Nanosonics Limited
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14 October 2022

Dear Shareholder,

2022 Annual General Meeting

On behalf of the Board of Directors of Nanosonics Limited (**Nanosonics** or the **Company**), I have pleasure in providing notice of the Company's Annual General Meeting (**AGM** or the **Meeting**) to be held on Friday, 18 November 2022, commencing at 11am (AEDT).

Nanosonics is committed to the health and safety of our shareholders and employees. Whilst some shareholders will be able to attend the AGM in person at the Four Seasons Hotel, 199 George Street, Sydney, to minimize health risks, shareholders are encouraged to participate online.

We ask that you do not attend the AGM if you feel unwell or have been in contact with someone who may have been affected by COVID-19.

Nanosonics will continue to monitor the potential health risks associated with large gatherings and the COVID-19 pandemic and may be required to make alternative arrangements for the AGM. In that event, information will be provided via the ASX. Please note, in line with these precautions, catering will be limited to light refreshments this year.

Accordingly, we have adopted measures to allow shareholders to participate in the AGM online this year. Specifically, the AGM will be made accessible to shareholders via a live webcast as well as an online platform which will include the facility for shareholders to ask questions in relation to the business of the meeting and to vote in real time at the meeting. These processes are set out in the Notice of Meeting.

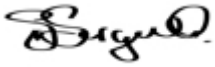
The Directors of Nanosonics encourage shareholders to participate in the meeting via the online platform. Whilst shareholders will be able to vote online during the meeting, shareholders are encouraged to lodge a proxy ahead of the meeting, even if they are participating online. If you are unable to attend the meeting, I invite you to appoint a proxy to attend and vote on your behalf, online using the Share Registry's website at www.investorvote.com.au.

The Explanatory Memorandum accompanying this Notice of Meeting is part of this Notice of Meeting and provides additional information on matters to be considered at the AGM.

You are welcome to submit questions you may have for the Company and its Auditor in advance of the Meeting. A form for this purpose is available on www.investorvote.com.au and should be made available to the Company on or before Wednesday, 16 November 2022 at the address provided at the end of the form.

The Nanosonics 2022 Annual Report and subsequent Company announcements are available from the Investor Centre on the Nanosonics website at www.nanosonics.com.au or may be requested from the Company Secretary. Shareholders who have elected to receive a printed copy of the Annual Report should have received it in the post. Shareholders who have elected to receive Share Registry communications electronically should have already received an email with a link to the Annual Report.

Yours sincerely,
Nanosonics Limited



Steve Sargent
Non-Executive Chairman

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

The 2022 Annual General Meeting (**AGM** or the **Meeting**) of shareholders of Nanosonics Limited (**Nanosonics** or the **Company**) will be held on Friday, 18 November 2022 commencing at 11:00am (AEDT) via online webcast, the details for which are set out below.

The business to be considered at the Meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Notes. A Proxy Form also accompanies this Notice of Meeting.

ATTENDING THE MEETING ONLINE

If you choose to participate online on the day of the meeting you must use the Computershare Meeting Platform to attend and participate in the meeting.

To participate in the meeting, you can log in by entering the following URL https://meetnow.global/MN4WZNM on your computer, tablet or smartphone.

Online registration will open 30 minutes before the meeting at 10:30am on 18 November 2022. To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxy holders will need to contact Computershare prior to the meeting to obtain their unique email invitation link.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxy holders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their unique email invitation link.
3. Enter your postcode registered to your holding if you are an Australian Shareholder. If you are an overseas Shareholder select the country of your registered holding from the drop-down list.
4. Accept the Terms and Conditions and 'Click Continue'.

You can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

Please read the "Online Meeting User Guide" at www.computershare.com.au/virtualmeetingguide for further instructions on how to participate online. We recommend that you read this guide carefully before the AGM to ensure your technology is ready (for example to ensure that your internet browser is compatible with the online portal).

BUSINESS OF AGM

2022 Reports

To receive and consider the Company's Reports of the Directors and Auditor, and the Financial Report for the year ended 30 June 2022.

Ordinary Resolutions

Resolution 1 – Re-election of a Director Ms Marie McDonald

To consider and, if thought fit, to pass the following ordinary Resolution:

That Ms Marie McDonald, who retires by rotation as a Director pursuant to the Company's Constitution and, being eligible, offers herself for re-election, be re-elected as a Director.

Resolution 2 – Remuneration Report
To consider and, if thought fit, to pass the following non-binding Resolution:
That the Remuneration Report for the financial year ended 30 June 2022 be adopted.

Resolution 3 – Issue of 21,871 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Short Term Incentive (2022 STI)
To consider and, if thought fit, to pass the following ordinary Resolution:
That approval be given for all purposes under the Corporations Act 2001 (Cth) and the ASX Listing Rule 10.14 for the issue of 21,871 Service Rights to Mr Michael Kavanagh under the Nanosonics Omnibus Equity Plan (Omnibus Plan) in respect of the 2022 STI, on the terms set out in the Explanatory Notes accompanying this Notice of Meeting and in accordance with the Rules of the Omnibus Plan (as amended from time-to-time).

Resolution 4 – Issue of 283,930 Share Appreciation Rights and 231,914 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Long-Term Incentive (2022 LTI)
To consider and, if thought fit, to pass the following ordinary Resolution:
That approval be given for all purposes under the Corporations Act 2001 (Cth) and the ASX Listing Rule 10.14 for the issue of 283,930 Share Appreciation Rights and 231,914 Performance Rights to Mr Michael Kavanagh under the Omnibus Plan in respect of the 2022 LTI, on the terms set out in the Explanatory Notes accompanying this Notice of Meeting and in accordance with the Rules of the Omnibus Plan (as amended from time-to-time).

