to vote on that Resolution, in accordance with directions given to the proxy or attorney to vote on that Resolution in that way; or

(2) the chair of the meeting as proxy or attorney for a person who is entitled to vote on that Resolution, in accordance with a direction given to the chair to vote on that Resolution as the chair decides; or

(3) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the conditions are met:

  (a) 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 that Resolution; and

  (b) the holder votes on that Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Important note – Resolution 3 (Approval of Additional 10% Share Placement Capacity)

The proposed allottees of any Shares to be issued under the 10% Share Placement Capacity are not as yet known or identified. In these circumstances, and in accordance with the note to Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A, for a person’s vote to be excluded it must be known that the person will participate in the proposed issue. As it is not known who will participate, shareholders must consider Resolution 3 on the basis that they may or may not obtain a benefit, that it is possible their holding will be diluted, and that there is no reason to exclude their votes.

Voting intention of the Chair

Any undirected proxies given to the Chair of the Meeting will be voted by the Chair, and counted, in favour of each of the Resolutions, subject to compliance with the Corporations Act and the Listing Rules and to the voting prohibition and voting exclusions set out above. In exceptional circumstances, the Chair may change his or her voting intention on any Resolution, in which case an announcement will be made to ASX.

Where the Chair of the Meeting is appointed as your proxy, or becomes your proxy by default, and you have not directed the Chair how to vote, you expressly authorise the Chair to exercise your proxy on Resolution 1 (Adoption of Remuneration Report), Resolution 8 (Issue of Performance Rights to Ms Melinda Smith) and Resolution 9 (Issue of Performance Rights to other key personnel), even though those Resolutions are connected directly or indirectly with the remuneration of a member of the KMP. If the Chair of the Meeting is or becomes your proxy, you may direct the Chair to vote for or against, or to abstain from voting on, any Resolution by marking the appropriate box on the proxy form.

Explanatory Memorandum

The accompanying Explanatory Memorandum and the Schedules to this Notice form part of this Notice and should be read in conjunction with it. Capitalised terms used in this Notice have the meaning given to them in the Glossary in the Explanatory Memorandum.

By Order of the Board

Adrian Sturrock
CFO and Company Secretary
Date: 28 August 2026

Explanatory Memorandum

This Explanatory Memorandum forms part of the Notice of Annual General Meeting (**AGM**) and is provided to shareholders to explain the Resolutions to be put to shareholders at the AGM and to assist shareholders to decide how they wish to vote on the Resolutions.

Ordinary Business

Receipt of Financial Statements and Reports

In accordance with section 317 of the Corporations Act, the financial report, the Directors' report and the auditor's report of the Company for the financial year ended 30 June 2026 will be laid before the Meeting for consideration and discussion. Those reports form part of the Company's Annual Report, which was released to ASX on 28 August 2026 and is available on the Company's website at https://www.kipmcgrath.com/global/shareholder-information. The Company will not send a printed copy of the Annual Report to shareholders unless a shareholder has elected to receive one.

Neither the Corporations Act nor the Company's Constitution requires shareholders to vote on those reports, and accordingly no resolution is put in respect of this item of business.

The Chair of the Meeting will allow a reasonable opportunity for shareholders as a whole to ask questions about, or make comments on, the management of the Company and the reports laid before the Meeting.

The Company's auditor has confirmed that it will attend the Meeting. The Chair of the Meeting will allow a reasonable opportunity for shareholders to ask the auditor, or the auditor's representative, 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 the financial statements, and the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to the auditor about the content of the auditor's report or the conduct of the audit of the financial report. A written question must be given to the Company no later than five business days before the Meeting, being by 5.00 pm AEST on 22 September 2026, and the Company will forward it to the auditor. The auditor may table, or have tabled on their behalf, a written answer to any such question at the Meeting.

Resolution 1 – Adoption of Remuneration Report

Pursuant to section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a vote on this Resolution is advisory only and does not bind the directors or the Company.

Section 250R(2) of the Corporations Act requires that a resolution that the Remuneration Report be adopted is put to shareholders at a listed company's annual general meeting. The Remuneration Report forms part of the Directors' Report in the Annual Report and sets out the Company's remuneration arrangements for its Directors and senior management.

The Chair of the Meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are against adoption of the report at two consecutive annual general meetings, the Company must put to shareholders at the second of those meetings a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the Company (**Spill Resolution**). If more than 50% of the votes cast on the Spill Resolution are in favour, the Company must convene a further meeting (**Spill Meeting**) within 90 days. All of the Directors who were in office when the Directors' Report for the most recent financial year was approved, other than the Managing Director, would cease to hold office immediately before the end of the Spill Meeting but could stand for re-election at that meeting.

At the Company's 2025 annual general meeting, 99.02% of the votes cast on the remuneration report resolution were in favour of its adoption. As fewer than 25% of the votes cast at that meeting were against adoption, a Spill Resolution is not relevant for this Meeting.

The Directors recommend that shareholders vote in favour of Resolution 1. The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 1.

Resolution 2 – Re-election of Ms Lynne Lewis

ASX Listing Rule 14.5 requires an entity that has directors to hold an election of directors at each annual general meeting. Resolution 2 satisfies that requirement.

Under clause 20.2 of the Company's Constitution, unless otherwise determined by a resolution of the Company, one third of the Directors for the time being (or, if their number is not a multiple of three, the whole number nearest one third) must retire from office at each annual general meeting. The Directors to retire are those who have been longest in office since their last election but, as between Directors who became Directors on the same day, those to retire are determined by agreement among themselves. That clause does not apply to the managing director.

The Company has four Directors. Ms Melinda Smith, as Managing Director, is not subject to retirement by rotation. Ms Anne Bell was elected by shareholders at the 2025 annual general meeting. Ms Lynne Lewis and Mr Damian Banks were each last elected or re-elected by shareholders at the 2024 annual general meeting and have accordingly been longest in office since their last election. One Director is required to retire at the Meeting and, as Ms Lewis and Mr Banks were last elected on the same day, they have agreed between themselves that Ms Lewis will retire. Ms Lewis retires at the Meeting and, being eligible in accordance with clause 20.3 of the Constitution, offers herself for re-election as a Director.

Under ASX Listing Rule 14.4, a Director elected or re-elected at an annual general meeting must not hold office (without re-election) past the third annual general meeting following the meeting at which they were elected, or three years, whichever is longer. If Resolution 2 is passed, Ms Lewis will hold office on that basis. If Resolution 2 is not passed, Ms Lewis will cease to be a Director at the conclusion of the Meeting.

Ms Lewis's qualifications and experience, her other material directorships and the Board's assessment of her independence are set out below:

> Ms Lewis was appointed to the Board in November 2024. She is a lawyer who has been a senior partner of Australian and international law firms, with expertise in commercial, consumer and intellectual property law and in franchising, and has advised the boards and management of ASX-listed and multinational businesses across a range of industries including education. She holds a Bachelor of Laws and a

Bachelor of Economics and is a graduate of the Australian Institute of Company Directors. Ms Lewis holds no other directorships of listed entities. Ms Lewis is a member of the Company's Audit Committee and Chair of its Remuneration Committee.

The Board has reviewed Ms Lewis's performance since her appointment and considers that her skills and experience, in particular in franchising and in commercial and intellectual property law, will continue to enhance the Board's ability to perform its role. The Board considers Ms Lewis to be an independent Director and, if re-elected, considers that she will continue to be independent.

The Directors (other than Ms Lewis, who abstains in respect of her own re-election) recommend that shareholders vote in favour of Resolution 2. The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 2.

Resolution 3 – Approval of Additional 10% Share Placement Capacity

ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. This would enable the Company to issue Shares up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without further shareholder approval under those rules, subject to the restrictions described below.

The Company is an eligible entity as at the date of this Notice because it is not included in the S&P/ASX 300 Index and its market capitalisation is $300 million or less. The Company will only be able to rely on the 10% Share Placement Capacity if it remains an eligible entity at the time of issue.

If Resolution 3 is passed, the Company will be able to issue Shares under the 10% Share Placement Capacity for the period described below, subject to the requirements of Listing Rule 7.1A and to the other restrictions described in this Explanatory Memorandum. If Resolution 3 is not passed, the Company will not be able to issue Shares under the 10% Share Placement Capacity and will remain limited to the placement capacity available under Listing Rule 7.1, unless shareholder approval is obtained for a particular issue.

