



APPENDIX A

Worked examples for illustrative purposes

In the examples below, unless otherwise noted:

- 1 All percentages refer to control percentages or aggregate control percentages (as applicable).
- 2 All parties are associates.
- 3 There are no “other-means increases” after the increase in reliance on the COVID-19 Exemption.
- 4 There has not been any other dilution of any person’s control percentage.
- 5 Shareholders are referred to as A, B, C and D.

| # | Scenario | Clause 15(1) | Aggregate Increase Cap | Effect of clauses 17 and 18 | Control reduction requirement | Control percentage subject to voting restrictions |
|---|---|---|------------------------|-----------------------------|---|---|
| 1 | A increases from 10% to 30% (20% increase). No associates. | Upper limit: 30% Maximum increase: 20% | 20% (10% + 10%) | n/a | None A’s increase is within what is permitted by both limbs of the control reduction requirement test. | None |
| 2 | A increases from 10% to 35% (25% increase). No associates. | Upper limit: 30% Maximum increase: 20% | 20% (10% + 10%) | n/a | 5% A’s increase is 5% more than what is permitted by both limbs of the control reduction requirement test. | 5% |



| # | Scenario | Clause 15(1) | Aggregate Increase Cap | Effect of clauses 17 and 18 | Control reduction requirement | Control percentage subject to voting restrictions |
|---|--|---|--|-----------------------------|--|---|
| 3 | <p>A and B (in aggregate) increase from 15% to 40% (25% increase).</p> <p>A increases from 10% to 30% (20% increase).</p> <p>B increases from 5% to 10%.</p> <p>A and B agree that B will retain and vote a 5% increase.</p> | <p>A</p> <p>Upper limit: 30%</p> <p>Maximum increase: 15%</p> <p>B</p> <p>Upper limit: 30%</p> <p>Maximum increase: 25%</p> | <p>15%</p> <p>(10% + 5% Creep Rule Allowance).</p> | n/a | <p>10%</p> <p>A and B's aggregate control is 10% more than what is permitted.</p> <p>Given that B will retain 5%, A cannot increase by more than 10% before encountering control reduction requirements and voting restrictions.</p> | <p>A</p> <p>10%</p> <p>B</p> <p>0%</p> |
| 4 | <p>A increases from 25% to 35% (10% increase).</p> <p>No associates.</p> | <p>Upper limit: 35%</p> <p>Maximum increase: 10%</p> | 10% | n/a | <p>None</p> <p>A's increase is permitted by both limbs of the control reduction requirement test.</p> | None |
| 5 | <p>A increases from 25% to 40% (15% increase).</p> <p>No associates.</p> | <p>Upper limit: 35%</p> <p>Maximum increase: 10%</p> | 10% | n/a | <p>5%</p> <p>A's increase is 5% more than what is permitted by both limbs of the control reduction requirement test.</p> | 5% |
| 6 | <p>A increases from 45% to 65% (20% increase).</p> <p>No associates.</p> | <p>Upper limit: 60%</p> <p>Maximum increase: 15%</p> | <p>15%</p> <p>(10% + 5% Creep Rule Allowance)</p> | n/a | <p>5%</p> <p>A's increase is 5% more than what is permitted by both limbs of the control reduction requirement test.</p> | <p>Year 1</p> <p>10% (see clause 16(3))</p> <p>Year 2</p> <p>5%</p> |



| # | Scenario | Clause 15(1) | Aggregate Increase Cap | Effect of clauses 17 and 18 | Control reduction requirement | Control percentage subject to voting restrictions |
|---|---|---|--|-----------------------------|--|---|
| 7 | <p>A increases from 15% to 20% (5% increase).</p> <p>B increases from 10% to 12%</p> <p>Aggregate increases from 25% to 32% (7% increase).</p> | <p>A</p> <p>Upper limit: 30%</p> <p>Maximum increase: 15%</p> <p>B</p> <p>Upper limit: 30%</p> <p>Maximum increase: 20%</p> | 10% | n/a | <p>None.</p> <p>A and B's aggregate control has only increased by 7%. The aggregate increase cap is 10%</p> | None |
| 8 | <p>A increases from 45% to 65% (20% increase).</p> <p>B increases from 5% to 10% (5% increase). B agrees it will reduce this to 5% and not vote.</p> <p>Aggregate increases from 50% to 75% (25% increase).</p> | <p>A</p> <p>Upper limit: 65%</p> <p>Maximum increase: 15%</p> <p>B</p> <p>Upper limit: 30%</p> <p>Maximum increase: 25%</p> | 15% (10% + 5% Creep Rule Allowance) | n/a | <p>10% in aggregate.</p> <p>A and B's aggregate control is 10% more than what is permitted by both limbs of the control reduction requirement test.</p> <p>Given that B will reduce by 5%, A must also reduce by 5%.</p> | <p>Year 1</p> <p>15% in aggregate (the Creep Rule Allowance cannot be voted yet – see clause 16(3)).</p> <p>As per A and B's agreement, A may not vote 10% and B will not vote any of its 5% increase.</p> <p>Year 2</p> <p>10% in aggregate (the Creep Rule Allowance can be voted now – see clause 16(3)).</p> <p>As per A and B's agreement, A will now only be subject to a 5% restriction. B will continue to not vote any of its 5% increase.</p> |



