

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Eighteenth Annual General Meeting of Heritage Brands Ltd (ACN 081 149 635) (**Company**) is to be held at 30 Bando Road, Springvale, Victoria, 3171 on Thursday, 4 December 2025 at 10:00 am (AEDT).

Pursuant to rule 15.5 (a) of the constitution of the Company (**Constitution**), the meeting will also be held by a Microsoft Teams teleconference for shareholders unable or unwilling to attend in person.

Shareholders wishing to attend the meeting by Microsoft Teams teleconference should register in advance for this meeting at:

<https://heritagebrands.com.au/agm-registration/> After registering, you will receive a confirmation email containing information about joining the meeting.

The Microsoft Teams teleconference will be open from 9:30 am (AEDT) on Thursday, 4 December 2025 but the meeting will not commence until 10:00 am (AEDT).

The business to be considered at the meeting is set out below. This Notice of Annual General Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following items of business. A Proxy Form also accompanies this Notice of Annual General Meeting.

ORDINARY BUSINESS

1. ANNUAL REPORT

To receive and consider the annual financial report and the reports of the directors and of the auditor for the financial year ended 31 July 2025.

Note: There is no requirement for shareholders to approve these reports.

2. ADOPTION OF REMUNERATION REPORT

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

That the remuneration report for the financial year ended 31 July 2025 (**Remuneration Report**) is adopted.

Note: Pursuant to section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**) the vote on this Resolution is advisory only and does not bind the directors or the Company (each a "**Director**" and together the "**Directors**").

Voting exclusion: A voting exclusion applies to this item. Please see the Voting Exclusion Statements in the Important Information below.

SPECIAL BUSINESS

3. ELECTION OF DIRECTOR

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

To re-elect as a Director, Mr William McCartney, who ceases to hold office in accordance with Rule 20.2 of the Constitution and, being eligible, offers himself for re-election.

4. SPILL RESOLUTION (CONDITIONAL ITEM)

Important note: The following resolution will only be put to the meeting if at least 25% of the votes validly cast on Resolution 2 (Adoption of Remuneration Report) are cast against that Resolution.

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

That, subject to and conditional on at least 25 per cent of the votes validly cast on Resolution 2 (Adoption of Remuneration Report) being cast against the adoption of the Remuneration Report:

- (a) a general meeting of the Company (**Spill Meeting**) be held within 90 days after the passing of this Resolution;
- (b) all of the Directors who were in office when the Resolution to adopt the Remuneration Report was tabled for voting (other than the Managing Director) and who remain in office at the time of the Spill Meeting, will cease to hold office immediately prior to the end of the Spill Meeting; and
- (c) Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.

Voting exclusion: A voting exclusion applies to this item. Please see the Voting Exclusion Statements in the Important Information below.

5. GRANT OF SECURITY INTEREST

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

That, for the purposes of the National Stock Exchange of Australia (**NSX**) Listing Rule 6.43, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to grant a security interest over the assets and undertaking of the Company and its subsidiaries in favour of Metro Cafe Sydney (No. 1) Pty Ltd (**Metro Cafe**) (or its nominee) on the terms set out in the Explanatory Memorandum.

Voting exclusion: A voting exclusion applies to this item. Please see the Voting Exclusion Statements in the Important Information below.

IMPORTANT INFORMATION

Entitlement to vote

Pursuant to Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Annual General Meeting, all Shares will be taken to be held by the persons who held them as registered shareholders at 7.00pm (AEDT) on Tuesday 2 December 2025. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Proxies

A shareholder entitled to attend and vote is entitled to appoint a proxy. A proxy need not be a shareholder. A shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Details for completion and lodgement of proxies are on the reverse side of the proxy form. A proxy form must be received by the Company's share registry, Boardroom Pty Limited by 10.00 am (AEDT) on Tuesday 2 December 2025. Proxies may be lodged online at:

<https://www.votingonline.com.au/hbaagm2025>

mailed to Boardroom Pty Ltd at GPO Box 3993 Sydney NSW 2001, hand delivered to Boardroom Pty Ltd Level 8, 210 George Street, Sydney NSW 2000 or sent by facsimile to +61 2 9290 9655.

