



AMAGROUP

18 December 2019

**AMA Group Ltd (the Company) (ASX: AMA)
Appendix 3B – Issue of Performance Rights**

The attached Appendix 3B relates to the grant of Performance Rights to Senior Executives of the AMA Group (including the CEO) in accordance with the Company's Performance Rights Program under its Employee Equity Plan. The issue to the CEO was approved by shareholders at the Annual General Meeting held on 20 November 2019.

The Performance Rights relate to the FY20 grant as well as one-off grants, in relation to the Company's historical obligations to certain Senior Executives.

The grant of Performance Rights to Senior Executives aims to align the interests of the Senior Executives with the interests of shareholders in the growth and development of the business.

**Fiona van Wyk
Company Secretary**

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

AMA GROUP LIMITED (ASX: AMA)

ABN

50 113 883 560

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Performance Rights issued in accordance with the Company's Employee Equity Plan

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

5,837,743

+ See chapter 19 for defined terms.

- 3 Principal terms of the ⁺securities (eg, if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)

The Performance Rights have been issued to Senior Executives including the Chief Executive Officer of the Company (**Participants**) in accordance with Performance Rights Program under the rules of the Company's Employee Equity Plan

No cash consideration is payable on the issue of the Performance Rights or on exercise.

The Performance Period is 1 July 2019 to 30 June 2022

Each Performance Right entitles the Participant, subject to meeting the vesting conditions, to receive, upon vesting and exercise, one AMA Share.

Vesting Conditions Summarised:

In addition to meeting the Service Condition, Rights will vest according to the following Performance Conditions:

Total Shareholder Return Performance Condition:

20% of the Performance Rights will vest subject to the Total Shareholder Return (TSR) performance of the Company compared with the TSR performance of each of the entities in the 'Comparator Group' referred to below.

Vesting of the Performance Rights will be determined at the end of the Performance Period.

TSR measures the growth in the price of shares (modified to account for capital adjustments where appropriate) together with the value of the dividends over the Performance Period, assuming that all those dividends are re-invested into new shares. For the Performance Rights to vest, the Company's TSR must be equal to or greater than the median TSR performance of the Comparator Group.

The Comparator Group consists of:

- AP Eagers Limited (ASX: APE)
- ARB Corporation Limited (ASX: ARB)
- Bapcorp Limited (ASX: BAP)
- GUD Holdings Limited (ASX: AUD)
- Super Retail Group Limited (ASX: SUL)

And any other entity that the Board shall deem appropriate from time to time.

⁺ See chapter 19 for defined terms.

The proportion of the Performance Rights that vest, if any, will be determined as follows:

| TSR Ranking | % of Performance Rights that vest |
|--|---|
| Less than 50 th percentile | Nil |
| Equal to 50 th percentile (ie median) (minimum performance condition for the TSR tranche) | 50% |
| Greater than 50 th and up to 75 th percentile | Straight Line pro-rata vesting from 50% to 100% |

Earnings Per Share (EPS) Compound Annual Growth Rate (CAGR) Performance Condition:

80% of Performance Rights will vest subject to EPS/ CAGR over the Performance Period. The proportion of Rights that vest, if any, will be determined as follows:

| EPS CAGR | % of EPS tranche Performance Rights to vest |
|--------------------------------|--|
| Less than 10% | Nil |
| 10% | 50% |
| Greater than 10% and up to 20% | Straight Line pro-rata vesting from 50% to 100% |

Vesting is also subject to the Participant's continuous employment with AMA from the date the Performance Rights are granted until the Testing Date (Service Condition).

The Performance Rights are subject to forfeiture, including in circumstances which include:

- committing an act of fraud; or
- found to have acted in a manner that the Board considers to be gross misconduct

+ See chapter 19 for defined terms.

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- 4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

No, the Performance Rights are unquoted securities and do not rank equally with the AMA Shares. The Performance Rights do not confer a right to vote, receive dividends or any other rights of a shareholder. Following the vesting and exercise of the Performance Rights in accordance with the Company's Employee Equity Plan, the AMA shares will rank equally with the existing AMA shares

- 5 Issue price or consideration

No cash consideration is payable on the grant or exercise of the Performance Rights

- 6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

The Performance Rights are granted in accordance with the Company's Employee Equity Plan, aimed at aligning the interest of the Participants with the interest of shareholders

- 6 Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?