Effect of the Takeover Bid on the 10% Share Placement Capacity

Under Listing Rule 7.9, the Company must not issue or agree to issue Equity Securities without the approval of holders of its ordinary securities for 3 months after it is told in writing that a person is making, or proposes to make, a takeover bid for its securities, other than in accordance with one of the exceptions to that rule. The Company received the Takeover Bid on 30 July 2026. Approval of Resolution 3 does not constitute shareholder approval for the purposes of Listing Rule 7.9, and separate shareholder approval would be required before the Company could issue Shares under the 10% Share Placement Capacity during the period in which Listing Rule 7.9 applies. In addition, the issue of Shares may trigger a defeating condition of the Takeover Bid and could be characterised as a frustrating action, and the Board would take that into account before using the 10% Share Placement Capacity while the Takeover Bid remains on foot.

Specific information required by Listing Rule 7.3A

Period for which the approval is valid

If Resolution 3 is passed, the approval will remain valid until the earlier of: (a) the date that is 12 months after the date of the Meeting; (b) the date of the Company's next annual general meeting; and (c) the time and date of approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (a disposal of the Company's main undertaking).

Minimum issue price

Any Shares issued under the 10% Share Placement Capacity must be issued for cash consideration at a price of not less than 75% of the volume weighted average market price of Shares, calculated over the 15 trading days on which trades in Shares were recorded immediately before the date on which the price at which the Shares are to be issued is agreed, or, if the Shares are not issued within 10 trading days of that date, the date on which the Shares are issued.

Risk of voting dilution

If Resolution 3 is passed and the Company issues Shares under the 10% Share Placement Capacity, the economic and voting interests of existing shareholders will be diluted, as shown in the table below. There is also a risk that the market price of the Company's Shares at the time of issue is lower than the market price at the date of the Meeting, so that the Shares are issued at a lower price than shareholders anticipated and the dilutionary effect is greater.

As at the date of this Notice the Company has 52,490,809 Shares on issue, and the maximum number of Shares that may be issued under the 10% Share Placement Capacity is 5,249,080.

Variable A in Listing Rule 7.1A.2	**50% of current market price ($0.36)**	**100% of current market price ($0.72)**	**150% of current market price ($1.08)**
Current issued capital: 52,490,809 Shares	5,249,080 Shares Funds raised: $1,889,669	5,249,080 Shares Funds raised: $3,779,338	5,249,080 Shares Funds raised: $5,669,006
50% increase in issued capital: 78,736,213 Shares	7,873,621 Shares Funds raised: $2,834,504	7,873,621 Shares Funds raised: $5,669,006	7,873,621 Shares Funds raised: $8,503,511
100% increase in issued capital: 104,981,618 Shares	10,498,161 Shares Funds raised: $3,779,338	10,498,161 Shares Funds raised: $7,558,676	10,498,161 Shares Funds raised: $11,338,015

Note: The number of Shares shown in each scenario represents the 10% voting dilution under Listing Rule 7.1A. The number of Shares assumes the Company issues the maximum number available under Listing Rule 7.1A. Fractional entitlements have been rounded down to the nearest whole share. Funds raised have been rounded to the nearest dollar.

Purpose of issues under the 10% Share Placement Capacity

The Company may seek to issue Shares under the 10% Share Placement Capacity for cash consideration. If it does so, the Company intends to use the funds raised for general working capital purposes, to fund the continued development of the Company's business and operations, to fund potential acquisitions of assets or investments and to meet the costs of the issue. As at the date of this Notice, the Company has no present intention to issue Shares under the 10% Share Placement Capacity.

Allocation policy

The allottees of any Shares issued under the 10% Share Placement Capacity have not yet been determined. The identity of allottees will be determined by the Board having regard to the purpose and timing of the issue, the methods of raising funds reasonably available to the Company, the effect of the issue on the control of the Company, the financial position and solvency of the Company, advice from corporate and financial advisers, and prevailing market conditions. Allottees may include existing shareholders, but the Company will not issue Shares under the 10% Share Placement Capacity to a related party or a person whose relationship with the Company requires shareholder approval under Listing Rule 10.11 without obtaining that approval.

Previous approval under Listing Rule 7.1A

The Company obtained approval under Listing Rule 7.1A at its annual general meeting held on 25 November 2025. The Company did not issue any Equity Securities under that approval, and accordingly no Equity Securities were issued under Listing Rule 7.1A during the 12 months preceding the date of this Notice.

Under Listing Rule 7.3A.6, the Company is required to disclose details of any Equity Securities issued, or agreed to be issued, under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting. The Company did not issue or agree to issue any Equity Securities under Listing Rule 7.1A.2 during that period.

The Directors recommend that shareholders vote in favour of Resolution 3. The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 3. Resolution 3 is a special resolution and will only be passed if at least 75% of the votes cast on the Resolution by shareholders entitled to vote are in favour.

Resolutions 4, 5 and 6 – Approval of dividends

Background

On 30 July 2026, the Company received an off-market takeover bid (**Takeover Bid**) from Crimson Consulting Australia Pty Ltd (ACN 600 634 991) (**Crimson Australia**). The offer under the Takeover Bid (**Offer**) is contained in Crimson Australia's bidder's statement (**Bidder's Statement**). Further details of the Takeover Bid, including its conditions, are available in the ASX announcements of the Company, notably on 30 July 2026 and 7 August 2026, in the Bidder's Statement and in the Company's target's statement, when issued. Further updates on the status of the Takeover Bid will be released to the ASX as and when they occur.

The Board proposes to return a total of 6.0 cents per Share to shareholders, comprising a fully franked ordinary dividend of 1.0 cent per Share (Resolution 4), a fully franked special dividend of 3.0 cents per Share (Resolution 5) and a fully franked further special dividend of 2.0 cents per Share (Resolution 6).

Based on 52,490,809 Shares on issue, the ordinary dividend would be approximately $524,908, the special dividend would be approximately $1,574,724, the further special dividend would be approximately $1,049,816 and the aggregate amount of all three dividends would be approximately $3,149,449.

Resolutions 4 and 5 may be paid out of the profits of the Company and are not conditional on Resolution 7. The further special dividend the subject of Resolution 6 is not able to be paid out of profits and clause 31.3 of the Company's existing Constitution provides that no dividend is payable except out of the profits of the Company. Resolution 6 is therefore conditional on the adoption of the Proposed Constitution under Resolution 7, which removes that restriction and permits a dividend to be paid otherwise than out of profits, consistently with section 254T of the Corporations Act. Shareholders may vote differently on each of Resolutions 4, 5 and 6. If Resolution 7 is not passed, Resolution 6 will not take effect, but that will not affect the approvals given under Resolutions 4 and 5.

Section 9.7(d) of the Bidder's Statement includes a no-distributions condition. The Company is seeking shareholder approval for the dividends for the reasons set out below.

Announcement of the dividends and timetable

The Company announced the proposed dividends to ASX separately on the date of this Notice in order to satisfy the notification requirements of Listing Rule 3.21 and Appendix 6A in relation to the dividend dates. The dividends remain subject to the relevant Resolutions being passed and, in the case of the further special dividend, Resolution 7 also being passed and the Proposed Constitution being adopted. The timetable for the dividends is set out below. Only persons registered as holders of Shares at 7.00 pm AEST on the record date will be entitled to receive the dividends. The dividend timetable may only be changed in accordance with the Listing Rules and ASX requirements.

Event	Date
Declaration date	29 September 2026, being the date of the Meeting
Ex-date	1 October 2026
Record date	2 October 2026
Payment date	16 October 2026

The dates above have been revised since the Notice of Meeting was despatched to shareholders to reflect feedback from the ASX.

The Company is seeking shareholder approval for the dividends to mitigate the risk that their determination, declaration or payment is treated as a frustrating action giving rise to "unacceptable circumstances". The Panel considers frustrating action to be an action by a target company, whether taken or proposed, by reason of which:

- a bid may be withdrawn or lapse; or
- a "potential bid" is not proceeded with.

A target action that causes a bid condition to be breached may be a frustrating action, but that does not automatically mean it will give rise to unacceptable circumstances. The question depends on the circumstances, including its effect on shareholders and the market generally. In considering that question, the Panel is guided by, among other things, the clearly stated objectives of the bidder, whether the triggered condition is commercially critical to the bid, whether the action was undertaken in the ordinary course of the target's business, whether there is a legal or commercial imperative for the action, and how far advanced the action was when the bid was made or communicated. An action which triggers a bid condition will not normally give rise to a declaration of unacceptable circumstances where it is approved by shareholders or where there is a genuine commercial imperative for it.