Voting Exclusion Statements

Resolution 2 (Adoption of Remuneration Report): The Company will disregard any votes cast on the proposed resolution in Resolution 2:

- by or on behalf of a member of the Company's key management personnel (including the Directors) named in the Remuneration Report or their 'closely related parties' as defined in the Corporations Act (which includes spouses, dependants and companies they control), regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the Company's key management personnel at the date of the meeting or their closely related parties, unless the vote is cast as a proxy on behalf of a person entitled to vote on Resolution 2:
 - in accordance with a voting direction specified on the proxy form; or
 - where there is no specified voting direction, by the Chairman of the meeting pursuant to an express authorisation to vote as the proxy decides, even though Resolution 2 is connected with the remuneration of the key management personnel.

Resolution 4 (Spill Resolution) – Conditional Item: The Company will disregard any votes cast on the proposed resolution in Resolution 4:

- by or on behalf of a member of the Company's key management personnel (including the Directors) named in the Remuneration Report or their 'closely related parties' as defined in the Corporations Act (which includes

spouses, dependants and companies they control), regardless of the capacity in which the vote is cast; or

- as a proxy by a member of the Company's key management personnel at the date of the meeting or their closely related parties, unless the vote is cast as a proxy on behalf of a person entitled to vote on Resolution 4:
 - in accordance with a voting direction specified on the proxy form; or
 - where there is no specified voting direction, by the Chairman of the meeting pursuant to an express authorisation to vote as the proxy decides, even though Resolution 4 is connected with the remuneration of the key management personnel.

Resolution 5 (Grant of Security Interest): The Company will disregard any votes cast on the proposed resolution in Resolution 5:

- by or on behalf of Metro Cafe or any person who will obtain a material benefit as a result of the transaction (including Mr William McCartney) (except a benefit solely by reason of being a holder of shares in the Company) or an associate of that person, or those persons, regardless of the capacity in which the vote is cast; or
- as a proxy by Metro Cafe, unless the vote is cast as a proxy on behalf of a person entitled to vote on Resolution 5:
 - in accordance with a voting direction specified on the proxy form; or
 - where there is no specified voting direction, by the Chairman of the meeting pursuant to an express authorisation to vote as the proxy decides.

BY ORDER OF THE BOARD

Mr Stephen Mason
Company Secretary

Dated: 30th October 2025

EXPLANATORY MEMORANDUM

1. Financial Statements and Reports

The Corporations Act requires that the financial report (which includes the financial statements and directors' declaration), the Directors' Report and the Auditor's Report be laid before the Annual General Meeting. There is no requirement however for shareholders to approve the reports.

2. Adoption of Remuneration Report

a) Background

The Remuneration Report is contained in the annual financial report and the reports of the Directors and of the auditor for the financial year ended 31 July 2025 which is available on the website at www.heritagebrands.com.au.

The Remuneration Report sets out the policy for the remuneration of the Directors and specified executives of the Company.

Section 250R(2) of the Corporations Act requires that the Company puts to a shareholder vote a resolution that the Remuneration Report be adopted. The vote is advisory only and does not bind the Board or the Company, although the Board takes the outcome of the vote in consideration in determining future remuneration policy.

This year, the advisory resolution has particular importance because of the failure of the corresponding resolution put to shareholders in the Annual General Meeting for the financial year ended 31 July 2024 (**2024 AGM**) to receive the necessary 75 per cent approval of shareholders, known as a "first strike". Under the "two strikes" rule applying to remuneration reporting, if the resolution proposed for this Annual General Meeting also fails to achieve at least 75 per cent approval from shareholders, an additional resolution will be put to the Annual General Meeting for a "spill" of the Board at a subsequent general meeting. The "two strikes" rule is explained in more detail in the Explanatory Notes to Resolution 4.

