



Notice of Meeting 2017



CHAIRMAN'S LETTER

Dear Fellow Shareholder

I am writing to invite you, as a shareholder in OFX Group Limited (**OFX**), to attend our Annual General Meeting (**Meeting**) on Wednesday 2 August 2017.

The Meeting will be held in Room III, Establishment Hotel, 252 George Street, Sydney. The Meeting will commence at 2:00pm with registration available from 1:30pm.

John Alexander ('Skander') Malcolm, Chief Executive Officer and Managing Director, and I, will present to the Meeting on OFX's performance for the financial year ended 31 March 2017.

Following my address and Skander's address, we will cover the formal business of the Meeting, the details of which are set out in the accompanying Notice of Meeting and Explanatory Notes.

A Voting/Proxy Form is included in this information pack. The Form contains a barcode to assist with the registration process at the Meeting. If you attend the Meeting, please bring this Form with you. If you are not attending the Meeting, the Form allows shareholders to either lodge their vote directly or appoint a proxy to vote on their behalf. Please refer to the Notice of Meeting and the Voting/Proxy Form for more information.

Body corporate holders of OFX shares, or any body corporate appointed as a proxy, wishing to act through a representative at the Meeting may do so by providing that person with a letter, executed in accordance with the body corporate's constitution, authorising that person to act as a representative of the body corporate.

If you would like to submit questions on any shareholder matters that may be relevant to the Meeting please email your questions to investors@ofx.com. While time may not permit me to address all questions, Skander and I will endeavour to address any questions received as part of our presentations. The answers to all questions received will be posted on OFX's website at www.ofx.com/en-au/investors/.

An archived webcast of the Meeting will be available on the OFX website within one day of the Meeting. The presentations will be released to the ASX immediately prior to the start of the Meeting and will also be available on the OFX website.

You are invited to join the Board and Executive Team for light refreshments at the conclusion of the Meeting. I look forward to seeing you and thank you for your ongoing support of OFX.

Yours sincerely



Steven Sargent
Chairman

NOTICE OF MEETING

The Annual General Meeting (**AGM**) of OFX Group Limited (**Company**) will be held on Wednesday, 2 August 2017, commencing at 2:00pm (Sydney time) at Room III, Establishment Hotel, 252 George Street, Sydney.

ITEMS OF BUSINESS

Item 1. Financial statements and Reports of the Directors and Auditors

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the year ended 31 March 2017.

Item 2. Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report for the year ended 31 March 2017 be adopted."

This is a non-binding advisory vote.

Item 3. Re-election of Mr Grant Murdoch

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

"That Mr Grant Murdoch, being a Director who is retiring by rotation and standing for re-election in accordance with Article 47(b) of the Company's Constitution, and being eligible, be re-elected as a Director of the Company."

Details of Mr Murdoch's qualifications and experience and the recommendation of the Board in relation to his re-election are set out in the attached Explanatory Memorandum.

Item 4. Election of Mr Steven Sargent

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

"That Mr Steven Sargent, who having been appointed as a Director of the Company on 4 August 2016 in accordance with Article 46 (b) of the Company's Constitution, and being eligible for election, be elected as a Director of the Company."

Details of Mr Sargent's qualifications and experience and the recommendation of the Board in relation to his election are set out in the attached Explanatory Memorandum.

Item 5. Approval of issue of shares and loan to Managing Director, Mr John Alexander Malcolm

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for:

- (a) the issue and allotment to Mr John Alexander Malcolm of ordinary shares under the OFX Group Limited Executive Share Plan (**Executive Share Plan**) as described in the Explanatory Memorandum; and
- (b) the provision of a loan to Mr John Alexander Malcolm to assist him to acquire the shares under the Executive Share Plan as described in the Explanatory Memorandum."

