Milton
CORPORATION LIMITED

13 September 2021

SCHEME MEETING: CHAIRPERSON'S ADDRESS AND PRESENTATION

Milton Corporation Limited (**Milton**) refers to the proposed scheme of arrangement (**Scheme**) between Milton and its shareholders (other than Washington H. Soul Pattinson and Company Limited and its subsidiaries), as detailed in the Scheme Booklet dated 5 August 2021 (**Scheme Booklet**).

In accordance with ASX Listing Rule 3.13, Milton attaches an abridged Chairperson's Address and presentation slides for the Scheme Meeting commencing at 10.00am (AEST) today.

Milton shareholders may attend, participate in and vote at the Scheme Meeting online at https://agmlive.link/MLT21.

The voting results of the Scheme Meeting will be communicated to the ASX shortly after the conclusion of the Scheme Meeting.

For further information, please contact the Milton Shareholder Information Line on 1300 148 339 (within Australia) or +61 2 9066 4059 (outside Australia) on Monday to Friday between 9.00am and 5.00pm (AEST).

This announcement has been authorised for release by the Independent Milton Directors.

Yours faithfully
MILTON CORPORATION LIMITED

Nishantha Seneviratne
Company Secretary

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SCHEME MEETING OF
MILTON CORPORATION LIMITED
ON MONDAY, 13 SEPTEMBER 2021 AT 10.00AM (AEST)

Chairperson's Address

Welcome

Good morning ladies and gentlemen and welcome to the Scheme Meeting of Milton Corporation Limited. My name is Graeme Crampton. I am an independent director of Milton and I will be the Chairperson of this meeting. It is my pleasure to welcome you to this meeting in relation to the proposed scheme of arrangement between Milton and its shareholders, under which Washington H. Soul Pattinson and Company Limited, who I will refer to during this meeting as WHSP, will acquire the ordinary shares in Milton that it does not already own.

In response to ongoing restrictions on physical gatherings imposed by the NSW Government relating to the COVID-19 pandemic, this meeting is being held virtually via Milton's online meeting platform, in a way that shareholders, their proxies, attorneys and representatives can participate safely. As was announced by Milton to the ASX on 24 August 2021, there will be no physical meeting of shareholders.

If we experience any technical issues during today's meeting that result in a significant number of shareholders being unable to reasonably participate, I will adjourn this meeting. If that occurs, we will lodge an ASX release that sets out the details of the reconvened meeting. We would hope that any technical issues could be resolved quickly, and the reconvened meeting held later today. Please check the ASX if this eventuates.

I am advised that a quorum is present and as the time is now past 10.00am, I declare the meeting open.

Introductions

The directors of Milton established a committee of independent directors consisting of all Milton directors except Mr Robert Millner (due to his Chairmanship and Relevant Interest in WHSP), to evaluate the terms of the proposed Scheme, reach an independent conclusion on whether the Scheme is in the best interests of Milton Shareholders, and make an independent recommendation to Milton Shareholders on how to vote on the Scheme.

Joining me online today are my fellow Independent Milton Directors:

1. Mr Brendan O'Dea (our Managing Director and CEO);
2. Mr Kevin Eley (Non-Executive Director);
3. Ms Justine Jarvinen (Non-Executive Director); and
4. Dr Ian Pollard (Non-Executive Director).

Mr Robert Millner joins online today but has recused himself from discussions relating to the proposed Scheme due to his Chairmanship and Relevant Interest in WHSP.

Also present online is our Chief Financial Officer and Company Secretary, Mr Nishantha Seneviratne.

Representatives of Milton's share registry, Link Market Services, are present online to assist in the poll process for today's meeting. For the purpose of today's meeting, I appoint Mr Aaron Calder to act as Returning Officer. Mr Calder has agreed to act in this capacity.

Also in attendance online are representatives from Hamilton Locke, legal advisers to Milton, and Greenhill & Co, financial advisers to Milton.

Notice, Purpose and Format of Scheme Meeting

This Scheme Meeting has been convened in accordance with orders made by the Federal Court of Australia as well as the Milton Constitution.