No

If Yes, complete sections 6b – 6h *in relation to the ⁺securities the subject of this Appendix 3B*, and comply with section 6i

- 6 The date the security holder resolution under rule 7.1A was passed

N/A

⁺ See chapter 19 for defined terms.

| | | |
|----|--|-----|
| 6c | Number of +securities issued without security holder approval under rule 7.1 | N/A |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | N/A |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A |
| 6f | Number of securities issued under an exception in rule 7.2 | NA |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | N/A |

+ See chapter 19 for defined terms.

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- 7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates

NA

- 8 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in section 2 if applicable)

| Number | ⁺ Class |
|-------------|-----------------------|
| 731,851,723 | Ordinary Shares (AMA) |

- 9 Number and ⁺class of all ⁺securities not quoted on ASX (*including* the securities in section 2 if applicable)

| Number | ⁺ Class | | |
|-----------|--|-----------------|----------|
| Amount | Exercise Price | Expiration Date | ASX Code |
| 2,000,000 | \$1.20 | 25 April 2021 | TBA |
| 2,079,002 | Performance Shares (Code TBA) Escrowed to 30/09/21 &/or performance conditions satisfied. No voting rights. Dividends rights. | | |
| 5,100,428 | Performance shares (AMAAA) – Escrowed to 30 June 2018 &/or performance conditions satisfied. No voting rights. No dividend rights. | | |
| 5,837,743 | Performance Rights issued in accordance with the Performance Rights Program under the rules of the Company's Employee Equity Plan | | |

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

| | |
|-----------|--|
| Unchanged | |
| | |

⁺ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

| | | |
|----|---|----|
| 11 | Is security holder approval required? | NA |
| 12 | Is the issue renounceable or non-renounceable? | NA |
| 13 | Ratio in which the ⁺ securities will be offered | NA |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | NA |
| 15 | ⁺ Record date to determine entitlements | NA |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | NA |
| 17 | Policy for deciding entitlements in relation to fractions | NA |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | NA |
| 19 | Closing date for receipt of acceptances or renunciations | NA |

⁺ See chapter 19 for defined terms.

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| | | |
|----|---|----|
| 20 | Names of any underwriters | NA |
| 21 | Amount of any underwriting fee or commission | NA |
| 22 | Names of any brokers to the issue | NA |
| 23 | Fee or commission payable to the broker to the issue | NA |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | NA |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | NA |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | NA |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | NA |
| 28 | Date rights trading will begin (if applicable) | NA |
| 29 | Date rights trading will end (if applicable) | NA |

⁺ See chapter 19 for defined terms.

- | | | |
|----|--|----|
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | NA |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | NA |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | NA |
| 33 | ⁺ Despatch date | NA |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☐ Securities described in Part 1
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

⁺ See chapter 19 for defined terms.

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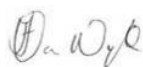
| | | | |
|----|--|--------|--------|
| 38 | Number of securities for which +quotation is sought | NA | |
| 39 | Class of +securities for which quotation is sought | NA | |
| 40 | <p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | NA | |
| 41 | <p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p> | NA | |
| 42 | Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38) | Number | +Class |
| | | NA | |

+ See chapter 19 for defined terms.

Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 18 December 2019

Company Secretary

Print name:

Fiona van Wyk

⁺ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|--|-----|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue | N/A |
| Add the following: <ul style="list-style-type: none">• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval• Number of partly paid ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none">• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i>• <i>It may be useful to set out issues of securities on different dates as separate line items</i> | N/A |
| Subtract the number of fully paid ordinary securities cancelled during that 12 month period | N/A |
| “A” | N/A |

| | |
|---|---|
| Step 2: Calculate 15% of "A" | |
| "B" | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply "A" by 0.15 | N/A |
| Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used | |
| Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> | N/A |
| "C" | N/A |
| Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1 | |
| "A" x 0.15 <i>Note: number must be same as shown in Step 2</i> | N/A |
| Subtract "C" <i>Note: number must be same as shown in Step 3</i> | N/A |
| Total ["A" x 0.15] – "C" | N/A |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | N/A |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | N/A |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none">• This applies to equity securities – not just ordinary securities• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained• It may be useful to set out issues of securities on different dates as separate line items | N/A |
| “E” | N/A |

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|--|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | N/A |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | N/A |
| Total [“A” x 0.10] – “E” | N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.