VOTING EXCLUSION STATEMENT

ITEM 2 AND ITEM 5

In accordance with the ASX Listing Rules, the Company will disregard any votes cast (in any capacity) on Item 2 by or on behalf of:

- a member of the Key Management Personnel of the Company (**KMP**) as disclosed in the Company's Remuneration Report for the year ended 31 March 2017; and
- a closely related party of those persons (such as close family members and any companies the person controls);

unless the vote is cast as a proxy for a person who is entitled to vote, and:

- the vote is cast in accordance with the direction on the Voting/Proxy Form; or
- in the absence of a direction on the Voting/Proxy Form, the vote is cast by the Chairman of the Meeting.

In addition, the Company will disregard any votes cast on Item 5 by John Alexander Malcolm (being the only Director eligible to participate in the Executive Share Plan) and any associated person of Mr Malcolm.

However, OFX will not disregard a vote cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the Voting/Proxy Form; or
- the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the Voting/Proxy Form.

NOTES

APPOINTING A PROXY

Shareholders who are unable to attend the AGM and do not choose to use Direct Voting are entitled to appoint a proxy to act at the AGM on their behalf, and to vote in accordance with their instructions on the Voting/Proxy Form.

A proxy need not be a shareholder of the Company.

To appoint a proxy, mark 'X' in Method 2 on the Voting/Proxy Form. A proxy may be an individual or a body corporate. Subject to the voting exclusions set out above, if no voting instructions are given, the proxy may vote as they see fit.

The Chairman of the Meeting intends to vote all available and undirected proxies in favour of each item of business.

If a shareholder appoints a KMP (which includes each of the Directors) as proxy, the KMP will not be able to cast the shareholder's votes on Item 2 or Item 5 unless the shareholder directs the KMP how to vote or the Chairman of the Meeting is the shareholder's proxy. If a shareholder appoints the Chairman of the Meeting as their proxy or the Chairman of the Meeting is appointed as the shareholder's proxy by default and the shareholder does not make a mark in a voting box for Item 2 or Item 5, then by signing and returning the Voting/Proxy Form the shareholder will be expressly authorising the Chairman of the Meeting to exercise the proxy in respect of the relevant item even though the item is connected with the remuneration of KMP.

If you are a shareholder entitled to cast two or more votes, you may appoint up to two proxies and specify the proportion of voting rights or the number of votes each proxy is appointed to exercise.

SENDING US YOUR DIRECT VOTE OR PROXY

The Voting/Proxy Form (and the power of attorney or other authority, if any, under which a proxy form is signed or a certified copy of the power of attorney or other authority) must be received by Computershare Investor Services by no later than 2:00pm on Monday 31 July 2017.

Proxies (and, if applicable, authorities) may be lodged:

Online at www.computershare.com.au

If you wish to submit your direct vote or your appointment of proxy and voting instructions electronically, visit the share registry website. You will need your Security Holder Reference Number (SRN) or Holder Identification Number (HIN) which is shown on the Voting/Proxy Form.

By mail

Completed Voting/Proxy Forms must be received by the Share Register, Computershare Investor Services Pty Limited, at GPO Box 242, Melbourne, VIC, 3001 or by fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia). A return envelope is provided.

If your direct vote or appointment of a proxy is signed by an attorney, or in the case of direct vote or proxy submitted electronically, authenticated by an attorney, the power of attorney (or a certified copy of the power of attorney) must be received by the Share Registrar, Computershare at Level 4, 60 Carrington Street, Sydney, NSW, 2000.

Determination of shareholders' right to vote

The Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of shareholders as at 7:00 pm on Monday 31 July 2017. Share transfers registered after that time will be disregarded in determining entitlements to vote at the AGM.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice of Meeting and is intended to provide shareholders of the Company with information to assess the merits of the proposed resolutions.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Item 1: Financial statements and Reports of the Directors and Auditors

In accordance with the *Corporations Act 2001* (Cth), the Financial Report, Directors' Report and Auditor's Report for the year ended 31 March 2017 will be put before the Annual General Meeting (AGM). These Reports are in the Company's 2017 Annual Report and can be accessed on the Company's website at www.ofx.com/en-au/investors/.

This item does not require a formal resolution and accordingly, no vote will be held on this item. Shareholders will, however, be given a reasonable opportunity to ask questions on these reports during discussion on this item.

