

**Acrow Formwork and  
Construction Services Limited**  
Level 5, 126 Phillip Street  
Sydney NSW 2000  
ACN: 124 893 465

<http://www.acrow.com.au>



# Acrow Formwork and Construction Services Limited

## **Notice of 2020 Annual General Meeting**

Explanatory Statement | Proxy Form

Wednesday, 25 November 2020

**1PM AEDT**

### **Address**

Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

This Notice of Meeting should be read in its entirety.  
If Shareholders are in doubt as to how they should  
vote, they should seek advice from their professional  
advisers prior to voting.

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## Important Information for Shareholders about the Company's 2020 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as at Monday, 26 October 2020.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <http://www.acrow.com.au>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the 2020 AGM as a hybrid meeting, in a manner that is consistent with the temporary modifications to the *Corporations Act 2001* (Cth) introduced by the Commonwealth Treasurer.

## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 1pm (AEDT) on Wednesday, 25 November 2020 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 and as a **virtual meeting**.

Please note that to ensure appropriate social distancing physical attendance at the AGM will be limited to 12 persons including the Board of Directors. The Company therefore strongly encourages shareholders to attend the meeting virtually to avoid the disappointment of not being able to attend physically.

If you are a shareholder and you wish to virtually attend the AGM (which will be broadcast as a live webinar), please **pre-register** in advance for the virtual meeting here:

[https://us02web.zoom.us/webinar/register/WN\\_JBG4CVTbT7CmwZUcnJ3shw](https://us02web.zoom.us/webinar/register/WN_JBG4CVTbT7CmwZUcnJ3shw)

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the AGM.

Shareholders will be able to vote and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to the Company Secretary at [Lee.Tamplin@automicgroup.com.au](mailto:Lee.Tamplin@automicgroup.com.au) at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

## Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

## Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Please note the 12 person limit at the physical meeting and that the Company recommends that you attend the meeting virtually to avoid the disappointment of not being able to attend physically.

## Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their *username* and *password*.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting.

### ***How do I create an account with Automic?***

To create an account with Automic, please go to the Automic website

(<https://investor.automic.com.au/#/home>), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

### ***I have an account with Automic, what are the next steps?***

Shareholders who have an existing account with Automic (Note: with a *username* and *password*) are advised to take the following steps to attend and vote virtually on the day of the AGM:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your *username* and *password*.
2. **(Registration on the day)** If registration for the virtual meeting is open, click on 'Meeting open for registration' and follow the steps.

**(Live voting on the day)** If live voting for the virtual meeting is open, click on 'Meeting open for voting' and follow the steps. For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

## Voting by proxy

To vote by proxy, please use one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.  For further information on the online proxy lodgment process please see the <b>Online Proxy Lodgment Guide</b> at <a href="https://www.automicgroup.com.au/virtual-agms/">https://www.automicgroup.com.au/virtual-agms/</a>
<b>By post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By hand</b>	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Acrow Formwork and Construction Services Limited ACN 124 893 465 will be held at 1pm (AEDT) on Wednesday, 25 November 2020 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 and as a **virtual meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on Monday, 23 November 2020.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

**Note:** This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

# Resolutions

## Remuneration Report

### 1. **Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2020.”*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

## Re-election of Directors

### 2. **Resolution 2 – Re-election of Gregg Taylor as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That Gregg Taylor, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”*

### 3. **Resolution 3 – Re-election of Margaret Prokop as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That Margaret Prokop, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers herself for re-election as a Director of the Company, effective immediately.”*

## **ASX Listing Rule 7.1A (Additional 10% Capacity)**

### **4. Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) 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.

## **Ratification of Prior Issue of Performance Rights under Rights Plan**

### **5. Resolution 5 – Ratification of Prior Issue of Performance Rights**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 15,108,000 performance rights issued on 10 August 2020 pursuant to the Rights Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who participated in the issue (which includes Mr Andrew Crowther, a KMP of the Company) or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the proxy is either:
  - (i) a member of the Company’s Key Management Personnel; or
  - (ii) a closely related party of a member of the Company’s Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company’s Key Management Personnel.

## **Appointment of Auditor**

### **6. Resolution 6 – Appointment of Auditor**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of section 327B(1) of the Corporations Act and for all other purposes, Grant Thornton Audit Pty Ltd (ACN 127 556 389) having been nominated by shareholders and consented in writing to act as auditor of the Company, be appointed as auditor of the Company, effective immediately.”*

## **Adoption of Rights Plan**

### **7. Resolution 7 – Adoption of Rights Plan**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.2 (exception 13(b)) and for all other purposes, the Shareholders of the Company approve the adoption of the Rights Plan on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) a person who is eligible to participate in the Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 7 if:

- (a) the proxy is either:
  - a. a member of the Company’s Key Management Personnel; or
  - b. a closely related party of a member of the Company’s Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company’s Key Management Personnel.