The Notice of this Scheme Meeting was contained in the Scheme Booklet which was released to the ASX on 6 August 2021, and is available for download at the bottom of your screen. I will take the Notice of Scheme Meeting as read.

Also available for download at the bottom of your screen is:

- the Scheme Booklet; and
- the Virtual Scheme Meeting Online Guide, which provides detailed guidance on how to use this online platform.

The purpose of this meeting is for you to consider, and if you think fit, to approve a scheme of arrangement between Milton and holders of its ordinary shares (other than WHSP and its subsidiaries). If the proposed Scheme proceeds, WHSP will acquire all of the ordinary shares in Milton that it does not already own, and Milton shareholders will receive the Scheme Consideration that I will outline shortly. The Scheme is subject to certain conditions, which I will also outline shortly, being satisfied or waived.

The format of today's meeting will be to consider and vote on the proposed resolution as set out in the Notice of Scheme Meeting, referred to as the Scheme Resolution. I will propose the Scheme Resolution and then address questions. A poll will then be conducted on the Scheme Resolution and the results announced by me to the meeting prior to the conclusion of the meeting.

Voting procedure

As outlined in the Scheme Booklet, the Scheme Resolution will be conducted by a poll. Shareholders or their proxyholders, attorneys and corporate representatives are entitled to vote on the Scheme Resolution.

As I mentioned earlier, this is a virtual meeting. Shareholders and proxyholders may view the meeting and participate by asking questions and casting votes on the Scheme Resolution, via this online platform.

Voting is now open and will remain open until closed by me. I will provide a one minute warning before I close voting.

Shareholders had the option to appoint a proxy for today's meeting. If you have not done so and would like to vote, you may do so by clicking the 'Get a Voting Card' button at the top or bottom of your screen.

If you are an individual shareholder or a joint shareholder, you will need to enter your Securityholder Reference Number (SRN) or Holder Identifier Number (HIN), and your postcode or

country. If you are an appointed proxy, you will need to enter the Proxy Number issued by Link Market Services.

Once you have entered these details, please click the button to 'Submit details and vote'. Your voting card will then appear with the resolution to be voted on at today's meeting. You may select your voting option (For, Against or Abstain) and then click the button to submit your vote.

You may edit your vote at any time while voting is open by clicking 'Edit Card'. This will reopen the voting card with any previous votes made including proxy votes previously lodged prior to the meeting.

If you experience any technical issues with the platform during the course of this virtual meeting, you may call Milton's share registry, Link Market Services, for assistance using the helpline number displayed at the top of your screen. That number is 1800 990 363.

Q&A procedure

You may ask questions during the meeting via the 'Ask a Question' button at the top or bottom of your screen. You may be prompted to enter your Securityholder Reference Number (SRN) or Holder Identifier Number (HIN) and your postcode or country, or your Proxy Number, before you can submit a question.

While you can submit questions from now, I will only address them at the relevant time in the meeting. Your questions may be moderated to ensure they are relevant to the meeting and representative of the range of questions received from shareholders and proxyholders. If we receive multiple questions on one topic, they may be collated together.

If you have any issues casting your votes or submitting your questions, you can call Link Market Services for assistance using the helpline number displayed at the top of your screen. That number again is 1800 990 363.

Scheme

Before we move into the formal business, I would like to say a few words about the proposed Scheme. Details of the Scheme are also outlined in the Scheme Booklet.

If the Scheme proceeds, all Milton Shares held by Milton shareholders as at the Scheme Record Date (which is 7.00pm on 27 September 2021) will be transferred to WHSP on the Implementation Date (which is 5 October 2021), in exchange for the Scheme Consideration.

The Scheme Consideration refers to the number of ordinary shares in WHSP that will be issued to each Milton shareholder, calculated with reference to the Exchange Ratio. The Exchange Ratio was finalised on 2 September 2021 and announced by Milton to ASX the following day. The Exchange Ratio is 0.1863. This means for every 1 Milton Share you hold, you will receive 0.1863 WHSP shares. Any entitlements to a fraction of a WHSP Share arising under the calculation of Scheme Consideration will be rounded up or down to the nearest WHSP Share.