Resolution 5 – Issue of securities under the Nanosonics Omnibus Equity Plan
To consider and, if thought fit, to pass the following ordinary Resolution:
*That, for the purposes of ASX Listing Rule 7.2, Exception 13, and for all other purposes, approval be given for the issue of securities under the Nanosonics Omnibus Equity Plan (**Omnibus Plan**) on the terms described in the Explanatory Notes accompanying this Notice of Meeting.*

Resolution 6 – Issue of securities under the Nanosonics Global Employee Share Plan
To consider and, if thought fit, to pass the following ordinary Resolution:
*That, for the purposes of ASX Listing Rule 7.2, Exception 13 and for all other purposes, approval be given for the issue of securities under the Nanosonics Global Employee Share Plan (**Global Plan**) on the terms described in the Explanatory Notes accompanying this Notice of Meeting.*

Resolution 7 – Increase in maximum aggregate Non-Executive Directors' Remuneration
To consider and, if thought fit, to pass the following ordinary Resolution:
That for the purposes of Clause 22.1 of the Company's Constitution and ASX Listing Rule 10.17, the maximum aggregate remuneration payable to Non-Executive Directors in any financial year be increased by $200,000 from $1,000,000 to $1,200,000.

VOTING EXCLUSION STATEMENTS

In respect of **Resolution 2** (Adoption of Remuneration Report), no vote may be cast (in any capacity) by or on behalf of a person who is a member of key management personnel (**KMP**) whose remuneration details are included in the Remuneration Report, or a closely related party of such a person, unless the vote is cast as proxy on behalf of a person entitled to vote and is cast either:

- in accordance with a direction on the proxy form; or

- by the person chairing the Meeting as proxy for a person who is entitled to vote and the proxy appointment expressly authorises the chair to exercise the proxy, even if the resolution is connected directly or indirectly with the remuneration of KMP.

KMP of the Company are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The KMP during the financial year to 30 June 2022 are identified in the Remuneration Report contained in the Directors' Report for the year ended 30 June 2022.

Closely-related parties are defined in the *Corporations Act 2001* (Cth), and include certain family members, dependents and companies the KMP control.

In respect of **Resolutions 3** (Issue of Service Rights to Mr Kavanagh) and **4** (Issue of Share Appreciation Rights and Performance Rights to Mr Kavanagh), the Company will disregard any votes cast by a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive plan in question, in this case being Mr Kavanagh and his associates.

In respect of **Resolutions 5** (Issue of securities under Nanosonics Omnibus Equity Plan) and **6** (Issue of securities under Nanosonics Global Employee Share Plan), the Company will disregard any votes cast on those resolutions by a person who is eligible to participate in the employee incentive scheme in question or any of their associates.

In respect of **Resolution 7** (Increase in Non-Executive Directors Remuneration), the Company will disregard any votes cast by any Director of the Company or any of their associates.

However, the Company need not disregard any vote in respect of Resolutions 3 to 7 if it is cast by:

- A person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;
- The person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
    - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

QUORUM

The Company's Constitution provides that two Company shareholders present personally, or by representative, attorney or proxy, shall be a quorum for a general meeting of the Company.

GENERAL BUSINESS

Any other business brought forward in accordance with the Company's Constitution will be considered, as appropriate.

Further information in relation to each of these Resolutions is set out in the Explanatory Notes.

VOTING ENTITLEMENTS

For the purpose of the *Corporations Act 2001* (Cth), the Company has determined that the holders of the Company's ordinary shares for the purpose of the 2022 AGM will be the holders registered as at 11:00 am (AEDT) on Wednesday, 16 November 2022. Shareholders so registered are entitled to attend and vote at the AGM (and at any adjournment of the Meeting that takes place within 28 days).

PROXIES

Proxies must be deposited, transmitted or lodged electronically at least 48 hours prior to the Meeting (or adjourned meeting).

Electronic proxies must be registered by 11:00am (AEDT) on Wednesday, 16 November 2022 using the website maintained by the Company's Share Registry at www.investorvote.com.au or, by Intermediary Online subscribers only, at https://www.intermediaryonline.com.

A completed Proxy Form, or a copy or facsimile that appears on its face to be an authentic copy of the Proxy Form (and the Power of Attorney or other authority under which the Proxy Form is signed), must be deposited at, or sent by facsimile transmission to, the Company's Share Registry:

By mail:	Computershare Investor Services Pty Limited GPO Box 242, Melbourne VIC 3001 Australia
By facsimile:	1800 783 447 (within Australia) +61 (3) 9473 2555 (outside Australia)

To lodge a proxy online, the holder identification number (HIN) or security holder reference number (SRN) is required. The HIN or SRN appears at the top of the Proxy Form attached.

A shareholder entitled to attend and vote at the Company's AGM is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights that each proxy is entitled to exercise. If the proxy appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. Unless executed under a Power of Attorney, a Proxy Form by a corporation should be executed in accordance with section 127(1) of the *Corporations Act 2001* (Cth).

RESOLUTIONS

In accordance with the *Corporations Act 2001* (Cth) and the Company's Constitution, in order for each of Resolutions 1-7 to be effective, it must be passed as an ordinary Resolution (albeit Resolution 2 is non-binding). This means that each ordinary Resolution must be passed by more than 50% of the votes cast by shareholders who are entitled to vote on the Resolution.

Dated in Sydney this 14th day of October 2022

BY ORDER OF THE BOARD

McGregor Grant
Company Secretary

EXPLANATORY NOTES

These Explanatory Notes are an explanation of, and contain information about, the Resolutions to be considered at the Nanosonics Limited (**Nanosonics** or the **Company**) Annual General Meeting (**AGM** or the **Meeting**) to be held on Friday, 18 November 2022 and are to assist shareholders to determine how they wish to vote on the Resolutions. It forms part of the accompanying Notice of AGM and should be read in conjunction with it.

Item of Business – 2022 Reports

This item of business relates to the consideration of the Company's Financial Report, including the Directors' and Auditor's Reports, for the year ended 30 June 2022, and gives the shareholders the opportunity to ask questions or make comments concerning these Reports during the Meeting. A copy of the 2022 Annual Report is available on the Company's website at https://www.nanosonics.com.au/ in the Investor Centre section or may be requested from the Company Secretary. There is no requirement for a formal resolution on this item.