Item 2: Remuneration Report

In accordance with section 250R(2) of the *Corporations Act 2001* (Cth), the Board is presenting the Company's Remuneration Report to shareholders for consideration and adoption by a non-binding vote.

The Remuneration Report was first published on 23 May 2017 in the Company's 2017 Annual Report and has also been available on the Company's website since then.

The Remuneration Report:

- explains the Board's policies in relation to the objectives and structure of the Company's remuneration system;
- discusses the relationship between the remuneration outcomes and the returns to shareholders;
- provides details of performance conditions, why they were chosen and how performance is measured against them;
- describes the governance framework of the Company's remuneration arrangements; and
- sets out the remuneration arrangements for each Director and each of the Key Management Personnel of the Company (KMP).

Under the *Corporations Act 2001* (Cth), the vote on this Resolution is advisory only and does not bind the Board or the Company. However, the Board will take the outcome of the vote into account when considering future remuneration policy for Directors and KMP.

Shareholders should note that if 25% or more of the votes cast on this resolution are against adoption of the Remuneration Report, the first element in the Board spill provisions introduced in 2011 (known generally as the 'two strikes rule') will be triggered. This would require a resolution on whether to hold a further meeting to spill the Board (a 'spill resolution') to be put to shareholders at the 2018 AGM if a 'second strike' was to occur at the 2018 AGM.

A voting exclusion applies to this resolution, as set out in the Notice of Meeting.

The Board unanimously recommends that shareholders vote in favour of the adoption of the Remuneration Report.

The Chairman of the AGM intends to vote all available proxies in favour of this resolution.

Item 3: Re-Election of Mr Murdoch



Mr Grant Murdoch is retiring by rotation and standing for re-election, in accordance with Article 47(b) of the Company's Constitution and Listing Rule 14.4, and being eligible, offers himself for re-election as a Director of the Company.

Grant Murdoch

Non-Executive Director – MCom (Hons), FAICD, FICAA.

Chair of the Audit, Risk and Compliance Committee

Appointed: 19 September 2013

Age: 65 years

Independent director

Residence: Brisbane, Australia

Grant joined OFX Group Limited in September 2013 and has over 35 years' experience in accounting and corporate finance. Grant's prior professional experience includes Head of Corporate Finance for Ernst & Young Queensland, and he is a graduate of the Kellogg Advanced Executive Program at the North Western University, Chicago, United States.

Current directorships

Director: ALS Limited; QIC Limited; Redbubble Limited; UQ Holdings Limited

Other: Senator of the University of Queensland; Adjunct Professor School of Business Economics and Law at the University of Queensland; member of Queensland State Council of Australian Institute of Company Directors.

Interest in shares: 245,000 ordinary shares.

The Board supports the re-election of Mr Murdoch to the Board and (Mr Murdoch abstaining) unanimously recommends that shareholders vote in favour of the re-election of Mr Murdoch as a Director.

The Chairman of the Meeting intends to vote all available and undirected proxies in favour of this resolution.

EXPLANATORY MEMORANDUM CONTINUED

Item 4: Election of Mr Sargent



Mr Steven Sargent having been appointed as a Director of the Company on 4 August 2016 in accordance with Article 46(b) of the Company's Constitution is standing for election in accordance with Listing Rule 14.4, and being eligible, offers himself for election as a Director of the Company.

Steven Sargent

Non-Executive Director and Chairman – BBus, FAICD, FAATSE

Member of the Audit, Risk and Compliance Committee and Remuneration and Nomination Committee

Age: 57 years

Appointed: 4 August 2016

Independent director

Residence: Sydney, Australia

Steven joined OFX Group Limited in August 2016 and has over 36 years of global corporate experience in industries including banking, financial services, mining and energy. Steven's prior professional experience includes 14 years at Westpac, followed by various positions at GE Capital, including President and CEO GE Capital Australia and NZ, and President and CEO GE Capital Asia Pacific. Steven was appointed Vice President and Officer of General Electric Company in 2008 and was a member of GE's Corporate Executive Council, the first Australian to ever be appointed to such positions in GE's history.

