

## **Premier Investments Limited – Summary of the Performance Rights Plan (“Plan”) Rules**

### **Description of the Plan**

Premier Investments Limited (“Premier”) has established the Plan to assist in the motivation, retention and reward of executives. The plan is designed to align the interest of senior management with the interests of shareholders by providing eligible executives (being any person determined by the Board, other than a non-executive director) to receive an equity interest in Premier through granting of performance rights. The Remuneration and Nomination Committee of the Board supports and advises the Board on the remuneration practices of Premier. In particular, the Remuneration and Nomination Committee is expected to review and make recommendations to the Board on existing and proposed share option schemes.

### **Eligibility**

Eligibility to participate in the Plan and the number of performance rights granted to each participating individual will be determined by the Board from time to time, subject to the discretion of the Board.

### **Terms and conditions**

The Board has the discretion to administer the Plan. This includes conditions in relation to vesting, transfer and exercise of performance rights which may be applied differently to each participant of the Plan. The Board will determine the procedure for granting performance rights, including the form, size, term and content of any offer in accordance with the Plan Rules.

### **Grant of performance rights**

Grants of performance rights to an eligible executive is determined from time to time in the Board's absolute discretion. The Board may only grant performance rights where an eligible executive continues to satisfy any relevant conditions imposed by the Board, which may include that the eligible executive continues to be an employee of Premier or its subsidiaries at the relevant time. Unless the Board determines otherwise, no payment is required for the grant of a performance right.

### **Vesting conditions of performance rights**

Performance rights will only vest and become exercisable where the vesting conditions have been satisfied. Vesting conditions will be determined by the Board and may, for example, include conditions relating to individual performance and continued employment service.

### **Exercise of performance rights**

Provided the vesting conditions have been satisfied, a participant may exercise a performance right within 30 days of being notified by Premier that the performance right has been vested by lodging an exercise notice to Premier and complying with any other requirements under the Plan Rules.

### **Lapse of a performance rights**

An unvested performance right will lapse on the earlier of the date specified upon grant; upon any unauthorised transfer of the performance right; where there is a failure to meet the performance conditions (as determined by the Board); upon the participant ceasing to be employed by Premier or one of its subsidiaries (unless otherwise determined by the Board; 7 years from the date of grant; upon failure to exercise a vested performance right within 30 days of being notified by Premier that the performance right has vested; or if the participant has acted fraudulently or dishonestly or is in breach of their obligations to Premier).

### **Quotation and ranking of shares issued upon exercise of performance rights**

Shares issued to a participant following vesting and exercise of the performance rights will rank equally with Premier's ordinary shares and Premier will, as soon as reasonably practicable following the issue, submit an application to the ASX for quotation of those shares.

### **Appointment of Performance Rights Trustee**

The Board may, in accordance with the Performance Rights Plan, appoint a trustee to acquire and hold shares on behalf of participants. Premier may give directions to the trustee as contemplated in the Share Plan Trust Deed.

**No hedging or transfer of performance rights**

Participants in the Plan must not trade or deal with in any way their performance rights without the consent of the Board or except where required by law upon death of the participant.

**Restrictions on transfer of shares issued upon exercise of performance rights**

Participants are not entitled to trade in shares issued under the Plan without the prior consent of the Board until the earlier of 7 years after the date of grant of the performance rights; the date on which the participant ceases to be employed by Premier or any of its subsidiaries; or such other date as the Board determines.

**Limit on size of Plan**

Subject to the rules of the Plan, the total of the following must not exceed 5% of the total number of shares on issue in Premier at the time of the offer:

- the number of ordinary shares in Premier which could be acquired by participants holding performance rights if all outstanding rights were vested;
- the number of the shares which could be acquired by participants under all employee incentive schemes of Premier other than the Plan if all outstanding rights to acquire such shares have been exercised or vested; and
- the number of shares held by or on behalf of employees which are the subject of an employee incentive scheme.

**Takeovers, compromise or arrangement and winding-up**

Where there is a takeover bid of Premier and the bidder and its associates acquires at least 50% of the voting shares in Premier, any performance rights granted will vest provided that Premier's pro rata performance is in line with any performance conditions, as determined by the Board. Any performance right granted which does not vest, will automatically lapse unless the Board determines otherwise.

The Board may also determine in its absolute discretion that performance conditions of a participant have been satisfied on a pro rata basis over the period from the date of grant to the relevant date where a court orders a meeting to be held in relation to a compromise or arrangement, where there is a compulsory acquisition, or where a resolution or order is made for the winding up of Premier. If no determination is made, or the Board decides otherwise, the performance rights do not vest and those rights will lapse.

If a company obtains control of Premier by way of a takeover bid or a scheme of arrangement, and the acquiring company and Premier agree, then participants may upon vesting of performance rights be provided with shares in the acquiring company on substantially the same terms and conditions as the underlying shares to be issued in Premier, subject to any appropriate adjustments.

**Bonus issues, rights issues and reconstructions**

If shares are issued pro rata to Premier's shareholders by way of a bonus issue or Premier undergoes any reorganisation of capital, the number of performance rights each participant is entitled to (or any amount payable on vesting performance rights) will be adjusted in a manner determined by the Board to ensure advantage or disadvantage accrues as a result.

**Other terms**

The Plan also contains terms having regard to Australian law for dealing with the amendment, administration, variation and termination of the Plan.