

Regional Express Holdings Limited

Annual General Meeting 2020



Board of Directors



Lim Kim Hai
Executive Chairman



Chris Hine
Executive Director,
Chairman, AAPA



James Davis
Independent Director



Neville Howell
Executive Director &
Chief Operating Officer



Lee Thian Soo
Non-Executive Director



Prof. Ronald Bartsch AM
Independent Director



Agenda

- Chairman's Address
- Formal Business of the Meeting





Chairman's Address



Voting Procedures & Proxies



Proxy Summary

Resolution	For	Open	For + Open*	Against
1	19,104,546 52.85%	16,283,123 45.04%	35,387,669 97.89%	763,665 2.11%
2	38,244,051 52.77%	33,503,229 46.23%	71,747,280 99.00%	719,806 1.00%
3	38,268,129 52.80%	33,502,748 46.23%	71,770,877 99.03%	701,832 0.97%
4	38,267,220 52.80%	33,505,536 46.23%	71,772,756 99.03%	701,832 0.97%
5	38,977,537 53.76%	33,501,536 46.21%	72,479,073 99.97%	19,849 0.03%
6	38,986,623 53.76%	33,508,110 46.21%	72,494,733 99.97%	19,879 0.03%
7	38,934,818 53.70%	33,502,578 46.20%	72,437,396 99.90%	73,049 0.10%

Resolution	For	Open	For + Open*	Against
8	37,944,217 52.43%	33,505,620 46.29%	71,449,837 98.72%	924,887 1.28%
9	38,005,469 52.44%	33,501,464 46.22%	71,506,933 98.66%	968,609 1.34%
10	37,966,007 52.42%	33,500,477 46.25%	71,466,484 98.67%	963,808 1.33%
11	38,004,951 52.44%	33,502,464 46.23%	71,507,415 98.67%	964,243 1.33%
12	38,006,467 52.44%	33,501,464 46.23%	71,507,931 98.67%	963,727 1.33%
13	38,004,776 52.45%	33,501,464 46.23%	71,506,240 98.68%	958,418 1.32%

*Open votes are left to the discretion of the chair who intends to vote For the resolution.



Resolution 1 – Adoption of Remuneration Report

That the remuneration report, as set out in the Directors' Report for the Company and its controlled entities for the financial year ended 30 June 2020, be adopted.

For	Open	For + Open*	Against
52.85%	45.04%	97.89%	2.11%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 2 - Re-election of Neville Howell as an Executive Director

That Neville Howell, who retires as an Executive Director in accordance with Listing Rule 14.4 and article 20.1 of the Constitution, and being eligible for re-election under article 20.8 of the Constitution, be re-elected as an Executive Director of the Company.

For	Open	For + Open*	Against
52.77%	46.23%	99.00%	1.00%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 3 - Re-election of Christopher Hine as an Executive Director

That Christopher Hine, who retires as an Executive Director in accordance with Listing Rule 14.4 and article 20.1 of the Constitution, and being eligible for re-election under article 20.8 of the Constitution, is re-elected as an Executive Director of the Company.

For	Open	For + Open*	Against
52.80%	46.23%	99.03%	0.97%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 4 - Re-election of James Davis as an Independent Director

That James Davis, who retires as an Independent Director in accordance with Listing Rule 14.4 and article 20.1 of the Constitution, and being eligible for re-election under article 20.8 of the Constitution, be re-elected as an Independent Director of the Company.

For	Open	For + Open*	Against
52.80%	46.23%	99.03%	0.97%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 5 - Re-election of Professor Ronald Bartsch AM as an Independent Director

That Professor Ronald Bartsch AM, who retires as an Independent Director in accordance with Listing Rule 14.4 and article 20.1 of the Constitution, and being eligible for re-election under article 20.8 of the Constitution, be re-elected as an Independent Director of the Company.

For	Open	For + Open*	Against
53.76%	46.21%	99.97%	0.03%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 6 – Appointment of BDO Audit Pty Ltd as the Auditor of the Company

That for the purposes of section 327B of the Corporations Act, BDO Audit Pty Ltd, having been nominated and having consented in writing to act as auditor of the Company, be appointed as the auditor of the Company to fill the vacancy following the resignation of Deloitte Touche Tohmatsu as the auditor of the Company.

For	Open	For + Open*	Against
53.76%	46.21%	99.97%	0.03%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 7 – Approval of the Proposed Transaction

That for the purposes of item 7 of section 611 of the Corporations Act, Listing Rule 7.1 and for all other purposes, approval be given for the Proposed Transaction

For	Open	For + Open*	Against
53.70%	46.20%	99.90%	0.10%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 7 – Approval of the Proposed Transaction

including for:

- a) the Company to issue Convertible Notes, Warrants and Shares, on the terms and conditions set out in the Subscription Agreement (as summarised in the Explanatory Statement accompanying the Notice of Meeting),
 - i) the Company will issue to PAGAC Regulus Holding Pte. Ltd.(PAG) up to 150 million Convertible Notes having a total face value of \$150 million and a Conversion Price of \$1.50 per Share (subject to customary adjustments);
 - ii) if the Company elects not to draw down the full \$150 million (being the Undrawn Amount) by the Final Draw Date, then the Company will issue to PAG such number of Warrants having an Exercise Price of \$1.50 per Share (subject to customary adjustments) which would have an aggregate total Exercise Price equal to the Undrawn Amount; and



Resolution 7 – Approval of the Proposed Transaction

- a) (cont.) iii) upon the conversion of all or some of the Convertible Notes or exercise of some or all of those Warrants by PAG or a PAG Affiliate (as defined in the Explanatory Statement) to which Convertible Notes or Warrants may be transferred, the Company will issue such number of Shares determined in accordance with the terms of such Convertible Notes and Warrants (as applicable); and
- b) the resulting acquisition by PAG and any such PAG Affiliate of a relevant interest and voting power in respect of such Shares.



