

WT | FINANCIAL GROUP

WT Financial Group Limited

(ACN 169 037 058)

Dividend Re-Investment Plan - Explanatory Memorandum

28 August 2024

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1. Introduction

The Dividend Re-Investment Plan (**Plan**) offers shareholders the opportunity to purchase additional shares in WT Financial Group Limited (**Company**) by reinvesting part or all of their periodic dividends.

The Directors consider it important that the Plan operates to the advantage of all shareholders, not only those that participate in the Plan. Therefore, the Directors will only operate the Plan where they have formed the view that the benefits derived from the capital raised through the Plan will exceed the costs associated with the Plan.

Accordingly, under the terms of the Plan the Directors have the ability to:

- (a) limit the amount of dividend which may be invested in subscription for shares under the Plan;
- (b) determine and fix the issue price for each issue of shares under the Plan for so long as the Company is an unlisted company; and, for so long as the Company is a listed company, determine the discount to the weighted average market price that will be used to calculate the issue price for each issue of shares under the Plan; and
- (c) suspend, amend or terminate the Plan.

The following sections outline the way the Plan works and should be read in conjunction with the rules of the Plan. If you are interested in participating in the Plan you are encouraged to read the rules of the Plan in full.

2. Eligibility to Participate

Participation in the Plan is optional and is open to all shareholders resident in Australia and those who are resident outside Australia

and who have produced to the Company such evidence as the Company may require to satisfy it that any necessary governmental approvals required to participate in the Plan have been obtained and that such participation is not contrary to any applicable laws.

3. How to Participate

Shareholders wishing to participate in the Plan that are eligible to do so should read this booklet and complete and return the application (in a form that is capable of authentication). If necessary, consult your financial adviser before joining.

The Company may in its absolute discretion refuse any election to participate in the Plan.

If a shareholder holds shares in the Company through multiple accounts, a separate application will be required for each account.

4. When Participation Begins

Subject to the Company's acceptance of your application your participation in the Plan will, in general, begin with the first dividend paid after the Company accepts your application. If your application is received after the closing date for elections to participate in the Plan with respect to a particular dividend, it will not be effective until the Company's next dividend. For each dividend, the Directors will determine the last date on which applications for participation must be received. While the Company is a listed company, such determination will be made in accordance with the Listing Rules

5. Full or Partial Participation

Shareholders wishing to participate in the Plan can elect to participate in respect of all of the shares registered in their name or in respect of a specified number of such shares only. Accordingly, shareholders have two options

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when completing an application:

- (a) **Full Participation:** Dividends on all shares held by a shareholder (including any additional shares acquired in the future whether under the Plan or otherwise) will be reinvested in acquiring new shares under the Plan.
- (b) **Partial Participation:** The shareholder can nominate the number of shares which participate in the Plan. Only the dividends on those shares (and any new shares issued under the Plan in respect of those shares) will be reinvested in acquiring new shares under the Plan and shareholders will continue to receive cash dividends on the rest of their shares.

If an application does not clearly indicate the level of participation in the Plan, it will be deemed to be an application for full participation.

6. Shares Issued Under the Plan

Under the Plan, participating shareholders will be issued fully paid ordinary shares in the Company.

All shares allotted and issued under the Plan will rank equally in all respects with existing shares from the date of issue.

While the Company is a listed company, after allotment, the Company will apply to have the shares issued under the Plan quoted on the ASX.

7. How the Plan Operates

While the Company is a listed company, when announcing a dividend, the Company will announce to ASX:

- (a) the amount of the dividend;
- (b) any limit on the amount of dividend

which may be invested in subscription for shares under the Plan (if applicable);

- (c) the discount to weighted average market price that the Company will use to calculate the issue price for shares to be issued under the Plan; and
- (d) the closing date by which shareholders must lodge an election to participate or vary their Plan participation if they wish their election to take effect in respect of the current dividend period.

Following the end of a dividend period, the Company will determine each shareholder's net dividend entitlement.

8. Subscription Price

Shares allotted under the Plan will be allotted at the volume weighted average market price of Shares sold on the ASX during a 30 day period determined by the Directors from time to time as permitted by the Listing Rules, discounted by an amount determined by the Directors up to a maximum of 10%, or failing a determination a discount of 5%.

9. Disposal of Shares

If a participating shareholder elects for "Full Participation" and then sells some of its shares, the dividends on their remaining shares will continue to be reinvested under the Plan.

If a participating shareholder elects for "Partial Participation" and then sells some of its shares, the number of shares sold will be deemed firstly to be shares that are not participating in the Plan and secondly, once all non-participating shares are all deemed to have been sold, participating shares under the Plan.

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10. Variation or Termination of Participation

Shareholders may vary their level of participation in the Plan or withdraw from the Plan at any time by giving notice in the form approved by the Company to the Company's share registry.

The Company may in its absolute discretion refuse any variation of level of participation in the Plan (but not any withdrawal).

The variation (subject to acceptance by the Company) or termination will be effective in relation to any dividends in respect of which the dividend's record date occurs after the notice is received.

11. Variation, Suspension and Termination of Plan

The Company may vary the Plan Rules at any time by notice on the Company's website and, while the Company is a listed company, by notice to the ASX. If the Rules are varied, participating shareholders will continue to participate under the Plan and the Rules in their varied form will apply to them.

The Company may also suspend or terminate the operation of the Plan at any time by notice on the Company's website and, while the Company is a listed company, by notice to the ASX. The Company may reinstate the Plan following a suspension at any time by notice on the Company's website and, while the Company is a listed company, by notice to the ASX.

12. Brokerage and Commission

The Company will issue shares under the Plan free of brokerage fees and/or commission.

13. Plan Underwriting

Where the Directors consider it appropriate, the Company may periodically have the Plan underwritten.

14. Taxation

Under current Australian taxation laws, reinvested income will be regarded for tax purposes as if it were received in cash.

The Company does not take any responsibility for the taxation liabilities of shareholders and suggests that you obtain independent advice concerning your taxation position.