Because the dividends would trigger a condition of the Takeover Bid, their determination, declaration or payment without shareholder approval could be characterised as a frustrating action amounting to unacceptable circumstances. The Company considers that seeking shareholder approval should address that risk, but is unable to advise shareholders how the Panel would decide any application and there can be no guarantee that the Panel would reach the same conclusion.

Effect of the dividends on the Takeover Bid

Section 9.7(d) of the Bidder's Statement provides that the Offer is conditional on the Company not announcing, making, determining, declaring or paying any distribution, including by way of dividend, between the date of the Bidder's Statement and the end of the Offer Period. The Company has announced the proposed dividends to ASX on a conditional basis in order to comply with Listing Rule 3.21 and Appendix 6A, with the dividends remaining subject to the relevant shareholder approvals and, in the case of the further special dividend, adoption of the Proposed Constitution. The Company does not consider that announcing the proposed dividends on that conditional basis, and seeking shareholder approval before determining, declaring or paying them, should of itself give rise to unacceptable circumstances. However, Crimson Australia may assert that the no-distributions condition has not been fulfilled by reason of the announcement or, if the relevant Resolutions are passed, by reason of the subsequent determination, declaration or payment of the dividends, unless Crimson Australia waives the condition or the condition otherwise ceases to apply. As at the date of this Notice, Crimson Australia has not indicated any position to the Company on whether it would waive the no-distributions condition.

Position of shareholders who accept the Offer

A shareholder who accepts the Offer remains the registered holder of their Shares until the transfer to Crimson Australia is registered, which cannot occur while the Offer remains subject to a condition. Accordingly, a shareholder who accepts the Offer but is still the registered holder at the record date would be entitled to receive the dividends. However, the Offer contains arrangements dealing with dividends and other benefits arising after the Offer was announced, which are described below.

Under the Bidder's Statement, **Rights** means all accretions, rights or benefits of whatever kind attaching to or arising from Shares directly or indirectly at or after the Announcement Date (being 30 July 2026), including all dividends and all rights to receive them. The dividends the subject of Resolutions 4, 5 and 6 are therefore Rights. Under section 9.6(c) of the Bidder's Statement, Crimson Australia becomes entitled to all Rights in respect of accepted Shares once all of the conditions to the Offer have been fulfilled or freed, and if an accepting shareholder has already received a dividend, Crimson Australia will deduct that amount from the consideration otherwise payable to that shareholder.

The position for an accepting shareholder is therefore as follows:

- if the Offer becomes unconditional, Crimson Australia will be entitled to the dividends and will deduct the amount of any dividend already received from the consideration of A$0.73 per Share. The dividends will not represent additional value to that shareholder, save in respect of franking credits as explained below. This applies whether the Offer becomes unconditional before or after the dividends are paid; and

- if the Offer does not become unconditional, no deduction can be made. The contracts arising from acceptances will become void, and the accepting shareholder will retain their Shares and any dividend received in full.

The deduction under section 9.6(c) of the Bidder's Statement is a deduction of the amount of the Rights received, being the cash amount of the dividends. Any franking credits attaching to the dividends are not an amount received by the shareholder and would not themselves be deducted from the Offer consideration. Whether an accepting shareholder is able to obtain the benefit of those franking credits depends on that shareholder's own circumstances and on the application of the holding period and related integrity rules in the taxation legislation, which may operate differently for a shareholder who has accepted the Offer. Shareholders should obtain their own taxation advice on this issue before accepting the Offer.

Shareholders should read section 9 of the Bidder's Statement in full, together with the Company's target's statement, when issued, and should obtain their own advice before accepting the Offer or deciding how to vote on Resolutions 4, 5 and 6.

Reasons for the dividends and consequences if they are not approved

The Board considers that the dividends are consistent with the Company's established approach to returning capital to shareholders and are not proposed in response to, or for the purpose of frustrating, the Takeover Bid. In particular:

- the Company has an established track record of returning capital to shareholders through dividends where appropriate. Over the five financial years from FY2022 to FY2026, the Company has paid or proposed ordinary dividends in four of those years, with aggregate ordinary dividend payments ranging from approximately $569,000 to $1.42 million in those years. The proposed ordinary dividend of 1.0 cent per Share is consistent with that established practice, and the special dividends reflect the Board's assessment that the Company holds surplus cash and franking credits beyond the requirements of the business;

- the Company has for some time conducted an on-market buy-back as part of its capital management programme, which was disclosed to ASX before the Announcement Date of the Takeover Bid. In the course of engaging with shareholders on that programme, the Board received feedback from certain shareholders that they would prefer capital to be returned by way of fully franked dividends rather than by buy-back. Before the Takeover Bid was announced on 30 July 2026, the Board had already been discussing the continuation of the Company's capital management programme, including whether part of that programme should be implemented through fully franked dividends, while retaining sufficient cash to achieve the Company's business objectives. The dividends the subject of Resolutions 4, 5 and 6 give effect to those pre-existing discussions and relate to the Company's results for the financial year ended 30 June 2026;

- the dividends represent an aggregate distribution of approximately $3.15 million if all three dividends are approved and paid, or approximately $2.10 million if only Resolutions 4 and 5 are approved and paid. The Company had cash and cash equivalents of $5.562 million as at 30 June 2026, no debt and an undrawn facility available. On a pro forma basis, before taking into account any cash movements after 30 June 2026, payment of all three dividends would reduce cash and cash equivalents to approximately $2.413 million, and payment of only the dividends the subject of Resolutions 4 and 5 would reduce cash and cash equivalents to approximately $3.462 million. The Board considers that the dividends can be paid from surplus cash having regard to the Company's cash position, its nil drawn debt and its forecast operating and capital requirements. The Board has considered the requirements of section 254T of the Corporations Act and expects that, if the relevant Resolutions are passed, those requirements will be satisfied when the dividends are declared and paid;

- the Company's franking account balance was $1.291 million as at 30 June 2026, including franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date. The dividends are proposed to be fully franked. The franking account balance, together with franking credits arising from tax payments made or expected to be made, will be sufficient to fully frank the dividends. The Board considers that the dividends allow franking credits to be distributed to shareholders efficiently rather than remaining unused within the Company; and

- the Board considers that returning these amounts to shareholders is in the interests of shareholders as a whole, and that shareholders should not be deprived of distributions they would otherwise have received in the ordinary course merely because the Takeover Bid has been made, particularly where the Takeover Bid remains subject to a number of conditions and may not proceed.

The Corporations Act does not require shareholder approval for the payment of a dividend. Section 254T imposes conditions that the Company must satisfy before a dividend is paid, and the power to determine and declare dividends rests with the Board under the Company's

Constitution. Resolutions 4, 5 and 6 are put to shareholders solely to address the risk that the determination, declaration or payment of the dividends is treated as a frustrating action giving rise to unacceptable circumstances, and to confirm shareholder support for the distributions notwithstanding their effect on the Takeover Bid. If the relevant Resolutions are passed, the Board intends to determine, declare and pay the relevant dividends in accordance with the timetable above. If a relevant Resolution is not passed, the corresponding dividend will not be determined, declared or paid.

Shareholders should carefully consider Resolutions 4, 5 and 6, as shareholders may effectively be choosing between receiving the dividends and the continuation of the Takeover Bid. Shareholders should read this Explanatory Memorandum, the Bidder's Statement and the Company's target's statement, when issued, in full, and should consult their legal, financial or other professional adviser if they are in any doubt as to how to vote.

Taxation

The taxation consequences of receiving the dividends will depend on each shareholder's own circumstances, including whether the shareholder is a resident of Australia for tax purposes and whether the shareholder is able to use the franking credits attaching to the dividends. The ability to obtain the benefit of franking credits is subject to the holding period and related integrity rules in the taxation legislation, which may operate differently for a shareholder who has accepted the Offer. The taxation consequences of receiving a fully franked dividend may differ materially from the taxation consequences of disposing of Shares under the Offer, which would generally give rise to a capital gain or loss. This Explanatory Memorandum does not address the taxation consequences of receiving the dividends. Shareholders should seek their own professional taxation advice.

Shareholders who accept the Offer should note that, if the Offer becomes unconditional and the cash amount of the dividends is deducted from the Offer consideration, the shareholder may nonetheless be assessed on the dividends as income, in addition to any capital gain or loss arising on the disposal of their Shares. The overall taxation outcome for an accepting shareholder may therefore differ from that of a shareholder who retains their Shares and receives the dividends. This is a further matter on which shareholders should obtain their own taxation advice.