Current directorships

Director: Origin Energy Limited; Nanosonics Limited; The Great Barrier Reef Foundation; Chair of the Origin Foundation

Other: Fellow of the Australian Academy of Technological Sciences and Engineering and a Fellow of the Australian Institute of Company Directors

Interest in shares: 100,000 ordinary shares

The Board supports the election of Mr Sargent to the Board and (Mr Sargent abstaining) unanimously recommends that shareholders vote in favour of the election of Mr Sargent as a Director.

The Chairman of the Meeting intends to vote all available and undirected proxies in favour of this resolution.

Item 5: Approval of issue of shares and loan to Mr John Alexander Malcolm

Regulatory Requirements – ASX Listing Rules

ASX Listing Rule 7.1 provides that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Exception 9 of ASX Listing Rule 7.2 allows the Company to issue securities without shareholder approval and without reducing the 15% capacity under ASX Listing Rule 7.1 where the securities are issued under an employee incentive scheme within 3 years of shareholder approval of that scheme.

The OFX Group Limited Executive Share Plan (**Executive Share Plan**) and future issues of securities under the Executive Share Plan was approved by shareholders at the Company's 2016 AGM.

The Executive Share Plan seeks to allow the Company to reward and incentivise employees (including Directors who are employees) through an arrangement where employees are offered shares subject to long term performance conditions. The shares are offered at market value such that the incentive is linked to the increase in value over and above the purchase price and so aligns employees to the risks and rewards of shareholders. The purchase price payable by the participant for the ordinary shares is lent to the participant under a limited recourse loan, with the loan secured against the shares.

The Company is seeking approval under ASX Listing Rule 10.14 and sections 200B and 200E of the *Corporations Act 2001* (Cth) for the proposed issue of ordinary shares to Mr Malcolm under the Executive Share Plan and for the proposed loan to Mr Malcolm to assist him to acquire such shares under the Executive Share Plan.

The Executive Share Plan provides for immediate share ownership, linking a significant proportion of Mr Malcolm's 'at risk' remuneration to ongoing share price and returns to shareholders over the period of the loan.

One-off Single Grant

As disclosed on 5 June 2017, Mr Malcolm's employment contract, which previously provided for the issue of a One-off Triple Grant in 2017 equal to \$1,800,000 under the Executive Share Plan, has been amended. The contract stated that Mr Malcolm would be offered, subject to shareholder approval, three LTI tranches, vesting over 3, 4, and 5 year performance periods, each equal to his LTI target of \$600,000 and with no further LTI grant in FY2018 and FY2019.

Instead of the One-off Triple Grant, in 2017, Mr Malcolm will now be offered a single LTI grant at 150% of his fixed remuneration. This amendment will provide Mr Malcolm the opportunity to earn up to \$975,000, vesting over a 3 year performance period. All other terms and conditions of Mr Malcolm's employment contract remain unchanged.

The Board considers the issue of a single grant at 150% of Mr Malcolm's fixed remuneration and a one-off increase to compensate for the removal of two of the previously allocated tranches, to be more appropriately aligned with the interests of shareholders. It will provide Mr Malcolm with a greater upfront share interest in the Company and the Board with the flexibility to ensure future awards are commensurate with the Company's long term strategy. The Board will review Mr Malcolm's LTI opportunity annually as part of its broader remuneration review.

Shareholder approval is being sought for the one-off issue for FY2017 of a single LTI grant to Mr Malcolm at 150% of his fixed remuneration.

Subject to shareholder approval, Mr Malcolm will be allocated a single LTI grant at 150% of his fixed remuneration, providing him the opportunity to earn up to \$975,000. The one-off single grant will have a 3 year performance period.

The shares for Mr Malcolm's one-off single grant will be split into two tranches (A and B), each having a separate vesting condition of Compound Annual Growth Rate (**CAGR**) of Constant Currency Net Operating Income (**NOI Growth**) and CAGR of Constant Currency Earnings Per Share (**EPS Growth**) over a specified performance period of 3 financial years commencing 1 April 2017.