In considering the response to the "first strike" at the 2024 AGM, the Board, with the assistance of the Remuneration Committee, have engaged with and listened to the concerns of shareholders and their advisors. We have therefore made changes to the Company's remuneration structure to better align with NSX market practice and shareholder expectations. Full details of the changes to the remuneration structure, processes and policies are set out in the Remuneration Report.

The Chair will give shareholders a reasonable opportunity to ask questions about, or comment upon, the Remuneration Report.

Shareholders should note that whilst the vote on this Resolution is advisory only, if 25 per cent or more of those votes cast on this Resolution are against adopting the Remuneration Report, a vote on Resolution 4 (Spill Resolution) will be required to be put to the meeting.

The operation and consequences of a spill resolution are set out under Resolution 4 (Spill Resolution) of this Explanatory Memorandum.

b) Recommendation

The Directors unanimously recommend that the shareholders vote in favour of this advisory resolution to adopt the Remuneration Report.

3. Election of Director

a) Background

As required by the Constitution, Mr William McCartney retires by rotation, and offers himself for re-election. The experience and qualifications Mr William McCartney are briefly summarised below.

Mr William McCartney - Non-Executive Director

Mr William McCartney has over 50 years' experience in the cosmetics, fragrance, toiletry, food and flavour industries in Australia, China, South East Asia and Europe.

He is a former CEO and an experienced investor.

To support the financial position of the Company, Mr William McCartney:

- waived his directors' fee for the financial year ended 31 July 2025;
- subordinated the secured loan agreement between Rawlo International Pty Ltd (**Rawlo**), an entity controlled by Mr William McCartney, and the Company to allow the Company to grant National Australia Bank Limited a first ranking security interest over the assets and an undertaking of the Company and its subsidiaries;
- amended the interest rate on the \$1,750,000 secured loan between Rawlo and the Company from 14% per annum to 5% per annum with effect from 1 August 2023; and
- amended the interest rate on the \$1,000,000 unsecured loan from 10% per annum to 5% per annum with effect from 1 August 2023.

Rawlo is controlled by Mr William McCartney and is the largest shareholder by number of ordinary shares at the date of this Notice of Annual General Meeting.

b) Recommendation

The Directors unanimously recommend the re-election of Mr William McCartney. Mr William McCartney did not participate in the deliberations of the Directors with respect to the recommendation for his re-election or election. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

4. Conditional Spill Resolution

a) Background

The Corporations Act includes a 'two-strike' rule in relation to remuneration reports. The two-strike rule provides that if at least 25 per cent of the votes cast on the resolution to adopt the remuneration report at two consecutive annual general meetings are against adopting the remuneration report,

shareholders will have the opportunity to vote on a spill resolution (described below) at the second annual general meeting.

At the 2024 AGM, at least 25 per cent of the votes cast on the resolution to adopt the remuneration report were against adopting the report (the first strike).

If more than 75 per cent of the votes cast on Resolution 2 (Adoption of Remuneration Report) are in favour of adopting the Remuneration Report, then there will be no second strike and the spill resolution will not be put to the meeting.

Accordingly, if at least 25 per cent of the votes cast on Resolution 2 (Adoption of Remuneration Report) at the Annual General Meeting are against adopting the Remuneration Report, this will constitute a second strike and this Resolution will be put to the meeting and voted on as required by section 250V of the Corporations Act (**the Spill Resolution**).

If the Spill Resolution is put to the meeting, it will be considered as an ordinary resolution, which means that, to be passed, the Spill Resolution requires the approval of at least 50 per cent of the votes cast by or on behalf of shareholders entitled to vote on the Spill Resolution.

If the Spill Resolution is passed, then the Company will be required to hold a further general meeting (**Spill Meeting**) within 90 days after the Annual General Meeting.

In that event, the following Directors who were in office when the Board approved the Remuneration Report and who remain in office at the time of the Spill Meeting will automatically cease to hold office, unless they are re-elected at the Spill Meeting:

- Mr Maxim Krok
- Mr Stephen Mason
- Mr William McCartney,

(together referred to as “**the Relevant Directors**”).

Even if Mr William McCartney is re-elected at the Annual General Meeting, he will need to be confirmed at the Spill Meeting to remain in office.