Status of the Takeover Bid

The date for Crimson Australia to give the notice on the status of the conditions required by section 630(1) of the Corporations Act is 11 September 2026, subject to extension if the Offer Period is extended. Depending on the length of the Offer Period, the Offer may close before the date of the Meeting. If the Offer has closed and all contracts arising from acceptances have become void before the Meeting, the dividends would no longer trigger a condition of the Offer. The Company will update shareholders by announcement to ASX if the status of the Offer changes before the Meeting.

Directors' recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolutions 4, 5 and 6. Each Director intends to vote all Shares held or controlled by them in favour of those Resolutions. The Chair of the Meeting intends to vote all undirected proxies in favour of those Resolutions. No Director has an interest in the outcome of Resolutions 4, 5 and 6 other than as a Shareholder, which interest is held in common with other Shareholders.

Resolution 7 – Approval of a replacement constitution

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution, or a provision of its constitution, only by special resolution of shareholders. Under section 136(1)(b), a company may adopt a constitution after registration by special resolution. A special resolution requires at least 75% of the votes cast by shareholders entitled to vote on the resolution to be in favour. Resolution 7 gives effect to both the repeal of the existing Constitution and the adoption of the Proposed Constitution.

The existing Constitution was adopted over 20 years ago and has not been updated since the Company listed on ASX in 2003. The Board had commenced the process of reviewing and replacing the existing Constitution before the Takeover Bid was announced on 30 July 2026. That review was undertaken as part of the Company's ordinary governance arrangements, and not in response to, or for the purpose of frustrating, the Takeover Bid. The Board considers that it is in the best interests of the Company to replace the existing Constitution with the Proposed Constitution, which better reflects developments in the law since the existing Constitution was adopted, as well as current corporate governance principles, terminology and general corporate and commercial practice for ASX listed entities. The Directors consider it preferable to replace the existing Constitution rather than to amend a large number of individual provisions.

Shareholders should read the Proposed Constitution in full. A summary of the key material changes proposed to be made by the Proposed Constitution is set out in Schedule 1. That summary is not exhaustive and deals only with the changes the Board considers material; it does not address minor, drafting, consequential or clarifying changes. A copy of the Proposed Constitution is available on the Company's website at https://www.kipmcgrath.com/global/shareholder-information and shareholders may obtain a copy free of charge by contacting the Company Secretary. The copy to be tabled at the Meeting and signed by the Chair for the purposes of identification will be in the same form. A copy of the existing Constitution is also available on request.

Effect of the Takeover Bid

Under the Bidder's Statement, the offer under the Takeover Bid is subject to a defeating condition that the Company does not make any change to its constitution or pass any special resolution. Adoption of the Proposed Constitution would therefore trigger that condition and Crimson Australia may elect not to proceed with, or may withdraw, the Takeover Bid. For the reasons described in relation to Resolutions 4, 5 and 6, the Company is seeking shareholder approval to mitigate the risk that the adoption of the Proposed Constitution is treated as a frustrating action giving rise to unacceptable circumstances. The Proposed Constitution is not proposed in response to, or for the purpose of frustrating, the Takeover Bid. The Proposed Constitution does not contain any provision that would restrict or deter a takeover bid for the Company, other than the proportional takeover approval provisions described below.

Proportional takeover approval provisions

Clause 34 of the Proposed Constitution contains proportional takeover approval provisions of the kind permitted by section 648G of the Corporations Act. The existing Constitution contained equivalent provisions in clause 13, but those provisions were not renewed within the period prescribed by the Corporations Act and have therefore ceased to have effect. If Resolution 7 is passed and the Proposed Constitution is adopted, the provisions in clause 34 will take effect on adoption and, under section 648G, will cease to have effect three years after that date unless renewed by special resolution of shareholders.

What is a proportional takeover bid?

A proportional takeover bid is a takeover bid for a specified proportion of the Shares held by each shareholder (for example, 30% of each shareholder's Shares). Unlike a full takeover bid, a proportional takeover bid enables a bidder to acquire a controlling interest in a company without acquiring all of its shares. A proportional takeover bid may therefore result in control of the Company passing to a bidder without shareholders having the opportunity to dispose of all of their Shares. This may leave shareholders as minority holders in the Company and may result in control passing without payment of an adequate control premium.

Effect of the proportional takeover approval provisions

If clause 34 of the Proposed Constitution has effect and a proportional takeover bid is made for Shares, the Directors will be required to convene a general meeting of shareholders to vote on a resolution to approve the bid. The resolution must be voted on at least 14 days before the last day of the bid period. Approval will be given if more than 50% of the votes cast by shareholders entitled to vote are in favour of the resolution. The bidder and its associates are excluded from voting on the resolution.

If the resolution is not approved, transfers of Shares resulting from acceptances under the proportional takeover bid cannot be registered and the bid will not proceed. If the resolution is approved, or is taken to have been approved, transfers to the bidder of Shares accepted into the bid will be registered provided they comply with the other provisions of the Company's constitution. If no resolution is voted on at least 14 days before the last day of the bid period, a resolution approving the bid is deemed to have been passed. In practical terms, this means shareholders may only prevent a proportional takeover bid from proceeding by passing a resolution rejecting it.

The provisions in clause 34 do not apply to full takeover bids. Provisions of this kind are commonly found in the constitutions of ASX listed entities and are regularly renewed.

Reasons for including the provisions

The Directors consider it appropriate that shareholders should have the opportunity to determine whether a proportional takeover bid should proceed. The provisions are intended to ensure that shareholders have an opportunity to assess a proportional takeover bid collectively and to determine whether it is in their interests, and may avoid shareholders feeling pressured to accept a bid in circumstances where they do not want it to succeed. Without the provisions, a bid could enable control of the Company to change without shareholders having the chance to sell all of their Shares to the bidder. If a proportional takeover bid is approved and proceeds, each shareholder can still make a separate decision as to whether to accept the bid for their own Shares.

Knowledge of acquisition proposals

As announced to ASX on 30 July 2026, the Company is the subject of the Takeover Bid by Crimson Australia. That bid relates to the acquisition of all of the Shares and is not a proportional takeover bid, and accordingly the proportional takeover approval provisions would not apply to it. Other than the Takeover Bid, as at the date of this Notice no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages

The Directors consider that the potential advantages of the proportional takeover approval provisions in clause 34 of the Proposed Constitution for shareholders are that they:

- give shareholders the opportunity to determine whether a proportional takeover bid should proceed;
- may assist in preventing shareholders being left as minority holders;
- may increase shareholders' bargaining power and assist in securing an appropriate control premium; and
- allow shareholders to assess a proportional takeover bid with the benefit of knowing the views of the majority of shareholders.

The potential disadvantages of the provisions are that they:

- may discourage proportional takeover bids;
- may reduce speculation in the Shares arising from the possibility of a proportional takeover bid; and
- may reduce the likelihood of a proportional takeover bid being successful.

The Directors consider that the provisions have no potential advantages or disadvantages for them in their capacity as Directors, as they remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted or rejected. No Director has an interest in the provisions other than as a holder of Shares. The Directors consider that the potential advantages of the provisions outweigh the potential disadvantages and that it is in the interests of shareholders that they be included in the Proposed Constitution.

Resolutions 8 and 9 – Issue of Performance Rights

Background

The remuneration committee is responsible for approving the remuneration terms of Ms Smith, the Managing Director and Chief Executive Officer of the Company, and of the other members of the senior executive team. Subject to shareholder approval, the remuneration committee has recommended that Ms Smith be issued with 268,200 performance rights (**Smith Rights**, the subject of Resolution 8) and that the members of the senior executive team described in this Explanatory Memorandum be issued with 317,300 performance rights in aggregate (**Executive Rights**, the subject of Resolution 9), in each case under the Kip McGrath Employee Share Option Plan (the **Plan**) in relation to the 2027 financial year. The Smith Rights and the Executive Rights are together referred to as the **Proposed Rights**.

The number of Proposed Rights reflects the relevant LTI opportunity approved by the Board for FY2027 and the Board's assessment of an appropriate equity-based incentive for each participant. The accounting fair value of the Proposed Rights will be determined after grant in accordance with applicable accounting standards and disclosed in the Company's remuneration report for the period in which the rights are granted.