Each tranche of the one-off single grant will be subject 50% to the NOI Growth and 50% to the EPS Growth performance metrics.

Overview of the proposed issue and loan

Number of Shares	<p>The number of shares that Mr Malcolm will receive will be determined by dividing the dollar amount of the one-off single grant, being \$975,000, by the Black-Scholes Option Pricing Model value (Black-Scholes) with the one-off single grant, having a 5 year loan.</p> <p>The key inputs to the valuation model are the share price equal to the five day VWAP for the period prior to, but not including, the date of commencement of Mr Malcolm's employment, the expected volatility in the share price, the dividend yield expected on the shares, the risk free interest rate and the life of the loan as determined on 2 June 2017.</p> <p>The Black-Scholes valuation used excludes the impact of the performance hurdles (that is, there is no discount for the probability of achieving the performance hurdles). The Black-Scholes value determined for allocation purposes was as follows:</p> <p>2017 One-off single grant – Black-Scholes value of \$0.5194</p> <p>The one-off single grant value of \$975,000 is divided by the relevant Black-Scholes value to determine the number of shares to be issued.</p> <p>This calculation results in the following share award being made:</p> <p>2017 One-off single grant – 1,877,166 shares</p>
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Issue Price	The shares will be issued at a price equal to the five day VWAP for the period prior to, but not including, the date of commencement of Mr Malcolm's employment. A loan will be provided equal to the five day VWAP price multiplied by the total number of shares to be issued.
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Rights attaching to the Shares	Subject to the terms of the Executive Share Plan, the Shares will carry the same rights as other ordinary shares in the Company.
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Date of issue	If shareholder approval is obtained, the shares are expected to be issued to Mr Malcolm in August 2017 and, in any event no later than 12 months after the AGM.
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Vesting Conditions	The shares for the 2017 One-off single grant will be split into two tranches (A and B), each having a separate vesting condition of Compound Annual Growth Rate (CAGR) of Constant Currency Net Operating Income (NOI Growth) and CAGR of Constant Currency Earnings Per Share (EPS Growth) over a specified performance period of 3 financial years, commencing 1 April 2017.
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Vesting measures and vesting	<p>In 2017, the Board reviewed targets set under the 2016 CEO LTI grant and it is now apparent that these are aspirational rather than realistic targets. It is important that the new CEO and his management team are truly motivated to deliver results, which they have oversight of, for the Company's shareholders going forward. The Board has accordingly decided to set the following targets and vesting schedule under the 2017 One-off single grant. The Board believes that these are strong targets and the Board will continue to review incentive targets each year in line with the new CEO's strategy and key performance drivers.</p> <p>Vesting for the 2017 One-off single grant will be based on performance against a Threshold Measure, a Target Measure and a Stretch Measure as follows:</p>
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Tranche	Vesting Condition	Threshold Measure %	Target Measure %	Stretch Measure %
Tranche A (50%)	EPS CAGR over 3 year performance period	12.5	15	17.5
Tranche B (50%)	NOI CAGR over 3 year performance period	10	12.5	15

Tranches A and B will vest in accordance with the following schedule:

EPS CAGR and NOI CAGR	% of Shares that vest
Below Threshold	Nil
Threshold	25%
Between Threshold and Target	25-50%, on a straight line sliding scale
Target	50%
Between Target and Stretch	50-100%, on a straight line sliding scale
Stretch and Above	100%