Resolution 1 – Re-election of a Director – Ms Marie McDonald

Ms Marie McDonald was appointed as a Non-Executive Director of Nanosonics in October 2016. She is considered to be an Independent Director. Ms McDonald brings to Nanosonics a strong background in corporate and commercial law, having practised for many years as a partner at Ashurst. Ms McDonald was Chair of the Corporations Committee of the Business Law Section of the Law Council of Australia (2012 to 2013) and was a member of the Australian Takeovers Panel from 2001 to 2010. Ms McDonald is a current Non-Executive Director of CSL Limited, Nufarm Limited, the Walter and Eliza Hall Institute of Medical Research and a member of the Melbourne University Law School Foundation Board. Under the Company's Constitution, Ms McDonald retires by rotation and, being eligible, offers herself for re-election.

Directors' Recommendation:
The Board, excluding Ms McDonald, recommends that shareholders vote in favour of the Resolution.

Resolution 2 – Remuneration Report

The Company's Remuneration Report is required to be considered for adoption in accordance with the *Corporations Act 2001* (Cth). The Remuneration Report is contained in the Directors' Report of the Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the shareholders the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the *Corporations Act 2001* (Cth), if 25% or more of votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) will have ceased to hold office immediately beforehand but may submit themselves for re-election.

Directors' Recommendation:
The Board recommends that shareholders vote in favour of this Resolution. Voting exclusions apply.

Resolution 3 – Issue of 21,871 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Short Term Incentive (2022 STI)

Shareholder approval is sought for 21,871 Service Rights to be issued to Mr Michael Kavanagh under the terms of the Nanosonics Omnibus Equity Plan (**Omnibus Plan**) and the terms set out below. As explained below, the 2022 STI has already been earned by Mr Kavanagh and fifty percent of his 2022 STI has already been paid in cash. The balance of Mr Kavanagh's 2022 STI will, subject to this resolution being passed, be awarded as Service Rights, which will vest on 31 August 2023. A Service Condition will apply until the Vesting Date. Once vested, these Service Rights will be subject to an exercise restriction for a further 12 months to 31 August 2024.

Under ASX Listing Rule 10.14, an issue of securities to a director under an employee incentive scheme is required to be approved by shareholders. ASX Listing Rule 7.2 exception 14 further provides that if approval under ASX Listing Rule 10.14 is obtained, approval is not required under ASX Listing Rule 7.1. This means that the issue of securities to Mr Kavanagh will not be included in the Company's annual 15% limit under ASX Listing Rule 7.1.

In respect of the 2022 STI, the Board, in consideration of prior performance, market conditions and approved budgets, set two Group financial metrics with a total 60% weighting, being Profit Before Tax (PBT) and Global Installed Base. Each of the Group financial metrics included a measure for threshold, target and stretch performance outcomes. The remaining 40% weighted metrics were operational in nature and aligned with the business priorities. The Board determined that Mr Kavanagh achieved an overall STI outcome of 40% (against a potential maximum outcome of 130%), based on 0% achievement of the Group PBT and Global Installed Base metrics with a combined weighting of 60% and 100% achievement of the individual operational metrics with a 40% weighting. Additional detail in respect of the 2022 STI outcomes is set out in section 4.2 of the 2022 Remuneration Report.

The Company uses Service Rights because they are commonly used and well supported instruments that create long-term alignment between the interests of the Company's executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership unless and until the Service Rights vest. Service Rights are also used to incentivise the Company's executives towards the long-term sustainable growth of the business. The Company has obtained an independent valuation of the Service Rights using the Black-Scholes-Merton model as at 27 September 2022. The value of each Service Right was determined to be $4.143 with the 21,871 Service Rights having a total value of $90.612.

Mr Kavanagh is the only Director entitled to participate in the Omnibus Plan.

Since the Omnibus Plan was last approved at the 2019 AGM held on 18 November 2019 the following Rights have been issued to Mr Kavanagh:

- 19,547 Performance Rights for nil cash consideration and with a nil exercise price which vested on 31 August 2020 (2019 STI);
- 19,112 Performance Rights for nil cash consideration with a nil exercise price which vested on 31 August 2021 (2020 STI);
- 12,910 Performance Rights for nil cash consideration and with a nil exercise price, and 178,914 Options for nil cash consideration and an exercise price of $6.5067 (2019 LTI). These Options and Performance Rights were subject to performance and service vesting conditions, with a vesting date of 30 September 2022. The performance conditions associated with this award were not met and accordingly these Performance Rights and Options lapsed.

- 143,298 Performance Rights for nil cash consideration and with a nil exercise price, and 208,884 Share Appreciation Rights for nil cash consideration and an exercise price of $6.0436 (2020 LTI). These Share Appreciation Rights and Performance Rights are subject to performance and service vesting conditions and have a vesting date of 30 September 2023. These Rights are subject to an exercise restriction period of one year after the vesting date and they may only be exercised after that time.
- 30,010 Service Rights for nil cash consideration and with a nil exercise price which vested on 31 August 2022 (2021 STI). These Service Rights are subject to an exercise restriction period of one year after the vesting date and they may only be exercised after that time.
- 132,760 Performance Rights for nil cash consideration and with a nil exercise price, and 190,114 Share Appreciation Rights for nil cash consideration and an exercise price of $6.825 (2021 LTI). These Share Appreciation Rights and Performance Rights are subject to performance and service vesting conditions and have a vesting date of 30 September 2024. These Rights are subject to an exercise restriction period of one year after the vesting date and they may only be exercised after that time.

No further securities were issued to Mr Kavanagh since the date of the last approval.

If shareholder approval is not obtained, then, subject to the achievement of the vesting condition described below, Mr Kavanagh may receive a cash payment at the Vesting Date (defined below) equivalent in value to the 2022 STI he would have received had shareholder approval been obtained.

Details of Mr Kavanagh's other remuneration entitlements and his interests in the Company's securities can be found in the explanatory notes to Resolution 4 and on pages 52 and 56 to 59 of the 2022 Remuneration Report.

The Service Rights will be granted under, and subject to, the Omnibus Plan, the key terms of which are summarised in relation to Resolution 5 below. The specific terms of the 2022 STI grant to Mr Kavanagh are also set out below.