Vesting of the Proposed Rights will be subject to the Board's determination of the extent to which the following performance and service-based vesting conditions have been achieved:

- meeting a net profit after tax hurdle level of $6.6 million and an earnings per share target level for FY29 of 12.5 cents, with vesting commencing at 50% of the relevant tranche if 80% of the applicable hurdle or target is achieved; and
- a loyalty vesting condition of remaining in employment until the date of vesting following the end of FY29.

No Proposed Rights will vest unless the relevant vesting threshold is achieved, and all vested rights remain subject to the loyalty vesting condition being satisfied.

If shareholder approval is obtained, the Company intends to grant the Proposed Rights to Ms Smith and to the members of the senior executive team as soon as practicable after the AGM. The Company expects to issue the Proposed Rights promptly after approval is obtained and within the 3-month period under Listing Rule 7.9. In any event, the Smith Rights will not be issued later than 3 years after the date of the Meeting, and the Executive Rights will not be issued later than 3 months after the Meeting, or such later date permitted by any ASX waiver or modification of the Listing Rules. The Proposed Rights will have a 3-year term expiring on the third anniversary of the Allocation Date.

If shareholder approval is not obtained for the issue of the Smith Rights or the Executive Rights, the relevant rights will not be issued. Instead, subject to continued employment and satisfaction of the applicable performance and service-based vesting conditions, the Company intends to settle the equivalent FY2027 long-term incentive opportunity in cash. The cash amount will be determined by reference to the number of rights that would have vested had the relevant rights been granted, multiplied by the market value of a Share at the time vesting would otherwise have been determined, unless the Board determines a different amount having regard to the terms of the relevant long-term incentive opportunity and the circumstances at that time.

Ms Smith was granted 140,000 performance rights under the Plan in respect of the 2026 financial year. Those rights were issued for nil cash consideration.

The Company has also issued 33,151 performance rights on 8 July 2026, which remain on issue.

The Company has 52,490,809 Shares and 381,819 Performance Rights on issue as at the date of this Notice. If Resolutions 8 and 9 are passed and all of the Proposed Rights are granted and subsequently vest and are exercised, the Company would issue up to 585,500 Shares, representing approximately 1.1% of the Shares currently on issue. The table below sets out the interests of Ms Smith and the members of the senior executive team in Shares and Performance Rights before and after the issue of the Proposed Rights.

	Current Holding	**After Issue of Proposed Rights**
Melinda Smith	Direct – Nil Indirect – Nil Performance Rights – 140,000 Total on a fully diluted basis – 140,000 (0.3%)	Direct – Nil Indirect – Nil Performance Rights - 408,200 Total on a fully diluted basis - 408,200 (0.8%)
Members of the senior executive team	Direct – 37,772 Indirect – 217,222 Performance Rights – 241,819 Total on a fully diluted basis – 496,813 (0.9%)	Direct – 37,772 Indirect – 217,222 Performance Rights – 559,119 Total on a fully diluted basis – 814,113 (1.5%)

Application of the ASX Listing Rules

Listing Rule 7.9

Under Listing Rule 7.9, an entity must not issue or agree to issue equity securities, without the approval of holders of its ordinary securities, for 3 months after it is told in writing that a person is making, or proposes to make, a takeover bid for its securities, other than in accordance with one of the exceptions to that rule.

The Company received written notice of the Takeover Bid on 30 July 2026. The 3-month period under Listing Rule 7.9 therefore runs until 30 October 2026. The Company expects to issue the Proposed Rights promptly after the Meeting and therefore during that period. Performance rights confer a right to a security and fall within the definition of an equity security, and no exception to Listing Rule 7.9 applies to the proposed grants. Shareholder approval under Listing Rule 7.9 is therefore required for both the Smith Rights and the Executive Rights and is sought under Resolution 8 and Resolution 9 respectively. In addition, the grant of the Proposed Rights without shareholder approval may trigger a defeating condition of the Takeover Bid and could be characterised as a frustrating action and seeking shareholder approval mitigates that risk (see the discussion in relation to Resolutions 4, 5 and 6).

Listing Rule 7.1 and the Plan

The Smith Rights are proposed to be issued to Ms Smith, who is a Director, under the Plan. Approval is therefore sought under Listing Rule 10.14. Because approval is sought under Listing Rule 10.14, the Smith Rights do not require separate approval under Listing Rule 10.11 or Listing Rule 7.1.

Resolution 8 – Issue of Performance Rights to Ms Melinda Smith

Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval for a Director to acquire securities under an employee incentive scheme. Ms Smith is a Director and the Smith Rights are proposed to be issued under the Plan. Approval is therefore sought under Listing Rule 10.14. Because approval is sought under Listing Rule 10.14, separate approval is not required under Listing Rule 10.11 or Listing Rule 7.1.

Listing Rule 10.15

The shared terms of the Proposed Rights are described above and in Schedule 3.

Under Listing Rule 10.15, the following additional information is provided to shareholders in relation to the Smith Rights the subject of Resolution 8:

- The person to whom the Smith Rights are proposed to be issued is Ms Smith, the Managing Director and Chief Executive Officer of the Company.
- Ms Smith is a Director of the Company and therefore, ASX Listing Rule 10.14.1 requires shareholder approval for her to acquire securities under the Plan.
- Ms Smith's remuneration includes both short-term and long-term incentives. Ms Smith's total remuneration package for FY2027 will be:
  - Fixed remuneration and superannuation of $500,000;
  - Short-term incentive of up to 25% of fixed remuneration and superannuation; and
  - Long-term incentives comprising the proposed Smith Rights.
- Ms Smith has previously received 140,000 performance rights under the Plan. Those rights were issued for nil cash consideration.
- The Smith Rights will be granted for no cash consideration as they are to be granted as part of the remuneration of Ms Smith as Managing Director and Chief Executive Officer of the Company. For the purposes of Listing Rule 10.15.6, the Company attributes a value of $0.4661 to each Smith Right and an aggregate value of $125,000 to the 268,200 Smith Rights. This value is based on the 5-day VWAP of Shares to 23 July 2026, being the last trading day before the Board approved the proposed grant of the Smith Rights, having regard to the terms of the Smith Rights described in Schedule 3. The Smith Rights, if approved, will be included in the calculation of Ms Smith's FY2027 remuneration for the 30 June 2027 Remuneration Report.
- No loan will be provided by the Company in relation to the granting of the Smith Rights.
- A voting exclusion statement applies to Resolution 8 and is included in the Notice.

- If Resolution 8 is approved, the Company proposes to issue the Smith Rights as soon as practicable after the Meeting. In any event, the Smith Rights will not be issued later than 3 years after the date of the Meeting. If Resolution 8 is not approved, the Smith Rights will not be granted and Ms Smith's long-term incentive for the relevant period will instead be settled in cash on the basis described above for cash settlement of unapproved rights.

- Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

- Any additional person covered by Listing Rule 10.14 who becomes entitled to participate in an issue of securities under the Plan after Resolution 8 is approved and who was not named in the Notice of Annual General Meeting will not participate in the Plan until approval is obtained under Listing Rule 10.14.

The Directors, other than Ms Smith, recommend that shareholders vote in favour of Resolution 8. Ms Smith makes no recommendation in relation to Resolution 8 given her interest in the outcome.

Resolution 9 – Issue of Performance Rights to other key personnel

For the purposes of Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- The Executive Rights will be issued to six members of the Company's senior executive team, as set out in the list below. None of those persons is a director of the Company, an associate of a director or otherwise a person to whom Listing Rule 10.14 applies.

- The Executive Rights will be issued in the following fixed numbers:

  - Chief Financial Officer – 53,600 Executive Rights
  - Country Director APAC – 60,100 Executive Rights
  - Country Director UK/SA/MENA – 51,200 Executive Rights
  - Group Executive Network Growth – 55,800 Executive Rights
  - Chief Technology Officer – 55,800 Executive Rights
  - Head of Strategic Communications & PMO – 40,800 Executive Rights.

- The Executive Rights will be issued as soon as practicable after the Meeting and, in any event, no later than 3 months after the Meeting, or such later date permitted by any ASX waiver or modification of the Listing Rules.

- Nil is payable on the grant of the Executive Rights and nil is payable on vesting or exercise.

- The purpose of the issue is to provide the FY2027 long-term incentive component of remuneration for the relevant senior executives, support retention and align participating executives with the long-term interests of shareholders.

- The Executive Rights will be issued under the Plan. A summary of the material terms of the Plan is included in Schedule 2 and a summary of the material terms of the Executive Rights is included in Schedule 3. The Executive Rights will be granted on the same terms as the Smith Rights, including as to vesting conditions, performance period, expiry, cessation of employment, change of control and malus / clawback.