In addition to the receiving the Scheme Consideration, Milton shareholders are expected to receive the three dividends outlined in the Scheme Booklet, subject to the qualifications set out in sections 6.7 and 6.8 of the Scheme Booklet. Those three dividends are:

- the **Milton Final Dividend** of 8 cents per Milton share (expected to be paid tomorrow, 14 September 2021);
- the **Special Dividend**, which has not yet been declared, but is expected to be 37 cents per Milton share (and is expected to be paid on 5 October 2021); and
- the **WHSP Final Dividend**, which has not yet been declared, but is estimated by WHSP to be 36 cents per WHSP share which equates to 6.71 cents per Milton share and is expected to be paid on 14 December 2021.

The Independent Milton Directors identified several reasons why you might vote in favour of the Scheme and various potential reasons why you might vote against it. These are set out in detail in the Scheme Booklet and are summarised on the slide now showing. In making our recommendation, the Independent Milton Directors considered an extensive range of issues while being cognisant of our overarching responsibility to act in the best interests of all Milton shareholders.

Your Independent Milton Directors continue to believe that the reasons to vote in favour of the Scheme outweigh the potential reasons to vote against the Scheme. Accordingly, we maintain our recommendation that Milton shareholders should vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Milton shareholders.

The Independent Milton Directors appointed Lonergan Edwards & Associates as the independent expert to assess the merits of the Scheme. The Independent Expert concluded that the Scheme is fair and reasonable and in the best interests of Milton shareholders, in the absence of a superior proposal.

I confirm that no Superior Proposal has been received and that the Independent Expert continues to conclude that the Scheme is in the best interests of Milton shareholders.

The Chairman of Milton, Mr Robert Millner, has also confirmed that he continues to believe that the Scheme is in the best interests of Milton shareholders and recommends that Milton shareholders vote in favour of the Scheme.

Status of conditions and implementation timetable

The Scheme is conditional on various customary operational and procedural conditions which are set out in the Scheme Implementation Agreement and the Scheme of Arrangement. These conditions are described in detail in the Scheme Booklet.

As at the commencement of this meeting, the following conditions set out in the Scheme Implementation Agreement have been satisfied:

- clause 3.2(e): ASX has confirmed that WHSP is not required to obtain shareholder approval to issue the Scheme Consideration or re-comply with ASX's admission and quotation requirement;
- clause 3.2(g): no material adverse effect has occurred in relation to Milton;
- clause 3.2(j): no material adverse effect has occurred in relation to WHSP; and
- clause 3.2(m): Milton's NTA on the business day preceding the Scheme Meeting (being Friday, 10 September 2021) was **not** less than $4.488 per Milton share.

The Independent Milton Directors are not aware of any reason why the outstanding conditions in the Scheme Implementation Agreement and the Scheme of Arrangement will not be satisfied or waived in accordance with those documents.

If:

1. Milton shareholders pass the Scheme Resolution at this meeting;
2. all operational and procedural conditions of the Scheme are satisfied or waived; and
3. the Federal Court of Australia approves the Scheme at the hearing on 20 September 2021,

then the Scheme will become legally effective and will bind all Milton shareholders holding Milton shares at 7.00pm (AEST) on 27 September 2021 (being the record date for the Scheme).

The Scheme is expected to be implemented on 5 October 2021. On this date, the Scheme Consideration will be provided to Milton shareholders in respect of Milton shares they held on the Scheme record date.

These dates are subject to the satisfaction of the outstanding conditions precedent. Any changes will be announced to the ASX.

If the outstanding conditions precedent are not satisfied or the Scheme is not approved, the Scheme will not proceed and Milton will continue as a standalone entity listed on the ASX.

Status of ATO class ruling

Milton has applied to the Australian Taxation Office (**ATO**) for confirmation on the key taxation implications of the Scheme as these may apply to Milton shareholders, as noted in section 11 of the Scheme Booklet.

Although the formal Class Ruling has not yet been issued by the ATO, Milton is pleased to confirm that Milton has been in constructive and positive dialogue with the ATO in relation to the progression of the Class Ruling application. Based on that dialogue, Milton considers that there should be no material issues associated with the progression of the Class Ruling.