2022 STI terms

Maximum number of securities	Each vested Service Right, if any, will convert into one ordinary share on exercise. Accordingly, the maximum number of shares that may be acquired by Mr Kavanagh is 21,871 shares.
Issue price	As Mr Kavanagh's grant forms part of his STI remuneration, the Service Rights will be granted to Mr Kavanagh for nil consideration.
Exercise price	The Service Rights have a nil exercise price.
Vesting condition – Service	The Service Rights will only vest if Mr Kavanagh remains in continuous employment with Nanosonics in his current or equivalent position from the date of grant to 31 August 2023 (**Vesting Date**) and is not working out a period of notice as at the Vesting Date.
Exercise Restriction	The Service Rights that vest on the Vesting Date will be subject to a one-year exercise restriction to 31 August 2024 (**Exercise Restriction End Date**).
Lapse	Service Rights will automatically lapse if they do not vest by the Vesting Date or are not exercised before the Last Exercise Date.
Term	Service Rights will have a term ending 31 August 2027 (**Last Exercise Date**).

Loan terms	There is no loan scheme in relation to the Service Rights or the Omnibus Plan.
Issue date	If approved, the Service Rights will be issued no later than 6 months after the date of this Meeting. If the resolution is not approved, an alternative benefit may be considered.

Details of any securities issued under the Omnibus Plan will be published in the subsequent Annual Report of Nanosonics relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.4 who become entitled to participate in an issue of shares under the Omnibus Plan after this resolution is approved and who are not named in this notice of meeting will not participate until approval is obtained under that rule.

Directors' recommendation

The Board, excluding Mr Kavanagh, recommends that shareholders vote in favour of the Resolution. Voting exclusions apply.

Resolution 4 – Issue of 283,930 Share Appreciation Rights and 231,914 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Long-Term Incentive (2022 LTI)

Shareholder approval is sought for the issue of 283,930 Share Appreciation Rights and 231,914 Performance Rights under the Omnibus Plan to Mr Michael Kavanagh under the terms of the 2022 LTI.

As noted above, under ASX Listing Rule 10.14, an issue of securities to a director under an employee incentive scheme is required to be approved by shareholders. ASX Listing Rule 7.2 exception 14 further provides that if approval under ASX Listing Rule 10.14 is obtained, approval is not required under ASX Listing Rule 7.1. This means that the issue of securities to Mr Kavanagh will not be included in the Company's annual 15% limit under ASX Listing Rule 7.1.

Background

Following a review by the Board, the structure of the 2022 LTI is proposed to be as follows:

- One third (at Target) of the remuneration value of the grant will be based on Nanosonics' Total Shareholder Return (TSR) compared with the TSR of the ASX 300 Industrials Index after taking into account a premium determined by the Board associated with the Company's risk profile over the Measurement Period. Investors had previously indicated a preference for a TSR measure. However, as previously noted, the Board and its advisors have been unable to identify an appropriate bespoke list of suitable health care companies to form an effective comparator group due to there not being enough relevant health care comparators available. Accordingly, the Board determined that the ASX 300 Industrials Index would be adopted, consistent with previous years.

- Two thirds (at Target) of the remuneration value will be based on the average Underlying Return On Equity (UROE) over the Measurement Period. The rationale for assigning two-thirds of the award to the UROE metric is to encourage management to work towards driving long-term sustainable value for shareholders in the 'core business', noting the correlation between long-term ROE in excess of the cost of equity has a strong correlation with strong TSR outcomes for shareholders.

Details of the Vesting Conditions are described below.

If Resolution 4 is approved, Mr Kavanagh will be invited to apply for 283,930 Share Appreciation Rights and 231,914 Performance Rights, collectively referred to as Rights. These Rights may vest when performance-based Vesting Conditions are satisfied. The Rights are an entitlement to the value of a share (less any Exercise Price) which may be settled either in cash and/or in shares (at the Board's discretion). Share Appreciation Rights have a notional Exercise Price which does not have to be paid but which is accounted for as part of the Exercised Rights Value determined at the time the Rights are exercised. Generally, it is expected that vested Rights will be settled in shares, including Restricted Shares, which are shares subject to a disposal restriction.

The Company uses Share Appreciation Rights and Performance Rights because they are commonly used and well supported instruments that create long-term alignment between the interests of the Company's executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership unless and until the Share Appreciation Rights and Performance Rights vest. Share Appreciation Rights and Performance Rights are also used to incentivise the Company's executives towards the long-term sustainable growth of the business. The Company has obtained an independent valuation of the Share Appreciation Rights and Performance Rights using the Black-Scholes-Merton model as at 23 August 2022. The value of each Share Appreciation Rights was determined to be $1.692, with all Share Appreciation Rights having a total value of $480,410, and the value of each Performance Right was determined to be $4.143, with all Performance Rights having a total value of $960,820.

If shareholder approval is not obtained, then, subject to the achievement of the Vesting Conditions described below, Mr Kavanagh may receive a cash payment at the Vesting Date (defined below) equivalent in value to the 2022 LTI he would have received had shareholder approval been obtained.

The Share Appreciation Rights and Performance Rights will be granted under, and subject to, the Omnibus Plan, the key terms of which are summarised below.

The specific terms of the 2022 LTI grant to Mr Kavanagh are set out below.

2022 LTI terms

<table>
<tr><td>Maximum value and number of securities</td><td>For the 2022 LTI, Mr Kavanagh will be invited to apply for:
• 283,930 Share Appreciation Rights with an Exercise Price equal to $4.143; and
• 231,914 Performance Rights with a nil Exercise Price.
If this Resolution is approved, the value and number of the Rights that will be awarded to Mr Kavanagh are as follows:
<table>
<tr><th>Instrument</th><th>Weighting</th><th>Maximum number</th><th>Value (Threshold) $</th><th>Value (Target) $</th><th>Value (Stretch) $</th></tr>
<tr><td>Share Appreciation Rights</td><td>1/3rd</td><td>283,930</td><td>$120,102</td><td>$240,205</td><td>$480,410</td></tr>
<tr><td>Performance Rights</td><td>2/3rds</td><td>231,914</td><td>$240,205</td><td>$480,410</td><td>$960,820</td></tr>
<tr><td>Total</td><td></td><td>515,844</td><td>$360,307</td><td>$720,615</td><td>$1,441,230</td></tr>
</table></td></tr>
</table>