- A voting exclusion statement applies to Resolution 9 and is set out in the Notice.

- If Resolution 9 is approved, the Company will issue the Executive Rights without using its placement capacity under Listing Rule 7.1. If Resolution 9 is not approved, the Company will not issue the Executive Rights and the long-term incentive for the relevant executives will instead be settled in cash. Any subsequent equity-settled grant to those executives would need to be made within the Company's placement capacity or with further shareholder approval.

The Directors recommend that shareholders vote in favour of Resolution 9.

Proxies

A. Appointing a proxy

Any member who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy need not be a member of the Company. Any member who has two or more votes may appoint not more than two proxies to vote in his or her stead. If more than one proxy is appointed, each proxy must be appointed to represent a specific portion of the member's voting rights. A failure to specify the number or proportion of votes each proxy is to receive does not invalidate a proxy, as each proxy is deemed to have been appointed to exercise an equal number of votes with fractions disregarded (section 249X of the Corporations Act).

If proxy holders vote on a poll, they must cast all directed proxies as directed. Any directed proxies which are not voted on a poll by the appointed proxy will automatically default to the Chair of the Meeting, who must vote the proxies as directed.

A proxy form accompanies this Notice. Instructions for completion of that form are included.

B. Return of Proxy

To be effective, the proxy appointment form (and, if the appointment is signed by an attorney, the authority under which it was signed or a certified copy of the authority) must be received by the Company's share registry or at the Company's registered office not less than 48 hours before the time for holding the Meeting, that is by 2.00 pm AEST on Sunday, 27 September 2026. You may lodge your proxy online at www.investorvote.com.au by following the instructions on the form, for Intermediary Online subscribers only (custodians) at www.intermediaryonline.com, or return the form by EITHER:

- the reply-paid envelope provided which is addressed to Computershare Investor Services Pty Limited at GPO Box 242, Melbourne, VIC, 3001; or

- facsimile to 1800 783 447 (or +61 3 9473 2555).

C. Corporate Registration

Corporate members wishing to appoint a representative to attend the Meeting on their behalf must provide that person with a properly executed appointment of corporate representative, or a letter on the member's letterhead, confirming that they are authorised to act as the member's representative at the Meeting, in accordance with section 250D of the Corporations Act.

D. Entitlement to Vote

The Board has determined, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that for the purposes of voting at the Meeting the Company's Shares will be taken to be held by the persons who are the registered holders at 7.00 pm AEST on Sunday, 27 September 2026. Accordingly, transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

E. Attendance

Appointing a proxy does not mean that you are unable to attend the Meeting, however, your attendance at the Meeting will suspend the proxy's rights to speak and vote. Accordingly, you will be asked to revoke your proxy when registering at the Meeting.

F. Voting

Each Resolution to be considered at the Meeting will be determined on a poll. On a poll, each member present in person, by proxy, by attorney or by corporate representative has one vote for each fully paid ordinary share held. A quorum for the Meeting is three members present in person or by attorney or proxy.

G. Questions from shareholders

Shareholders who are unable to attend the Meeting, or who would prefer to submit a question in advance, may submit written questions to the Company by 22 September 2026 by email to contactus@kipmcgrath.com.au or in writing to the Company Secretary at the Company's registered office. Written questions to the auditor must be submitted by the date set out in the Explanatory Memorandum.

Glossary

Term	Meaning
10% Share Placement Capacity	has the meaning given in Resolution 3.
AGM or Meeting	means the annual general meeting convened by this Notice.
Annual Report	means the Company's annual report for the financial year ended 30 June 2026.
ASX	means ASX Limited or the market it operates, as the context requires.
Bidder's Statement	means the bidder's statement issued by Crimson Australia in respect of the Takeover Bid.
Board	means the board of Directors.
Company	means Kip McGrath Education Centres Limited ACN 003 415 889.
Constitution	means the constitution of the Company as at the date of this Notice.
Corporations Act	means the *Corporations Act 2001* (Cth).
Crimson Australia	means Crimson Consulting Australia Pty Ltd ACN 600 634 991.
Director	means a director of the Company.
Equity Securities	has the meaning given in the Listing Rules.
Executive Rights	has the meaning given in the Explanatory Memorandum.
KMP	means key management personnel.
Listing Rules	means the listing rules of ASX.
Offer	means the offer under the Takeover Bid.
Offer Period	has the meaning given in the Bidder's Statement.
Panel	means the Takeovers Panel.
Performance Rights	means performance rights issued under the Plan.
Plan	means the Kip McGrath Employee Share Option Plan.
Proposed Constitution	means the constitution proposed to be adopted under Resolution 7.
Proposed Rights	means the Smith Rights and the Executive Rights.
Remuneration Report	means the remuneration report in the Directors' Report in the Annual Report.
Resolution	means a resolution set out in this Notice.
Share	means a fully paid ordinary share in the Company.
Shareholder	means a registered holder of Shares.
Smith Rights	has the meaning given in the Explanatory Memorandum.
Takeover Bid	means the off-market takeover bid made by Crimson Australia for all of the Shares.

Schedule 1 – Summary of the key material changes between the existing Constitution and the Proposed Constitution

A summary of the key material changes between the existing Constitution and the Proposed Constitution is set out below. Part A sets out the key material differences between provisions in the existing Constitution and the equivalent provisions in the Proposed Constitution. Part B summarises provisions included in the Proposed Constitution which have no equivalent in the existing Constitution.

Part A – Differences between provisions in the existing Constitution and the equivalent provisions in the Proposed Constitution

Topic and clause reference	Summary of differences
Lien on Shares Existing Constitution: clauses 5.1 – 5.6 Proposed Constitution: clauses 9.1 – 9.13	The existing Constitution gives the Company a right to sell Shares subject to a lien and to distribute the proceeds. The Proposed Constitution retains that right and expands it by adding additional enforcement remedies, a discharge of liability for purchasers, a forfeiture option as an alternative to sale, a right to recover government and tax payments made on behalf of members, and enforcement under the ASX Settlement Operating Rules. This gives the Company substantially broader tools to enforce its lien over partly paid or encumbered Shares.
Transfer of Shares – restrictions Existing Constitution: clause 8.4 Proposed Constitution: clauses 12.2 and 12.3	The existing Constitution allows the Directors to refuse to register a paper-based transfer on certain grounds (lien, court order, breach of Australian law, restricted securities escrow, stamp duty and employee incentive scheme non-compliance). The Proposed Constitution retains those grounds and adds two further grounds: where registration would result in a member holding less than a marketable parcel, and where the member has agreed in writing to a holding lock. The Proposed Constitution also permits the Company to charge a reasonable fee for registration of a paper-based transfer.
Restricted securities Existing Constitution: clause 12 Proposed Constitution: clause 5.1	The existing Constitution contains restrictions in respect of restricted securities (securities subject to escrow), including a prohibition on disposal during the escrow period, an obligation to refuse to acknowledge disposals, and the loss of dividend and voting rights during a breach of the Listing Rules or the holder's restriction agreement. The Proposed Constitution adds two provisions to comply with Listing Rule 15.12: a requirement that a holding lock be applied on the Company's issuer sponsored sub-register for restricted securities in the same class as quoted securities for the duration of the escrow period; and a requirement that holders of restricted securities are not entitled to participate in any return of capital on those securities during the escrow period, except as permitted by the Listing Rules or ASX.
Capital reductions and buy-backs – distribution of specific assets Existing Constitution: clauses 10.2 and 10.3	Under the existing Constitution, the Company may reduce its capital in any manner permitted by the Corporations Act and the Listing Rules and may buy back its own Shares on terms determined by the Directors, without express provision for those transactions to be satisfied otherwise than in cash. The Proposed Constitution expressly permits a reduction of capital