MILTON CORPORATION LIMITED
SCHEME MEETING
MONDAY, 13 SEPTEMBER 2021

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Independent Milton Directors

MR GRAEME CRAMPTON
Non-Executive Director

MR BRENDAN O'DEA
Managing Director and CEO

MR KEVIN ELEY
Non-Executive Director

MS JUSTINE JARVINEN
Non-Executive Director

DR IAN POLLARD
Non-Executive Director

Milton
CORPORATION LIMITED

Non-Executive Chairman

MR ROBERT MILLNER

Chief Financial Officer & Company Secretary

MR NISHANTHA SENEVIRATNE

Share Registry

LINK MARKET SERVICES

Legal Advisor

Hamilton Locke

Financial Advisor

Greenhill & Co.

How to Vote

- Click **'Get a Voting Card'** at the top or bottom of your screen
- Enter your securityholder details or proxyholder details
- Click **'Submit details and vote'**
- Your voting card will appear with the resolution to be voted on
- Select your voting option (For, Against or Abstain)
- Click **'Submit Vote'**
- Edit your vote at any time while voting is open by clicking **'Edit Card'**

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How to ask a Question

- Click **'Ask a Question'** at the top or bottom of your screen
- You may be prompted to enter your securityholder details or proxy details
- Type your question in the space provided and click **'Submit Question'**
- Your question will be sent to us for review
- The Chairperson will address questions later in the meeting

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Reasons to vote in favour of the Scheme	
✓	The Independent Milton Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the Milton Shareholders.
✓	The Independent Expert has concluded that the Scheme is in the best interests of Milton Shareholders, in the absence of a Superior Proposal.
✓	No Superior Proposal has emerged since the announcement of the Scheme.
✓	The Scheme Consideration and Dividends together represent an attractive intrinsic value for Milton Shareholders.
✓	Milton Shareholders will become shareholders in the Combined Group, a diversified investment house with approximately $8.9 billion in net assets, with enhanced opportunities for growth driven by the combination of two complementary investment teams, the creation of a diversified and balanced portfolio and increased scale and liquidity.
✓	WHSP has a strong track record of consistently outperforming the market over the short, medium, and long term while paying consistent and increasing dividends over the past 20 years.
✓	The Scheme will result in a significant increase in market capitalisation of the Combined Group which may result in increased index participation.
✓	If the Scheme does not proceed, and no Superior Proposal emerges, the Milton share price may fall in the near-term.
✓	If the Scheme does not proceed, and no Superior Proposal emerges, the Milton share price may trade at a discount to NTA.
✓	No brokerage or stamp duty will be payable by you for the transfer of your Milton Shares under the Scheme.
Potential reasons to vote against the Scheme	
✕	The future value of the New WHSP Shares after the Scheme is implemented may shift with the market and investor sentiment and as such is considered uncertain.
✕	If the Scheme is approved, the dividend income received on New WHSP Shares may be lower than the dividend income received by Milton Shareholders historically.
✕	You may wish to maintain your current investment profile and exposure to a business with Milton's specific characteristics.
✕	You may have concerns around specific environmental, social or governance matters.
✕	You may believe there is potential for a Superior Proposal to be made in the foreseeable future.
✕	You may disagree with the Independent Milton Directors' unanimous recommendation or the Independent Expert's conclusion.
✕	The payment of the Dividends is subject to certain conditions and the value of the Dividends may differ from that estimated.
✕	The tax consequences of the Scheme may not suit your current financial situation.
✕	The Scheme may be subject to Scheme Conditions that you consider unacceptable.

Scheme Resolution

"That, pursuant to and in accordance with section 411 of the Corporations Act, the members agree to the scheme of arrangement proposed between Milton and the holders of its fully paid ordinary shares (other than WHSP and its Subsidiaries), as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this Scheme Meeting (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) and the Board is authorised to implement the Scheme with any such alterations or conditions."

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Poll results are being calculated…

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Announcement of poll results

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Thank you for attending.

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