	If the Vesting Conditions at Target are achieved the level of vesting will be 50% of the maximum number for each of the Share Appreciation Rights and the Performance Rights. If the Vesting Conditions at Stretch are achieved the level of vesting will be 100% of the maximum number for each of the Share Appreciation Rights and the Performance Rights. Each vested Right will be converted to ordinary shares on exercise as indicated below: • In respect of the Share Appreciation Rights, if the Company elects to settle the Share Appreciation Rights in shares then the maximum number of shares that may be acquired by Mr Kavanagh will be determined by the following formula on the Vesting Date: *The number of vested Share Appreciation Rights x (Market price of Nanosonics shares – Exercise Price) / Market price of Nanosonics shares* • In respect of Performance Rights, the maximum number of shares that may be acquired by Mr Kavanagh resulting from an exercise of the Performance Rights is 231,914 shares. As 100% of Rights to be granted will only vest when Stretch Vesting Conditions are achieved, it is expected that a lesser percentage will actually vest unless exceptional performance outcomes occur. When added to the other remuneration elements, it is considered that the 2022 LTI will produce a total remuneration package that is market competitive and appropriate given the Company's circumstances for FY23, based on market benchmarking and the current Nanosonics executive remuneration policy.
Issue price	The Share Appreciation Rights and Performance will be granted to Mr Kavanagh for nil consideration.
Exercise price	The Share Appreciation Rights will have an exercise price of $4.143. The Performance Rights have a nil exercise price.
Term	Rights will have a term ending on the 30 September 2029 (**Last Exercise Date**).
Measurement Period	The Measurement Period is the period over which Vesting Conditions are assessed. The Measurement Periods for the Share Appreciation Rights and Performance Rights are set out below: • Share Appreciation Rights: from the announcement of the Company's FY22 financial results to the announcement of the Company's FY25 financial results based on the 20-day VWAP of the Company's shares following those dates. • Performance Rights: from 1 July 2022 to 30 June 2025.
Vesting Conditions: Gate and Performance Conditions	**Gate** A Gate is a condition that, if not fulfilled, will result in nil vesting of certain Rights, irrespective of performance in relation to the Performance Conditions. The Gate for the 2022 LTI will be as follows:

- For the Share Appreciation Rights (iTSR), the Gate is that the Company's TSR must be positive over the Measurement Period.
- For UROE Performance Rights, no Gate applies.

Performance Conditions

The Performance Conditions for the 2022 LTI will be as follows:

- For the Share Appreciation Rights, the Performance Condition will be based on the Total Shareholder Return (TSR) of the Company over the Measurement Period (equivalent to the change in Share Price, plus dividends declared assumed to be reinvested), compared with the TSR of the ASX 300 Industrials Total Return Index after taking into account a premium determined by the Board associated with the Company's risk profile (iTSR). Vesting will be determined based on delivery of expectations which are inherently challenging according to the following scale:

Outcome	NAN TSR Performance	% vesting of grant	% of opportunity
Stretch	Index TSR% + 6.0%	100%	200%
Target	Index TSR% + 3.0%	50%	100%
Threshold	Index TSR%	25%	50%
Below	<Index TSR%	0%	0%

- For the Performance Rights, the Performance Condition will be based on the 3-year average Underlying Return On Equity (UROE) of the Company over the Measurement Period associated with the Performance Rights (calculated as the average PBT in each year of the Measurement Period excluding the impact of reported R&D expenses, divided by the average shareholders' equity over the Measurement Period). Vesting will be determined according to the following scale:

Outcome	3-year average UROE	% vesting of grant	% of opportunity
Stretch	31% (+3%)	100%	200%
Target	28%	50%	100%
Threshold	25% (-3%)	25%	50%
Below	<25%	0%	0%

Service Condition	In addition to the above Vesting Conditions, the Rights will only vest if Mr Kavanagh remains in continuous employment with Nanosonics in his current or equivalent position from the date of grant to the respective Vesting Date and is not working out a notice period as at the Vesting Date.
Vesting Date	30 September 2025
Exercise Restriction Period	The Rights will be subject to an Exercise Restriction Period of one year after the Vesting Date and they may only be exercised after that date. In the event that a taxing point arises during employment with the Company in relation to vested Rights, and the Exercise Restrictions or disposal restrictions have

	not elapsed, then these restrictions will cease to apply to 50% of the taxable Rights.
Exercise of Rights	Upon exercise of vested Rights, the Exercised Rights Value will be calculated as follows: *Exercised Rights Value =* *Number of Rights Exercised x (Share Price at Exercise – Exercise Price)* The Exercised Rights Values will either be paid in cash or converted into or settled in shares based on the then Nanosonics share price, or a combination of cash and shares, as determined by the Board. Generally, it is expected that the Exercised Rights Value will be settled in shares.
Lapse	The Share Appreciation Rights and Performance Rights will automatically lapse if they do not vest by the Vesting Date or are not exercised before the Last Exercise Date.
Loan Terms	There is no loan scheme in relation to the Share Appreciation Rights, Performance Rights or the Omnibus Plan.
Issue date	If approved, the Share Appreciation Rights and Performance Rights will be issued no later than 6 months after the date of this Meeting. If the resolution is not approved, an alternative benefit may be considered.

Other key terms of the Omnibus Plan

These conditions apply to both Performance Rights and Share Appreciation Rights proposed to be issued under Resolutions 3 and 4 (collectively Rights).

Dividends and voting

Rights do not carry any dividend or voting rights prior to exercise.

Rights not quoted

The Company will not apply to the ASX for official quotation of the Rights granted under the Omnibus Plan. Shares issued pursuant to the vesting of Rights will rank equally with shares then on issue.

Restriction on Rights

Rights may not be sold, disposed of, transferred or encumbered.

Board vesting discretion

Any Right that has not vested may not be exercised, unless (subject to Applicable Laws) the Board exercises its absolute discretion, in circumstances where the Board considers it to be in the best interests of the Company and the Group, to:

(a) vary or waive the relevant Performance Hurdles, Service Conditions or other Vesting Conditions and/or Exercise Conditions, and declare the Rights to have vested; or

(b) bring forward the date on which Rights may be exercised.