| # | Scenario | Clause 15(1) | Aggregate Increase Cap | Effect of clauses 17 and 18 | Control reduction requirement | Control percentage subject to voting restrictions |
|----|---|---|---|---|--|--|
| 9 | <p>A increases from 10% to 30% (20% increase).</p> <p>B increases from 10% to 30% (20% increase).</p> <p>Aggregate increases from 20% to 60% (40% increase).</p> <p>Although A and B are associates, A and B cannot agree on which one of them will not exercise voting rights or reduce their control.</p> | <p>A</p> <p>Upper limit: 30%</p> <p>Maximum increase: 20%</p> <p>B</p> <p>Same as for A.</p> | 10% | n/a | <p>30% (by either or both of A and B)</p> <p>A and B's aggregate increase is 30% more than what is permitted by the aggregate increase cap.</p> <p>A and B are both obligated to reduce to the appropriate aggregate control level.</p> <p>A failure by either to do so will result in both A and B being in breach of the conditions to the COVID-19 Notice, and therefore in breach of the Code.</p> | <p>30% (by either or a combination of A and B)</p> <p>This mirrors the control reduction requirement analysis.</p> |
| 10 | <p>A increases from 10% to 30% (20% increase).</p> <p>On 1 April 2022, a further 10% allotment to A is approved as an other-means increase (i.e., approved by shareholders in accordance with Code requirements (as modified by clause 18(6) of the COVID-19 Notice)): A increases from 30% to 40%.</p> <p>No associates.</p> | <p>Initial upper limit: 30%</p> <p>Initial maximum increase: 20%</p> <p>Note: both these figures apply as at the date of the first allotment.</p> | <p>20%</p> <p>(10% + 10%)</p> <p>Note: again, this applies as at the date of the first allotment.</p> | As at 1 April 2022 the upper limit under clause 15(1) increases to 40% and the Aggregate Increase Cap increases to 30%. | <p>None</p> <p>A's increase is within what is permitted by both limbs of the control reduction requirement test.</p> <p>On 1 April 2022, A remains within what is permitted by both limbs of the control reduction requirement test.</p> | None |



| # | Scenario | Clause 15(1) | Aggregate Increase Cap | Effect of clauses 17 and 18 | Control reduction requirement | Control percentage subject to voting restrictions |
|----|---|---|---|--|--|--|
| 11 | <p>A increases from 10% to 35% (25% increase).</p> <p>On 1 April 2022, a further 10% allotment to A is approved as an other-means increase (i.e., approved by shareholders in accordance with Code requirements (as modified by clause 18(6) of the COVID-19 Notice)). A increases from 35% to 45%.</p> <p>No associates.</p> | <p>Initial upper limit: 30%</p> <p>Initial maximum increase: 20%</p> <p>Note: both these figures apply as at the date of the first allotment.</p> | <p>20%</p> <p>(10% + 10%)</p> <p>Note: again, this applies as at the date of the first allotment.</p> | <p>As at 1 April 2022 the upper limit under clause 15(1) increases to 40% and the Aggregate Increase Cap increases to 40%.</p> | <p>5%</p> <p>Before the other-means increase: A's increase is 5% more than what is permitted by both limbs of the control reduction requirement test (35% as opposed to 30%).</p> <p>As at 1 April 2022, A's increase is 5% more than what is permitted by both limbs of the control reduction requirement test (45% as opposed to 40%).</p> | <p>5%</p> |
| 12 | <p>A increases from 10% to 35% (25% increase).</p> <p>No associates.</p> <p>After 18 months, B (not an associate) is issued shares equal to 20% of the company after the issue.</p> <p>A is diluted to 28%.</p> | <p>Upper limit: 30%</p> <p>Maximum increase: 20%</p> | <p>20%</p> <p>(10% + 10%)</p> | <p>n/a</p> | <p>Before placement to B</p> <p>5%</p> <p>A's increase is 5% more than what is permitted by both limbs of the control reduction requirement test.</p> <p>After placement to B</p> <p>None – A (at 28%, an increase of 18%) is now below the upper limit under clause 15.</p> | <p>Before placement to B</p> <p>5%</p> <p>After placement to B</p> <p>0%</p> |