EXPLANATORY MEMORANDUM CONTINUED

Performance testing	<p>Testing of the vesting conditions for the 2017 One-off single grant will occur once the results for the relevant financial year in the last year of the 3 year performance period have been approved by the Board.</p> <p>There is no retesting of the vesting conditions.</p>
Loan terms	<p>The Company or a subsidiary of the Company will provide an interest free limited recourse loan to Mr Malcolm equal to the full value of the shares to be acquired in accordance with the terms of the Executive Share Plan. The loan must be repaid on the earlier of 2 years after the end of the 3 year performance period and the occurrence of:</p> <ul style="list-style-type: none"> a) in the case of vested shares, the date being 12 months after Mr Malcolm ceases to be an employee of the Company for any reason; b) in the case of unvested shares which are not forfeited as a result of Mr Malcolm ceasing to be an employee of the Company and which subsequently become vested shares, the date being 12 months after those shares become vested shares; c) if determined by the Board, any date after the date on which Mr Malcolm has been notified by the Company that some or all of the shares have vested; d) if Mr Malcolm sells some or all vested shares to which the loan relates, the date on which Mr Malcolm is entitled to receive the proceeds of the sale of those shares; e) if determined by the Board to be repayable as a result of a Control Event or Mr Malcolm transferring to work for the Company or any of its subsidiaries outside Australia; or f) any material breach by Mr Malcolm where the breach is not remedied within 30 days of the Company's notice to Mr Malcolm to do so. <p>Subject to the above, Mr Malcolm may repay the loan at any time after the shares are vested but in no case, more than 2 years after the end of the 3 year performance period.</p> <p>To recognise any over performance by Mr Malcolm, the Board has a discretion to forgive all or part of the loan amount relating to a tranche for performance which exceeds the Stretch Measure for that tranche.</p> <p>Until the loan is repaid in full, the Company has a lien over all the shares held by Mr Malcolm to which the loan relates, all dividends and other amounts paid or payable on those shares, and all securities issued in respect of those shares as part of a bonus or entitlement issue.</p> <p>Mr Malcolm is not required to provide a mortgage, charge or other security interest over the shares to secure the loan.</p> <p>If Mr Malcolm does not repay the outstanding balance of the loan when due, the Company may sell the shares on behalf of Mr Malcolm. If the amount received on the sale of the shares is less than the outstanding balance of the loan, the net proceeds of sale will be accepted in full satisfaction of the loan, and Mr Malcolm will have no further liability under the loan. If Mr Malcolm forfeits his interest in shares to the Company, Mr Malcolm's liability to repay the loan will be satisfied.</p>
Dividends	<p>While a loan remains outstanding any dividends received on the shares will be automatically applied, on an after-tax basis, towards the repayment of the loan.</p>
Trading restrictions	<p>Mr Malcolm must not transfer, encumber, hedge or otherwise deal with shares acquired under the Executive Share Plan until the loan in respect of those shares has been paid in full or arrangements satisfactory to the Board are made for repayment of the loan in full from the proceeds of sale of the shares.</p>

Cessation of employment	<p>In accordance with the terms of the Executive Share Plan, if Mr Malcolm ceases employment with the Company, his unvested shares are not forfeited (and remain subject to the Executive Share Plan) and his vested shares are not forfeited. However, the Board may determine within 60 days of the cessation of his employment that:</p> <ul style="list-style-type: none"> a) some or all of his unvested shares vest or are forfeited (or that the vesting conditions or performance periods applicable to those unvested shares are amended or waived); or b) some or all of his vested shares are forfeited. <p>In determining whether a different treatment should apply to that set out above on cessation of Mr Malcolm's employment, the Board may have regard to any matter the Board considers relevant, including the extent to which the vesting conditions have been satisfied at the time of cessation of employment or the proportion of the performance period during which the vesting conditions are tested has passed at the time of cessation of employment.</p>
Control Event	<p>The Board has absolute discretion to determine that some or all of the unvested shares will vest if there is a takeover or scheme of arrangement of the Company or a proposed winding up of the Company (Control Event). In exercising this discretion, the Board may have regard to any matter the Board considers relevant, including the extent to which the vesting conditions have been satisfied (or estimated to have been satisfied) at the time the Control Event occurs or the proportion of the performance period during which the vesting conditions are tested has passed at the time the Control Event occurs.</p>
Forfeiture Conditions	<p>Shares may be forfeited if the vesting conditions are not satisfied, with the forfeited shares treated as full consideration for the repayment of the loan. In this case, Mr Malcolm would forfeit any value attached to the shares. Subject to law, the Board is also able to take action to prevent Mr Malcolm obtaining unfair benefits where shares vest as a result of fraud, dishonesty or breach of obligations of any person, or a material misstatement of the financial statements of the Company or its subsidiaries.</p>
Buy back	<p>Subject to the requirements of the Corporations Act and the Company's constitution, the Company in its discretion may buy back shares held by Mr Malcolm if the shares are forfeited in accordance with the terms of the Executive Share Plan; if Mr Malcolm fails to repay the loan when due; if Mr Malcolm ceases to be employed (where the shares have not been forfeited); or if Mr Malcolm requests that the Company buy-back shares. Any forfeited shares or shares the subject of a loan non-repayment which are bought back will be bought back at a price equal to the purchase price less any repayments of the loan. Any other shares which are bought back will be bought back at a price equal to the weighted average price of shares traded on the ASX on the five trading days up to and including the day of the buy-back.</p>
Additional information for ASX Listing Rules	<p>Mr Malcolm is the only Director currently entitled to participate in the Executive Share Plan.</p> <p>The Executive Share Plan is being approved by shareholders pursuant to Item 5.</p> <p>ASX Listing Rule 7.1 provides that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.</p> <p>However, if approval is given under ASX Listing Rule 10.14 pursuant to Item 5, approval will not be required under ASX Listing Rule 7.1. This means that shares issued pursuant to this approval will not use up any part of the 15% capacity available under ASX Listing Rule 7.1.</p>