Resolution 8 – Adoption of the Management Incentive Scheme

That for the purposes of Listing Rule 7.2, exception 13 and for all other purposes, approval is given for the Company to adopt the Management Incentive Scheme and for the issue of Awards and Shares upon the vesting and exercise of Awards under the Management Incentive Scheme, on the terms and conditions summarised in the Explanatory Statement.

For	Open	For + Open*	Against
52.43%	46.29%	98.72%	1.28%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 13 – Approval of grant of Awards and Shares to The Honourable John Sharp AM under the Management incentive Scheme

That, subject to the passing of Resolution 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 1,600,000 Awards, and Shares upon the vesting and exercise of such Awards, to The Honourable John Sharp AM, subject to and in accordance with the terms and conditions of the Management Incentive Scheme

For	Open	For + Open*	Against
52.45%	46.23%	98.68%	1.32%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 9 – Approval of grant of Awards and Shares to Neville Howell under the Management Incentive Scheme

That, subject to the passing of Resolutions 2 and 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 1,100,000 Awards, and Shares upon the vesting and exercise of such Awards, to Neville Howell, subject to and in accordance with the terms and conditions of the Management Incentive Scheme.

For	Open	For + Open*	Against
52.44%	46.22%	98.66%	1.34%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 10 – Approval of grant of Awards and Shares to Christopher Hine under the Management Incentive Scheme

That, subject to the passing of Resolutions 3 and 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 500,000 Awards, and Shares upon the vesting and exercise of such Awards, to Christopher Hine, subject to and in accordance with the terms and conditions of the Management Incentive Scheme.

For	Open	For + Open*	Against
52.42%	46.25%	98.67%	1.33%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 11 – Approval of grant of Awards and Shares to James Davis under the Management Incentive Scheme

That, subject to the passing of Resolutions 4 and 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 500,000 Awards, and Shares upon the vesting and exercise of such Awards, to James Davis, subject to and in accordance with the terms and conditions of the Management Incentive Scheme.

For	Open	For + Open*	Against
52.44%	46.23%	98.67%	1.33%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



Resolution 12 – Approval of grant of Awards and Shares to Professor Ronald Bartsch AM under the Management Incentive Scheme

That, subject to the passing of Resolutions 5 and 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 500,000 Awards, and Shares upon the vesting and exercise of such Awards, to Professor Ronald Bartsch AM, subject to and in accordance with the terms and conditions of the Management Incentive Scheme

For	Open	For + Open*	Against
52.44%	46.23%	98.67%	1.33%

**Open votes are left to the discretion of the chair who intends to vote For the resolution.*



General Q & A



rex.

Our heart is in the country

Advance Questions

- *“just a comment, as a long time (and patient) shareholder, I congratulate you and the Board for finally bringing Rex to the forefront. Trish Barron” P.A Barron*



Advance Questions

- ➔ *“Rex to explore the possibility of services from Newcastle Airport to destinations, within and without Australia. Newcastle Airport is the major entry within the Hunter Valley and has ease of approach.” R.W. Lutton*



Advance Questions

- *“Consider operating a Melbourne - Launceston - Hobart - Christchurch - Auckland and return service with a Boeing 737 initially thrice weekly. Including conveyance of international passengers between LST-HBA-CHC-AKL and return.” P. McGoughlin*



Advance Questions

- *“Why was the Boeing 737-800 chosen rather than a more fuel-efficient, cheaper to run and easier to fill Airbus a220-300? Apart from the convenience of having 737's in the country.”
Dr. G.C. Alexopoulos*



Advance Questions

- *“According to reports, Virgin Australia has committed to taking delivery of approximately 25 Boeing 737-MAX's in 2023. Can the board of REX provide some insight to stakeholders on the lease arrangements of all current Boeings, and provide some level of assurance that 737-MAX's aren't part of REX's future plans?” Mustard Seed Equities Pty Ltd*



Advance Questions

- ➔ *“Is it possible for the board of REX to commit to more frequent shareholder/ASX updates including marketing, cashflow and sales activities? For example, when the first Boeing arrived at Sydney airport with the new REX livery, an announcement could have been made. Another example would be monthly or quarterly cashflow statements?” Mustard Seed Equities Pty Ltd*



Advance Questions

- *“Is the REX board willing to consider ticket discounts, lounge access or some sort of reward system for current shareholders?” Mustard Seed Equities Pty Ltd*



Advance Questions

→ *“Do you plan to update the website in order to make bookings extremely easy?” K. Hamann*



Advance Questions

- *“Is it the proposal of the larger shareholder to acquire the shares of minority shareholders within the next 5 years” Pacific Southwest Engineering*



Advance Questions

- *“The company has not demonstrated it can withstand a whole of fleet grounding. How does it propose to mitigate the impact of such future events?” Pacific Southwest Engineering*



Advance Questions

→ *“Get results before giving approval of grants” L. Coen*



Advance Questions

- *“Dividends, if we get them? Is the company big enough yet? Can I, if so, get them back into my shares again?” J. Fietz*



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