Topic and clause reference	**Summary of differences**
Proposed Constitution: clauses 6.2 and 6.3	to be effected by distributing specific assets, including securities of the Company or of any other corporation, trust or entity, and permits the consideration paid for a buy-back of Shares to include specific assets of that kind. These provisions operate together with the member consent to distributions described below.
Unmarketable parcels – sale of small holdings Existing Constitution: clauses 14.1 – 14.14 Proposed Constitution: clauses 14.1 – 14.12	Both the existing Constitution and the Proposed Constitution allow the Company to sell a holding which is less than a marketable parcel if the holder does not elect to retain it. Under the existing Constitution, the Company may only sell those Shares if it has received offers for all Shares constituting unmarketable parcels at the same price, and that price must not be less than the Authorised Price. The Proposed Constitution does not include a minimum sale price of that kind, and additionally permits the Company, where the Corporations Act allows, to pool two or more unmarketable parcels for sale. The protections that the Company must pay the costs of the sale, that the proceeds are held for the holder and that the holder may elect to retain its Shares are retained.
Virtual general meetings Existing Constitution: clause 15.5(a) Proposed Constitution: clause 15.2	The existing Constitution requires a notice of meeting to state if a meeting is to be held at two or more venues using technology, but does not authorise fully virtual meetings. The Proposed Constitution expressly authorises the Company to hold general meetings entirely by virtual means, as permitted by the amendments to the Corporations Act made in 2022, and contains associated provisions dealing with technical difficulties, identity verification, security measures and the chairperson's powers for virtual and hybrid meetings. This provides greater flexibility in the way meetings are conducted and may facilitate broader shareholder participation, including by shareholders who are unable to attend in person.
Quorum for general meetings Existing Constitution: clauses 16.4 – 16.5 Proposed Constitution: clause 16.4	The quorum for a general meeting is reduced from three members to two members (including a member present by proxy or corporate representative). Under the existing Constitution, if a quorum is not present within 30 minutes at an adjourned meeting, the members present in person are deemed to be a quorum. That provision is not included in the Proposed Constitution; instead, if a quorum is not present within 30 minutes at an adjourned meeting, the meeting is dissolved.
Chairperson's casting vote – general meetings Existing Constitution: clause 17.2 Proposed Constitution: clause 17.11	The existing Constitution gives the chairperson a casting vote in the case of an equality of votes at a general meeting. The Proposed Constitution removes the chairperson's casting vote, consistent with contemporary corporate governance practice. Resolutions are determined by the votes of shareholders as a whole, without a second or deciding vote being exercised by the chairperson. If votes are tied on a resolution, the resolution is not passed.

Topic and clause reference	Summary of differences
Director nominations Existing Constitution: clause 19.5 Proposed Constitution: clause 19.4	The closing date for nominations for election as a Director is increased to at least 35 Business Days before the date of a general meeting, from 30 Business Days under the existing Constitution, consistent with Listing Rule 14.3. A shorter period of 30 Business Days is preserved for meetings requisitioned by members.
Number of Directors Existing Constitution: clause 19.1 Proposed Constitution: clause 19.1	The fixed maximum number of Directors (being 10 under the existing Constitution, unless otherwise determined by shareholders) is not included in the Proposed Constitution. Instead, the maximum number of Directors is to be determined by the Directors from time to time and, until otherwise determined by the Directors, is nine. This provides the Board with flexibility to increase its size to meet the Company's needs without requiring shareholder approval.
Retirement and re-election of Directors Existing Constitution: clauses 20.1 – 20.3 Proposed Constitution: clause 19.6	The Proposed Constitution retains the requirement that a Director must not hold office beyond the period permitted by the Corporations Act and the Listing Rules without standing for election or re-election. The one-third rotation mechanism in the existing Constitution is replaced with a requirement that at least one Director stand for election or re-election at each annual general meeting, with the longest-serving Director required to stand if no Director would otherwise do so. This approach is consistent with the Listing Rules and contemporary governance practice.
Directors' remuneration Existing Constitution: clauses 21.1 – 21.4 Proposed Constitution: clauses 23.1 – 23.7	The Proposed Constitution contains a more detailed framework for the remuneration of Directors, and accommodates additional forms of remuneration (subject to the Corporations Act, the Listing Rules and Board approval), including remuneration or benefits under share, option, equity or incentive plans. The Proposed Constitution also provides that the total maximum aggregate amount of Directors' fees payable to non-executive Directors must not be increased without the prior approval of members in general meeting, mirroring Listing Rule 10.17. The existing Constitution contains a similar provision, but the wording in the Proposed Constitution more closely follows the Listing Rule.
Chairperson's casting vote – Board meetings Existing Constitution: clause 25.11 Proposed Constitution: clause 21.9	The Proposed Constitution removes the chairperson's casting vote at Board meetings, consistent with contemporary corporate governance practice. Resolutions are determined by the votes of the Directors as a whole, without a second or deciding vote being exercised by the chairperson. If votes are tied at a Board meeting, the resolution is not passed.
Dividends – source and method of payment Existing Constitution: clauses 31.3 and 31.9	The existing Constitution requires that dividends may only be paid out of the profits of the Company. The Proposed Constitution removes that restriction and permits dividends to be paid to the extent permitted by the Corporations Act and the Listing Rules. The key requirement under the Corporations Act is set out in section 254T, which requires that the Company's

Topic and clause reference	Summary of differences
Proposed Constitution: clauses 32.1 and 32.12	assets exceed its liabilities, that the payment of the dividend is fair and reasonable to shareholders as a whole and that it does not materially prejudice the Company's ability to pay its creditors. The further special dividend the subject of Resolution 6 depends on this change. The existing Constitution also requires dividends, interest or other monies payable in respect of Shares to be paid by cheque; the Proposed Constitution modernises the permitted payment methods to allow payment by cheque or any other method determined by the Directors.
Notices and electronic communications Existing Constitution: clause 36.1 Proposed Constitution: clauses 36.1 – 36.2	The existing Constitution already permits notices to be given electronically to an electronic address shown in the Register or provided by the member. The Proposed Constitution modernises and clarifies the notice provisions, including by expressly identifying email as a permitted method of giving notice and by providing that requirements to give information in writing, provide a signature, produce a document or record or retain a document are satisfied by using an electronic communication or an electronic form of document in accordance with the Corporations Act and the Electronic Transactions Act 1999 (Cth).
Proportional takeover approval provisions Existing Constitution: clause 13 Proposed Constitution: clause 34	The Proposed Constitution contains proportional takeover approval provisions which are equivalent in substance to those contained in the existing Constitution and which reflect the requirements of the Corporations Act. Under the Corporations Act, a company may include provisions in its constitution enabling it to refuse to register Shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by shareholders. The provisions in the existing Constitution were not renewed within the period prescribed by the Corporations Act and have therefore ceased to have effect. The provisions in the Proposed Constitution will cease to have effect three years after the date on which they are adopted, unless renewed by special resolution. Further detail is set out under the heading “Proportional takeover approval provisions” above.

Part B – Provisions included in the Proposed Constitution which have no equivalent in the existing Constitution

Topic and clause reference	Summary of provision
Employee incentive scheme issue cap Proposed Constitution: clause 3.10	Under Division 1A of Part 7.12 of the Corporations Act, offers under an employee incentive scheme requiring no monetary payment (such as performance rights or zero exercise price options) are not subject to an issue cap. Offers requiring a monetary payment must comply with an issue cap, which the Corporations Act sets at 5% of fully paid shares over a rolling three-year period unless the constitution specifies a higher cap. The Proposed Constitution sets the issue cap at 10%, in accordance with

Topic and clause reference	Summary of provision
	section 1100V(2)(a) of the Corporations Act. The higher cap provides additional flexibility to use equity-based incentives to attract, retain and incentivise employees and other eligible participants, while remaining subject to the Corporations Act and the Listing Rules.
Direct voting Proposed Constitution: clauses 17.15 – 17.16	The existing Constitution provides no mechanism for members to vote without attending a meeting or appointing a proxy. The Proposed Constitution introduces a direct voting mechanism enabling members to vote on resolutions without attending a meeting in person, by post, electronic voting system or other means approved by the Directors. A validly cast direct vote is as binding as a vote cast in person and may not be withdrawn or altered unless the Directors determine otherwise.
Dividends – member consent to distributions Proposed Constitution: clause 32.6	The existing Constitution contains no mechanism for the Company to make in-specie distributions without individual member consent. Under clause 32.6 of the Proposed Constitution, each member agrees and consents to the Company distributing assets to the member (including securities of the Company or of any other entity) and, where the distribution is of securities, agrees and consents to accept any securities allotted and to be bound by the constitution or trust deed of the relevant entity.

Schedule 2 Summary of the key terms and conditions of the Plan

A summary of the key terms of the Plan is set out below.