The Company’s managing director, Mr Jim Filis, would not be required to stand for election as a Director at the Spill Meeting and would continue to hold office.

The Spill Meeting would consider the election or re-election of Directors and each of the Relevant Directors would be eligible to seek re-election.

The Board recommends that shareholders consider the following factors when making a decision on how to vote on any Spill Resolution put to the meeting for the following reasons:

- as detailed in the Explanatory Memorandum to Resolution 2, in considering the response to the “first strike” at the 2024 AGM, the Board, with the assistance of the Remuneration Committee have:
 - (i) conducted a comprehensive review of the remuneration framework, in consultation with external stakeholders;

- (ii) engaged with and listened to the concerns of shareholders and their advisors; and
- (iii) implemented new processes to support the Board in reviewing performance and determining remuneration outcomes.

Full details of the range of changes to the remuneration structure, processes and policies are set out in the Remuneration Report.

- the Company believes that the current Board has the appropriate skills and experience and remains best placed to receive shareholder feedback, act to address concerns and provide oversight to deliver the desired results for shareholders;
- the substantial additional expense which holding a Spill Meeting would cause; and
- the disruption to the Company which would be caused by changes to the Board composition.

b) Recommendation

The Directors unanimously recommend that the shareholders vote against this conditional Resolution.

5. Grant of Security Interest

a) Background

On or around 25 May 2023 the Company entered into a loan facility agreement with Metro Cafe (**2023 Loan Agreement**) which was amended by agreement between Metro Cafe and the Company.

At the date of this Notice of Annual General Meeting, the material terms of the 2023 Loan Agreement (as amended) are as follows:

- a facility limit of \$1 million which was drawn down by the Company on 6 March 2023;
- the permitted purpose of the loan is for the working capital of the Company and its subsidiaries;
- the loan is unsecured;
- the interest rate of the loan was initially 10% per annum (with a default rate of 13% per annum) and was amended to 5% per annum with effect from 1 August 2023 which Metro Cafe may capitalise monthly;
- a repayment date of 1 August 2026;
- the Company may repay the outstanding loan to Metro Cafe at any time prior to the repayment date; and
- the Company must pay Metro Cafe's costs and expenses in relation to the negotiation, preparation, execution and stamping of the 2023 Loan Agreement or the occurrence of an event of default or potential event of default.

On or around 30 June 2025 the Company entered into a further loan facility agreement with Metro Cafe (**2025 Loan Agreement**).

The material terms of the 2025 Loan Agreement are as follows:

- a facility limit of \$1 million which was drawn down by the Company on 15 July 2025;

- the permitted purpose of the loan is for the working capital of the Company and its subsidiaries;
- the loan is unsecured;
- the interest rate of the loan is 10% per annum (with a default rate of 13% per annum) which Metro Cafe may capitalise monthly;
- a repayment date of 30 June 2026 which may be extended for a further period of up to one (1) year as notified in writing by Metro Cafe to the Company;
- the Company may repay the outstanding loan to Metro Cafe at any time prior to the repayment date; and
- the Company must pay Metro Cafe's costs and expenses in relation to the negotiation, preparation, execution and stamping of the 2025 Loan Agreement or the occurrence of an event of default or potential event of default.

In consideration of extending the repayment date of the 2023 Loan Agreement and entering into and advancing further funds to the Company pursuant to the 2025 Loan Agreement and subject to and conditional upon shareholder approval in relation to Resolution 5, it is intended that the 2023 Loan Agreement and 2025 Loan Agreement shall be amended so that the principal amounts of the 2023 Loan Agreement and the 2025 Loan Agreement are secured by granting Metro Cafe a security interest over the assets and the undertaking of the Company and its subsidiaries (**Security Interest**). The Security Interest would rank behind the existing security interests granted by the Company at the date of the variation. Metro Cafe has agreed to provide the Company a further loan of \$825,000 (**Additional Loan**) for a 12 month period at an interest rate of 10% per annum subject to the approval of National Australia Bank Limited and shareholder approval in relation to this Resolution 5. The Additional Loan is required due to the breach of the financial covenants of the senior lending facility with National Australia Bank Limited during the financial year ended 31 July 2025.