Change of control

Where:

(a) a takeover bid is made for the Company and the Board recommends acceptance of that bid by the Company's shareholders;

(b) a Court orders that a meeting of shareholders of the Company be held to consider a scheme of arrangement between the Company and its shareholders; or

(c) the Board determines that some other transaction has occurred, or is likely to occur, which involves a change of control of the Company,

the Board may, in its absolute discretion, determine that any Rights that have not vested will vest on the date determined by the Board. Rights that vest following a change of control will not generally be subject to restrictions on dealing.

Termination of employment

If Mr Kavanagh ceases employment, for any reason other than as a result of a change of control, before the Rights vest, or is working out a period of notice as at the Vesting Date, then unless stated in the Invitation for such Rights or the Board determines otherwise, the Rights will automatically lapse.

Qualifying Event

The Board may waive any Vesting Conditions where Mr Kavanagh ceases to be employed by any Group Company as the result of a Qualifying Event. A Qualifying Event means:

(a) death;

(b) serious injury or illness that prohibits continued employment;

(c) retirement;

(d) retrenchment; or

(e) such other circumstances that result in Mr Kavanagh leaving the employment of the relevant Group Company and that the Board determines (in its absolute discretion) is a Qualifying Event.

Forfeiture

Rights will be forfeited where:

(a) the Board determines in its absolute discretion that Mr Kavanagh has acted fraudulently or dishonestly, or is in material breach of his or her obligations to any Group Company whether or not those Rights have vested; or

(b) Mr Kavanagh ceases to be employed by any Group Company other than as a result of a Qualifying Event.

No hedging

Mr Kavanagh is prohibited from hedging the share price exposure in respect of the Rights during the vesting period applicable to those Rights.

Mr Kavanagh's remuneration and shareholdings

The 2022 LTI grant of Share Appreciation Rights and Performance Rights represents 90% of Mr Kavanagh's Total Fixed Remuneration for the 2022-23 financial year (at Target).

Mr Kavanagh's other remuneration entitlements for the 2022-23 financial year are as follows:

- Total Fixed Remuneration: $800,682 (base remuneration $775,390 and superannuation $25,292); and
- Short-Term Incentive: Up to $480,409 at Target and $624,532 at Maximum.

Mr Kavanagh currently owns, or has a beneficial interest in, the following securities of the Company at the date of this Notice of AGM:

Security	How held	Number
Restricted shares	Indirect	19,112
Unrestricted shares	Indirect	421,542
Unrestricted shares	Direct	798,363
Performance Rights	Under the Omnibus Plan	296,958
Service Rights	Under the Omnibus Plan	30,010
Options	Under the Omnibus Plan	627,309
Share Appreciation Rights	Under the Omnibus Plan	398,998

Mr Kavanagh is the only Director entitled to participate in the Omnibus Plan.

The Rights issued to Mr Kavanagh under the Omnibus Plan since it was last approved at the 2019 AGM held on 18 November 2019 are set out in resolution 3 above.

Details of any securities issued under the Omnibus Plan will be published in the subsequent Annual Report of Nanosonics relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.4 who become entitled to participate in an issue of shares under the Omnibus Plan after this resolution is approved and who are not named in this notice of meeting will not participate until approval is obtained under that rule.

Directors' recommendation

The Board, excluding Mr Kavanagh, recommends that shareholders vote in favour of the Resolution. Voting exclusions apply.

Resolution 5 – Issue of securities under the Nanosonics Omnibus Equity Plan

Background

The Company first adopted the Omnibus Plan in 2016. The Omnibus Plan allows the Board to issue a range of incentive awards with the purpose of providing competitive, performance-based remuneration in alignment with the interests of shareholders. The Omnibus Plan operates in accordance with the terms of the Nanosonics Employee Equity Trust Deed, under which the trustee may subscribe for, or acquire, deliver, allocate or hold, shares for the benefit of the participant. Participants will be able to access the relevant taxation concessions available under the *Income Tax Assessment Act 1997* (Cth).

ASX Listing Rules 7.1 and 7.2, Exception 13

Under ASX Listing 7.1, a company must not, subject to specified exceptions, issue or agree to issue more than 15% of its issued share capital in any 12-month period.

ASX Listing Rule 7.2, Exception 13 provides an exception to ASX Listing Rule 7.1 for an issue under an employee incentive scheme where shareholders have approved the issue of securities under the scheme within three years before the issue as an exception to ASX Listing Rule 7.1.

If Resolution 5 is passed, the Company will continue to be able to issue Performance Rights and Options under the Omnibus Plan over a three-year period without impacting the Company's annual 15% limit under ASX Listing Rule 7.1.

Summary of the terms of the Omnibus Plan:

Eligibility	Under the Omnibus Plan, eligible employees (including Executive Directors, casual employees and certain contractors) may be offered the following awards: • Shares in Nanosonics (**Share Awards**); • Performance Share Awards; • Options; or • Rights (including Share Appreciation Rights, Performance Rights, Service Rights and Restricted Rights). Participation in the Omnibus Plan is at the Board's discretion and no individual has a contractual right to participate in it or to receive any guaranteed benefits.
Restriction on dealing	Rights, Options and Performance Share Awards are non-transferable. Share Awards are transferrable unless such Share Awards are subject to a Holding Lock or Salary Sacrifice commitments, as agreed in the Application Form, that have not been met.