Term	Details
Purpose	The Plan allows the Board to grant performance rights to eligible employees which provide the opportunity to acquire fully paid ordinary shares in the Company for the purposes of attracting, motivating and retaining key employees.
Eligible participants	The Board may offer performance rights to any employee, or any other person the Board considers eligible, as determined appropriate by the Board. The Company must seek shareholder approval for participation of any Directors in the Plan if required by the ASX Listing Rules.
Performance rights	Each performance right is a right to acquire a share, subject to satisfaction of any applicable performance and/or service-related conditions. The Board can determine the terms of the performance rights for each offer. Performance rights do not carry any dividend or voting rights, or in general, a right to participate in other corporate actions such as bonus issues. Performance rights are not transferable (except in limited circumstances or with the consent of the Board).
Vesting period and conditions	The Board may determine vesting conditions, which may include performance and/or service-related conditions, that must be satisfied before the performance rights vest and become exercisable. The vesting conditions will be measured and tested over a vesting period determined by the Board. The Plan provides the Board with the ability to review and adjust the vesting conditions, targets and vesting schedules (as applicable) on a grant-by-grant basis, ensuring they remain appropriate for the particular grant.
Other terms	The Board may determine any additional terms applicable to the performance rights or allocated shares, including any disposal restrictions that apply, as well as any other vesting or lapsing conditions.
Cessation of employment	Where a participant ceases employment with the Company prior to performance rights vesting, the treatment will depend on the circumstances of cessation. Where a participant ceases employment due to resignation or termination for cause (including gross misconduct), all unvested performance rights will be forfeited upon cessation. Where a participant ceases employment for any other reason prior to performance rights vesting, all unvested performance rights will generally continue "on-foot" and may vest at the end of the vesting period to the extent that the relevant performance-related vesting conditions have been satisfied. The Board retains discretion to apply any other treatment it deems appropriate in the circumstances (including that a specified number of performance rights may vest either at cessation or at the end of the

Term	Details
	original vesting period, or that some or all of the performance rights will be forfeited). Where a participant ceases employment subsequent to vesting, but before vested performance rights are exercised, the participant must exercise vested performance rights by the earlier of 90 days after cessation or the date the performance rights lapse, or such other period determined by the Board.
Change of control	In general, where a change of control occurs (e.g., a takeover, scheme of arrangement or winding-up of the Company), a pro rata portion of a participant's unvested performance rights (based on the proportion of the relevant vesting period which has elapsed before the event) will vest at the time of the event. The Board retains discretion to determine that all or a specified number of unvested performance rights vest on a change of control.
Malus / clawback	The Plan provides the Board with the ability to apply malus / clawback and declare that all, or some, of the participant's performance rights lapse (i.e., malus) and shares held under the Plan are forfeited (i.e., clawback).
Plan administration	The Plan may be administered by either the Board or an external party, including using an employee share trust to acquire, hold or transfer shares under the Plan. The Board retains discretion to delegate its powers or discretions under the Plan to any person or committee for a period and on the terms it decides.
Termination	The Plan may be terminated or suspended at any time by a resolution of the Board, provided the termination or suspension does not materially adversely affect the rights of persons holding performance rights or shares under the Plan at that time.

Schedule 3 – Summary of the key terms of the Proposed Rights

Key terms of the Proposed Rights

An overview of the key terms of the Proposed Rights to be granted to Ms Melinda Smith and to the members of the senior executive team in relation to the 2027 financial year is set out below.

Term	Details
Number of Proposed Performance Rights	Subject to shareholder approval, Ms Smith will be granted 268,200 Smith Rights and the members of the senior executive team will be granted 317,300 Executive Rights in aggregate under the Plan. The Board considers the LTI opportunity represented by the Proposed Performance Rights to be consistent with the Company's normal annual remuneration framework.
Details and value of the Proposed Performance Rights	Subject to shareholder approval, 268,200 Smith Rights will be granted to Ms Smith, and 317,300 Executive Rights will be granted to the members of the senior executive team, under the Plan in respect of the LTI component of their remuneration packages for FY2027. The number of Proposed Rights reflects the relevant LTI opportunity approved by the Board for FY2027 and the Board's assessment of an appropriate equity-based incentive for each participant. The accounting fair value of the Proposed Rights will be determined after grant in accordance with applicable accounting standards and disclosed in the Company's remuneration report for the period in which the rights are granted. The Proposed Rights under the Plan are proposed to be granted to further align the variable remuneration of Ms Smith and the members of the senior executive team with share price growth and shareholders' interests, but do not provide the full benefits of share ownership (such as dividend and voting rights) unless and until the performance hurdles are met and the Proposed Rights vest and are exercised.
Allocation Date	If shareholder approval is obtained, the Smith Rights will be granted as soon as practicable after the AGM and, in any event, not later than 3 years after the date of the Meeting. The Executive Rights will be granted as soon as practicable after the AGM and, in any event, no later than 3 months after the Meeting, or such later date permitted by any ASX waiver or modification of the Listing Rules.
Proposed Performance Rights	Each Proposed Performance Right is an entitlement to acquire one share subject to satisfaction of the applicable performance and service-related conditions. Nil is payable on the grant of the Proposed Performance Rights and nil is payable on vesting or exercise. The Proposed Performance Rights do not carry any dividend or voting rights, or in general, a right to participate in other corporate actions such as bonus issues. The Proposed Performance Rights are not transferable (except in limited circumstances or with the consent of the Board).
Performance measures	Vesting of the Proposed Performance Rights is subject to the Board's determination of the extent to which the following vesting conditions are achieved: • meeting a net profit after tax hurdle level of $6.6 million and an earnings per share target level for FY29 of 12.5 cents, with vesting commencing at 50% of the relevant tranche if 80% of the applicable hurdle or target is achieved; and

Term	Details
	• loyalty vesting condition of remaining in employment until the date of vesting following the end of FY29. No Proposed Performance Rights will vest unless the relevant vesting threshold is achieved, and all vested rights remain subject to the loyalty vesting condition being satisfied. The Board retains discretion to alter the performance measures or vesting schedule in exceptional circumstances, including matters outside of management's influence, to ensure there is no material advantage or disadvantage that would materially affect achievement of the performance measures.
Performance Period	The performance measures outlined above will be tested over a three-year performance period commencing 1 July 2026 and ending on 30 June 2029. As the Company's full-year results are not typically announced to the market until August each year, the final number of Proposed Performance Rights that vest will not be determined until after this time. Any Proposed Performance Rights that do not vest following testing will lapse.
Allocation of Shares upon vesting	Following determination by the Board of the extent to which the vesting conditions have been satisfied, the relevant number of Proposed Performance Rights will vest and become exercisable, and one share will be allocated for each vested Proposed Performance Right that is exercised. The Company's obligation to allocate shares on vesting and exercise may be satisfied by issuing new shares, acquiring shares on-market or by transferring shares from an employee share trust.
Price payable for securities	Nil is payable on the grant of the Proposed Performance Rights and nil is payable on vesting or exercise.
Expiry Period	If not exercised or lapsed earlier, Proposed Performance Rights will expire on the third anniversary of the Allocation Date.
Trading Restriction	The shares will be subject to trading restrictions while the relevant participant remains employed by the Company, including a holding lock precluding the shares acquired on exercise of the Proposed Rights from being sold while the participant remains employed.
Cessation of employment	Terms of the Proposed Performance Rights relating to cessation of employment, change of control and malus / clawback are as summarised in Schedule 2.
Change of control	
Malus / Clawback	
Other information	There is no loan scheme in relation to the grant of Proposed Performance Rights under the Plan.

Kip McGrath™

Leaders In Learning

Kip McGrath Education Centres Limited
ABN 73 003 415 889

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AEST) on Sunday, 27 September 2026.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

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

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 188981

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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

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

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

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

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Kip McGrath Education Centres Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ______________________

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Kip McGrath Education Centres Limited to be held at Level 2 Boardroom, 31 Market Street, Sydney NSW 2000 on Tuesday, 29 September 2026 at 2:00pm (AEST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1, 8 & 9 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1, 8 & 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1, 8 & 9 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Ms Lynne Lewis	☐	☐	☐
Resolution 3	Approval of Additional 10% Share Placement Capacity	☐	☐	☐
Resolution 4	Approval of ordinary dividend	☐	☐	☐
Resolution 5	Approval of special dividend	☐	☐	☐
Resolution 6	Approval of further special dividend (conditional on Resolution 7)	☐	☐	☐
Resolution 7	Approval of a replacement constitution	☐	☐	☐
Resolution 8	Issue of Performance Rights to Ms Melinda Smith	☐	☐	☐
Resolution 9	Issue of Performance Rights to other key personnel	☐	☐	☐

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

Step 3 Signature of Securityholder(s)

This section must be completed.

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

Update your communication details *(Optional)*

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

Mobile Number	Email Address