EXPLANATORY MEMORANDUM CONTINUED

Regulatory Requirements – ASX Listing Rules

ASX Listing Rule 10.14 requires a listed entity to obtain shareholder approval for the acquisition of securities under an employee incentive scheme by specified persons, including a Director of the Company.

ASX Listing Rule 10.15B states that ASX Listing Rule 10.14 does not apply to securities purchased on market by or on behalf of directors under an employee incentive scheme where the terms of the scheme permit such purchases.

The Executive Share Plan provides that shares acquired under the plan may be satisfied by the issue of new shares or the acquisition of shares (whether on-market or off-market). Item 5 is being put to shareholders to preserve the flexibility for the Company to satisfy the acquisition of shares by Mr Malcolm by the issue of new shares.

Regulatory Requirements – Corporations Act

Under section 200B of the *Corporations Act 2001* (Cth), a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders or an exemption applies. Section 200B applies to managerial and executive officers of the Company and any of its subsidiaries, which includes Mr Malcolm. The term “benefit” has a wide operation and could include the early vesting of unvested shares under the rules of the Executive Share Plan.

Accordingly, approval is sought for the purposes of section 200E of the *Corporations Act 2001* (Cth) to allow the Company to deal with the unvested shares upon Mr Malcolm ceasing employment in accordance with the terms of the Executive Share Plan (refer to “Cessation of employment” in the table above) including where to do so would involve the giving of a “benefit” to Mr Malcolm in connection with him ceasing to hold a managerial or executive office.

The value of any benefit relating to shares under the Executive Share Plan that may be given to Mr Malcolm in connection with Mr Malcolm ceasing to hold a managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- (a) the date when, and the circumstances in which, Mr Malcolm ceases employment;
- (b) the number of unvested shares held by Mr Malcolm prior to cessation of employment;
- (c) the number of unvested shares that vest (which could be all of the unvested shares held by Mr Malcolm); and
- (d) the market price of the Company’s shares on ASX on the date of vesting.

Issues of securities since the last approval by shareholders

Shareholders approved the issue of securities to former Chief Executive Officer and Managing Director, Mr Richard Kimber under the Executive Share Plan at the 2016 AGM. Shareholders approved a three-year allocation to Mr Kimber in FY2016 for each of the 2016, 2017 and 2018 financial years. Following shareholder approval, 1,955,895 ordinary shares were issued to Mr Kimber. The shares were issued at a price equal to the five day VWAP as at 30 September 2016, being \$1.8178. There have been no other securities issued to Mr Kimber under the Executive Share Plan. No vesting of any LTI awards under the Legacy LTI Plan occurred during FY2017.

