

12 April 2024

Notification and Rectification of Breach of ASX Listing Rule 10.14

EQT Holdings Limited (ASX: **EQT**) (the **Company**) advises that it has inadvertently been issuing shares to its directors under a salary sacrifice share plan without obtaining security holder approval as required by ASX Listing Rule 10.14 during the period 2016 to 2024.

EQT has an employee salary sacrifice share plan (the **Plan**) which employees and directors can participate in, allowing individuals to voluntarily sacrifice up to \$5,000 of their annual salary or directors' fees to purchase shares in EQT. The shares are issued by EQT at market price (calculated using five-day VWAP of the relevant quarter). The Managing Director and some, but not all, of the directors have elected to participate in the Plan. The Plan is designed to align the interests of shareholders and directors and employees.

ASX Listing Rule 10.14 requires security holders to approve all grants of shares to directors of a listed company. ASX Listing Rule 10.16 provides an exception to the requirement, where shares are purchased on-market. EQT misinterpreted this exception and believed that shares issued at market price were exempt. The Company has learned that its interpretation was incorrect, and it has been in breach of Listing Rule 10.14.

EQT acknowledges the error and apologises for the breach. Following consultation with ASX, EQT is taking the following remedial actions:

1. EQT issue this ASX announcement.
2. EQT will attempt to contact former directors and request that they dispose of the securities issued in accordance with the Plan and donate to a charitable entity of their choosing the amount representing the profit (after CGT) that accrued to the former director from the disposal of those securities. We will disclose the attempts that EQT has made to contact the relevant persons to remedy the breach, and the outcome of those discussions.
3. The Managing Director will sell a number of EQT shares equal to the total number of EQT shares held by current directors, being approximately 4,921 shares (purchased at an average price of \$24.83) and will donate to a charitable entity of his choosing the amount representing the profit (after CGT) that would have accrued to each current director had that director sold their shares at the relevant sale price, being in the order of \$14,200 (based on an estimated sale price of \$28.61 (being the closing share price on 10 April 2024).
4. EQT is currently conducting a review of the Company's policies for ensuring compliance with the ASX Listing Rules, to ensure an error, such as the Breach, is not made again.
5. Further, Management has since undertaken a thorough review of its internal processes and implemented a revised set of controls and procedures to ensure that future issues of securities are in accordance with the ASX Listing Rules. Management has also made a commitment to regularly evaluate in-house practices as part of an ongoing review to maintain focus on corporate governance.

EQT reassures its security holders that the breach was inadvertent. EQT has been transparent in its disclosure of the shares issued under the Plan, by including details of them in its Annual Reports, and lodging Appendices 3Y – Change of Directors Interest Notices and Appendices 2A – Application for Quotation of Securities (and previously, Appendices 3B). All shares were issued at market price and no director gained any financial advantage. The issue of shares to directors represents approximately 0.035% of EQT's current total issued capital (on a fully diluted basis). EQT has also obtained security holder approval for all the Managing Director's annual long term incentive grants.



The Managing Director is proposing to re-purchase 4,921 shares following the sale referred to above, in order to maintain his current shareholding level and the alignment of his interests with the interests of shareholders.

The Board has authorised that this document be given to the ASX.

FURTHER INFORMATION

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