<table>
<tr><td>Vesting conditions</td><td>
<table>
<tr><th>Rights and Options</th><th>Performance Share Awards</th></tr>
<tr><td>Rights and/or Options may only be exercised if:
(a) the Rights and/or Options vest in accordance with the applicable Performance Hurdles and Service Conditions; and
(b) the Exercise Conditions (if any) have been met.
Any Right or Option that has not vested may not be exercised, unless (subject to Applicable Laws) the Board exercises its absolute discretion, in circumstances where the Board considers it to be in the best interests of the Company and the Group, to:
(a) vary or waive the relevant Performance Hurdles, Service Conditions and/or Exercise Conditions, and declare the Rights and / or Options to have vested; or
(b) bring forward the date on which Rights and/or Options may be exercised.</td><td>Performance Share Awards may only vest in accordance with the applicable Performance Hurdles and Service Conditions (if any), unless (subject to Applicable Laws) the Board exercises its absolute discretion, in circumstances where it considers it to be in the best interests of the Company, to:
(a) vary or waive the relevant Performance Hurdles or Service Conditions, and declare the Performance Share Awards to have vested; or
(b) bring forward the date upon which the Performance Share Awards may vest.
If instructed to do so in writing by the Board, each Participant will take all necessary actions and enter into all necessary documentation to give effect to the re-designation of a Performance Share Award that has vested to be a Share.</td></tr>
</table>
</td></tr>
<tr><td>Exercise of Rights and Options</td><td>A Right or an Option may only be exercised if at the time of exercise:
(a) the Right or Option has become vested under the Omnibus Plan;
(b) the Right or Option has not lapsed or been forfeited under the Omnibus Plan; and
(c) the Exercise Price (if any) has been paid to the Company in such manner approved by the Board.</td></tr>
<tr><td>Change of control</td><td>Where:
(a) a takeover bid is made for the Company and the Board recommends acceptance of that bid by the Company's shareholders;
(b) a Court orders that a meeting of shareholders of the Company be held to consider a scheme of arrangement between the Company and its shareholders; or
(c) the Board determines that some other transaction has occurred, or is likely to occur, which involves a change of control of the Company,
the Board may, in its absolute discretion, determine that any Shares, Options or Performance Share Awards that have not vested will vest on the date determined by the Board.</td></tr>
</table>

Share Awards	*Exempt Share Awards* The Company may grant Share Awards for no consideration or at a purchase price that is a discount to the then market value of Shares, with the intention that up to $1,000 (or such other amount that is exempted from tax under the relevant tax laws from time-to-time) of the total value or discount received by each Participant will be exempt from tax. The Company must offer the Share Awards on a non-discriminatory basis in accordance with Division 83A of the *Income Tax Assessment Act 1997* (Cth) as amended from time-to-time. *Salary Sacrifice Share Awards* Share Awards may be offered under a Salary Sacrifice arrangement in accordance with the terms of the Invitation.
Holding Lock	Any Participant's Share may be subject to a Holding Lock of up to a maximum of 15 years from the Grant Date at the Board's absolute discretion. The Board may remove the Holding Lock applying to a Participant's Shares at their discretion.
Lapsing and forfeiture	*Last Vesting Date* Rights and Options will lapse, and Performance Share Awards will be forfeited if those Awards have not vested (and have not otherwise been forfeited) by the Last Vesting Date. *Qualifying Event* The Board may waive any Vesting Conditions where a Participant ceases to be employed by any Group Company as the result of a Qualifying Event. A Qualifying Event means: (a) death; (b) serious injury or illness that prohibits continued employment; (c) retirement; (d) retrenchment; or (e) such other circumstances that result in a Participant leaving the employment of the relevant Group Company and that the Board determines (in its absolute discretion) is a Qualifying Event. *Forfeiture* Rights, Options and Performance Share Awards will be forfeited where: (a) the Board determines in its absolute discretion that a Participant has acted fraudulently or dishonestly, or is in material breach of his or her obligations to any Group Company; or (b) a Participant ceases to be employed by any Group Company other than as a result of a Qualifying Event, whether or not those Awards have vested. *Last Exercise Date* Rights and Options that have vested and that have not been exercised will lapse on the Last Exercise Date unless those Awards have otherwise been forfeited.

Rights attaching to Shares	*Ranking* Each Participant's Shares issued will rank equally in all respects with all existing Shares from the date of issue. *Rights and Bonus Issues* A Participant has the right to participate in rights issues and bonus issues by the Company: (a) in relation to a Participant's Shares that are registered in the Participant's name; or (b) in the case of Share Awards, that are registered in the name of a trustee, once those Share Awards are allocated. *Dividends* A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on Participant's Shares that, at the closing date for determining entitlement to those dividends, are standing to the account of the Participant. *Voting rights* A Participant may exercise any voting rights attaching to a Participant's Shares registered in the Participant's name or, in the case of Share Awards registered in the name of a trustee, once those Share Awards are allocated to the Participant.
Omnibus Plan limit	No Invitation will be made if the number of Shares that have been or would be issued in any of the following circumstances in aggregate would exceed 5% of the total number of Shares on issue at the date of the Invitation: (a) the number of Participant's Shares that may be issued, transferred or granted under this Omnibus Plan; and (b) the number of Shares that were, or may be, issued as a result of offers made at any time during the previous three-year period: (i) under any other Group employee incentive scheme covered by the ASIC Class Order in relation to employee incentive schemes (**Class Order**); and (ii) any ASIC exempt arrangement of a similar kind to an employee incentive scheme as defined in the Class Order.
Suspension or termination	The Omnibus Plan may be suspended or terminated at any time by resolution of the Board. Suspension or termination of the Omnibus Plan will not prejudice the accrued rights of Participants.

Number of securities issued since the date of the last approval

Shareholders first approved the Omnibus Plan on 4 November 2016. The following securities have been issued under the Omnibus Plan since its last approval on 18 November 2019:

Security	Number issued
Performance/Service Rights	1,835,314
Options	922,444
Share Appreciation Rights	1,753,819

Maximum number of securities proposed to be issued

The maximum number of securities proposed to be issued under the Omnibus Plan following its approval will be 15,100,211 securities.

Directors' recommendation
The Board, excluding Mr Kavanagh who is entitled to participate in the Omnibus Plan, recommends that shareholders vote in favour of the Resolution. Voting exclusions apply.

Resolution 6 – Issue of securities under the Nanosonics Global Employee Share Plan

Background
The Company first adopted the Nanosonics Global Employee Share Plan (the **Global Plan**) in 2019. In recognition of the Company's global operations, the Global Plan allows the Board to make offers to its employees, regardless of where they are located in the world, to encourage alignment between the Company's employees with the interests of shareholders. In particular, offers can be made to foreign employees in a manner that accommodates foreign legal and taxation requirements.