As reported in the Company’s 2017 Annual Report, Mr Kimber stepped down as Chief Executive Officer and Managing Director on 31 January 2017. As a result, the Board resolved that Mr Kimber will retain on foot 433,218 ordinary shares under the Executive Share Plan eligible to vest in accordance with, and subject to, the performance conditions set out in his Executive Share Plan Invitation Terms.

Directors’ recommendation

The Board (other than Mr Malcolm) considers that the proposed issue of shares under the Executive Share Plan to Mr Malcolm is appropriate and is in the best interests of the Company and its shareholders, as the issue of shares strengthens the alignment of Mr Malcolm’s interests with shareholders, and the shares provide a strong link between the reward for Mr Malcolm’s performance and Company performance.

The Board also considers that obtaining shareholder approval to allow the Company to deal with shares under the Executive Share Plan upon Mr Malcolm ceasing employment in accordance with the Plan is appropriate and in the best interests of the Company and its shareholders. It will provide the Company with the ability to ensure its ongoing compliance with section 200B of the Corporations Act and with the terms of the issue of those shares.

Mr Malcolm makes no recommendation on how to vote on Item 5 in light of his direct interest in Item 5.

A voting exclusion applies to this resolution.

The Board (other than Mr Malcolm) recommends that shareholders vote in favour of this resolution.

The Chairman of the AGM intends to vote all available proxies in favour of this resolution.

CONTACT INFORMATION

Head Office

OFX Group Limited

Level 19
60 Margaret Street
Sydney NSW 2000

Telephone: +61 2 8667 8000
Facsimile: +61 2 8667 8080
Email: investors@ofx.com

Company Secretary

Ms Freya Smith

Shareholder information

www.ofx.com/en-au/investors/

Share Register

Computershare Investor Services Pty Limited

Level 4
60 Carrington Street
Sydney NSW 2000

Telephone: +61 3 9415 4000 or
1300 850 505
(for Australian shareholders)

Annual report

To request a copy of the Annual Report,
please call Computershare or email at
web.queries@computershare.com.au

Electronic versions of OFX's
Annual Report are available at
www.ofx.com/en-au/investors/

Australian Securities Exchange Listing

OFX





OFX

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

Online:
 www.investorvote.com.au

By Mail:
 Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

In Person:
Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford, Victoria 3067

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Voting Form



Vote and view the annual report online

Go to www.investorvote.com.au or scan the QR Code with your mobile device.
Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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



**For your vote to be effective it must be received by
2:00pm on Monday, 31 July 2017**

How to Vote on Items of Business

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

Vote Directly

Voting 100% of your holding: Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the 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.

Appoint a Proxy to Vote on Your Behalf

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 as they choose. 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.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
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 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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 their broker of any changes.



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I ND

Voting Form

Please mark to indicate your directions

STEP 1 Indicate How your Vote will be Cast *Select one option only*

XX

At the Annual General Meeting of OFX Group Limited to be held in Room III, Establishment Hotel, 252 George Street, Sydney on Wednesday, 2 August 2017 at 2:00pm (Sydney time) and at any adjournment or postponement of that meeting, I/We being member/s of OFX Group Limited direct the following:

1. Vote Directly

 Record my/our votes strictly in accordance with directions in Step 2.

PLEASE NOTE: A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

2. Appoint a Proxy to Vote on Your Behalf: I/We 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

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).

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 items 2 and 5 (except where I/ we have indicated a different voting intention below) even though items 2 and 5 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 items 2 and 5 by marking the appropriate box in step 2 below.

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
Item 2	To adopt the Remuneration Report for the year ended 31 March 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	To re-elect Mr Grant Murdoch as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	To elect Mr Steven Sargent as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	To approve the issue of shares and loan to Managing Director and CEO, Mr John Alexander Malcolm under the OFX Group Limited Executive Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

OFX

999999A

Computershare +



All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000
www.investorcentre.com/contact
www.computershare.com

OFXRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in OFX Group Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

OFX Group Limited