NSX deems the granting of a security interest over the assets and undertaking of an entity to be a “disposal” of a substantial asset for the purposes of NSX Listing Rule 6.43, and as outlined below, shareholder approval is required for an entity to dispose of a substantial asset to certain persons in a position to influence the entity. Metro Cafe is a related party of the Company by virtue of being controlled by Mr William McCartney, a director of the Company.

Subject to and conditional upon shareholder approval in relation to Resolution 5, the Company intends to enter into a general security deed (**General Security Deed**) pursuant to which the Security Interest in favour of Metro Cafe is granted. It is intended that the Security Interest will secure the Company's obligations to pay amounts to Metro Cafe under the 2023 Loan Agreement, the 2025 Loan Agreement and the Additional Loan.

The key terms of the General Security Deed are as follows:

Grant of Security Interest

The Company and its subsidiaries grant a security interest to Metro Cafe in all their present and after acquired property, including:

- their assets and undertakings;

- anything in respect of which the Company or its subsidiaries have a sufficient right or interest to grant a security interest under the *Personal Properties Securities Act 2009* (Cth) or any other law; and
- anything else in which the Company or its subsidiaries has a sufficient right to be able to grant a security interest.

Priority

The Security Interest will rank behind any registered security interests that pre-date the general security deed and those mandatorily preferred by law.

Discharge

At the Company's written request, Metro Cafe must discharge the Security Interest created under the General Security Deed if the secured money has been paid in full under the Loan Agreement.

NSX Listing Rule 6.43

NSX Listing Rule 6.43 provides that an entity (or any of its subsidiaries) must not acquire a "substantial asset" from, or dispose of a substantial asset to any of the following persons without the approval of the entity's shareholders:

- (i) a related party;
- (ii) subsidiary;
- (iii) a person with voting power of at least 10% of the voting securities of the entity;
- (iv) an associate of a person referred to in paragraphs (i) to (iv) above; or
- (v) a person nominated by the NSX.

Mr William McCartney is a related party of the Company by virtue of being a director of the Company.

Mr William McCartney is also the controller of Metro Cafe. As such, Mr William McCartney and Metro Cafe are deemed to be associates of one another and by extension Mr William McCartney is a person with voting power of at least 10% of the voting securities of the Company, as a result of the operation of section 608(3)(b) of the Corporations Act and falls within the list of persons specified in NSX Listing Rule 6.43 (and in particular under paragraphs (iii) and (iv) above).

Although the Company and its subsidiaries have not entered into any agreement to dispose of any of their assets pursuant to the 2023 Loan Agreement, the 2025 Loan Agreement, the Additional Loan or the General Security Deed, the NSX considers, for the purposes of the NSX Listing Rules, that the grant of a security over the Company's assets amounts to a 'disposal' of its assets, and shareholder approval in accordance with NSX Listing Rule 6.43 is required to enter into the General Security Deed.

If Resolution 5 is not passed, the Security Interest will not be granted to Metro Cafe.

If Resolution 5 is passed, it is intended that the 2023 Loan Agreement and 2025 Loan Agreement will be amended to grant Metro Cafe the Security Interest and Metro Cafe and the Company will enter into the General Security Deed substantially on the terms disclosed in this Notice.

For a public company to give a financial benefit to a related party, the public company must:

- (i) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (ii) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that shareholder approval is not needed under the Corporations Act to give a financial benefit of on terms that:

- (i) would be reasonable in the circumstances if the public company and the related party were dealing at arm's length; or
- (ii) are less favourable to the related party than the terms referred to in the preceding paragraph.

The Directors consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the terms offered in relation to the 2023 Loan Agreement, the 2025 Loan Agreement, the Additional Loan and the General Security Deed are less favourable to Metro Cafe than arm's length terms and therefore are on better than arm's length terms for the Company.

b) Recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 5. Mr William McCartney did not participate in the deliberations of the Directors with respect to this recommendation. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 5.