ASX Listing Rules 7.1 and 7.2, Exception 13

As noted above, under ASX Listing Rule 7.1, a company must not, subject to specified exceptions, issue or agree to issue more than 15% of its issued share capital in any 12-month period.

ASX Listing Rule 7.2, Exception 13 provides an exception to ASX Listing Rule 7.1 for an issue under an employee incentive scheme where shareholders have approved the issue of securities under the scheme within three years before the issue as an exception to ASX Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to issue Shares under the Global Plan over a three-year period without impacting the Company's annual 15% limit under ASX Listing Rule 7.1.

Summary of the terms of the Global Plan:

Eligibility	Under the Global Plan, eligible employees (full time or part time employees of a subsidiary of Nanosonics) may be offered the opportunity to acquire Shares. Global Plan participants may elect to discontinue their participation at any time. Participation will automatically cease if a Global Plan Participant ceases to be an employee of the Nanosonics Group or otherwise ceases to be an eligible employee.
Contribution and acquisition of Shares	Under the Global Plan, certain regular deductions are made from a Global Plan Participant's after-tax salary, which are then held on trust (**Contributions**). At present, each GESP Participant's gross Contributions are limited to the lesser of 15% of the Global Participant's gross remuneration and A$25,000 each year. Shortly after the end of each consecutive six month "Offering Period", the Contributions will be used to subscribe for new Shares for the Global Participant. The subscription price (**Share Issue Price**) is determined by the Board, but must not be less than 85% of the lower of the prevailing Share price at the beginning and the end of the relevant Offering Period.
Restriction on dealing	A Global Plan Participant's right to purchase Shares is personal and may not be transferred or assigned to any other person, other than to a Legal Personal Representative in the event of death. The Board may determine that Shares issued under the Global Plan are subject to restrictions on disposal.

Adjustment on significant events	If any of the following occur: (a) a variation of share capital, bonus issue or rights issue in relation to Nanosonics; or (b) a dividend in specie or demerger affecting a subsidiary, the Board may make such adjustments to the terms of offers as it considers appropriate.
Rights attaching to Shares	*Ranking* Each Global Plan Participant's Shares issued will rank equally in all respects with all existing Shares from the date of issue. *Dividends and voting rights* Subject to the term of any Offer, a Global Plan Participant is entitled to: (a) receive any dividend or other distribution or entitlement; and (b) exercise any voting rights, in respect of Shares held by that Global Plan Participant.
Global Plan Limit	The maximum aggregate number of Shares which may be issued under the Global Plan is 1% of the total number of shares on issue by the Company.
Suspension or termination	The Global Plan may be suspended or terminated at any time by resolution of the Board.

Number of securities issued since the date of the last approval

Shareholders first approved the Global Plan on 4 November 2016. The following securities have been issued under the Global Plan since its last approval on 18 November 2019: 174,610 shares.

Maximum number of securities proposed to be issued

The maximum number of securities proposed to be issued under the Global Plan following its approval will be 3,020,042 securities.

Directors' recommendation
The Board recommends that shareholders vote in favour of the Resolution. Voting exclusions apply.

Resolution 7 – Increase in maximum aggregate Non-Executive Directors' Remuneration

The current maximum aggregate amount of $1,000,000 per annum was approved at the General Meeting held on 4 November 2016 and includes base fees, committee fees and Superannuation Guarantee Contributions made by the Company in relation to the Non-Executive Directors. The purpose of this Resolution is to seek approval for an increase in the maximum aggregate amount of remuneration that may be paid to the Non-Executive Directors by $200,000 from $1,000,000 per annum to a maximum aggregate of $1,200,000 per annum. The proposed increase in the maximum aggregate amount of remuneration for the Non-Executive Directors will provide the Company flexibility to undertake a process of Board renewal in the coming period, and to pay Non-Executive Directors base fees, Board Committee fees and Superannuation Guarantee Contributions as applicable.

The Directors have undertaken a benchmarking exercise which assessed a number of ASX listed companies of a similar nature, size and market capitalisation as that of the Company. The proposed ceiling of $1,200,000 per annum is below the 50th percentile of the companies benchmarked and can therefore be taken to broadly

accord with ceilings used by those other companies. It should be noted that this is a ceiling only and it is not intended at this time that the full amount of this $1,200,000 be paid to Non-Executive Directors. No increase in the fees paid to Non-Executive Directors is proposed in respect of the 2022-23 financial year. The increase in the ceiling will give the Company flexibility to appropriately remunerate any new appointments to the Board.

No securities have been issued to a Non-Executive Director under ASX Listing rule 10.11, 10.14 or 10.17 with the approval of the holders of the Company's ordinary securities at any time within the preceding three years.

Directors' recommendation

The Board recommends that shareholders vote in favour of the resolution. Voting exclusions apply.

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+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Wednesday, 16 November 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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 or abstain as they choose (to the extent permitted by law). 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.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 181462

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

SAMPLE ONLY

☐ **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 your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Nanosonics Limited 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 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) at the Annual General Meeting of Nanosonics Limited to be held at Four Seasons Hotel, 199 George Street, The Rocks, NSW 2000 and as a virtual meeting on Friday, 18 November 2022 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

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 Resolutions 2 to 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2 to 7 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 Resolutions 2 to 7 by marking the appropriate box in step 2.

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
Resolution 1	Re-election of a Director Ms Marie McDonald	☐	☐
Resolution 2	Remuneration Report	☐	☐
Resolution 3	Issue of 21,871 Service Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Short-Term Incentive (2022 STI)	☐	☐
Resolution 4	Issue of 283,930 Share Appreciation Rights and 231,914 Performance Rights to the Chief Executive Officer and President, Mr Michael Kavanagh, under the 2022 Long-Term Incentive (2022 LTI)	☐	☐
Resolution 5	Issue of securities under the Nanosonics Omnibus Equity Plan	☐	☐
Resolution 6	Issue of securities under the Nanosonics Global Employee Share Plan	☐	☐
Resolution 7	Increase in maximum aggregate Non-Executive Directors' Remuneration	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	Email Address

SAMPLE ONLY