## **Issue of Performance Rights under the Rights Plan**

### **8. Resolution 8 – Approval of Issue of Performance Rights to Steven Boland, Director of the Company, under the Rights Plan**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*For the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 2,204,000 performance rights under the Rights Plan to Steven Boland, Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) 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 vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) the proxy is either:
  - a. a member of the Company’s Key Management Personnel; or
  - b. a closely related party of a member of the Company’s Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company’s Key Management Personnel.

#### **BY ORDER OF THE BOARD**

Lee Tamplin  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 1pm (AEDT) on Wednesday, 25 November 2020 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 and as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at [www.acrow.com.au](http://www.acrow.com.au).

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

#### **Written questions of the auditor**

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by Wednesday, 18 November 2020.

# Resolutions

## **Remuneration Report**

### **Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at [www.acrow.com.au](http://www.acrow.com.au).

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2021 Annual General Meeting (**2021 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2021 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2021 AGM. All of the Directors who were in office when the 2021 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

#### **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

## **Re-election of Directors**

### **Resolution 2 – Re-election of Gregg Taylor as Director**

The Company's constitution requires that at the Company's annual general meeting, one-third of the Directors shall retire from office. A Director shall not hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The retiring director must not be a Managing Director. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

It has been agreed that Mr Gregg Taylor will retire by rotation at this Meeting.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Gregg Taylor was appointed a Director of the Company on 11 August 2017 and was last re-elected as a Director at the Company's AGM held in 2018.

Under this Resolution, Gregg Taylor has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Gregg has 25 years of international business experience in financial markets, technology, sports administration, media and retail. Gregg is an Executive Director of Bombora Investment Management, a boutique investment house and currently serves on the board of Marketplacer Limited.

#### **Directors' recommendation**

The Directors (excluding Gregg Taylor) recommend that Shareholders vote for this Resolution.

### **Resolution 3 – Re-election of Margaret Prokop as Director**

The Company's constitution requires that at the Company's annual general meeting, one-third of the Directors shall retire from office. A Director shall not hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The retiring director must not be a Managing Director. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

It has been agreed that Ms Margaret Prokop will retire by rotation at this Meeting.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Margaret Prokop was appointed a Director of the Company on 31 August 2018 and was last re-elected as a Director at the Company's AGM held in 2018.

Under this Resolution, Margaret Prokop has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Margaret Prokop is the founder and leader of the strong management team at Natform. Margaret is a qualified engineer, she has successfully led Natform for many years. Natform is now the leading designer and hirer of screen systems for the construction industry.

#### **Directors' recommendation**

The Directors (excluding Margaret Prokop) recommend that Shareholders vote for this Resolution.

## **ASX Listing Rule 7.1A**

### **Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$81 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

#### **Information Required by ASX Listing Rule 7.3A**

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

##### **Period for which the approval will be valid**

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

##### **Minimum price at which the equity securities may be issued under Listing Rule 7.1A**

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

##### **Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used**

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholder approve this Resolution. In the event that the Company does form an intention to issue equity securities under Listing Rule 7.1A between the date of this Notice of Meeting and the date of the Meeting to one or more shareholders, those shareholders' votes will be excluded under the voting exclusion statement in the Notice of Meeting.

If Shareholders approve this Resolution and the Company does raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) raising funds to further develop the Company's business;
- (b) raising funds to be applied to the Company's working capital requirements;
- (c) acquiring assets; and
- (d) paying service providers or consultants of the Company.

#### Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.1825 50% decrease in issue price	\$0.365 issue prices <sup>(b)</sup>	\$0.73 100% increase in issue price
"A" is the number of shares on issue, being 219,076,074 Shares <sup>(a)</sup>	10% voting dilution <sup>(c)</sup>	21,907,607	21,907,607	21,907,607
	Funds raised	\$3,998,138	\$7,996,277	\$15,992,553
"A" is a 50% increase in shares on issue, being 328,614,111 Shares	10% voting dilution <sup>(c)</sup>	32,861,411	32,861,411	32,861,411
	Funds raised	\$5,997,208	\$11,994,415	\$23,988,830
"A" is a 100% increase in shares on issue, being 438,152,148 Shares	10% voting dilution <sup>(c)</sup>	43,815,214	43,815,214	43,815,214
	Funds raised	\$7,996,277	\$15,992,553	\$31,985,106

#### **Notes:**

- (a) Based on the total number of fully paid ordinary Shares on issue as at 13 October 2020.
- (b) Based on the closing price of the Company's Shares on ASX as at 13 October 2020.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

#### Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

#### Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to AGM

The Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Details of these issues or agreements to issue are set out in the table below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any)	Consideration details	Allottees of the Securities
<i>Issued on 10 December 2019</i>				
17,333,333 Ordinary Fully Paid Shares (ASX:ACF)	Issue of shares to institutional and other sophisticated investors, including existing shareholders, under a placement announced by the Company on 4 December 2019. The placement was completed by utilising existing capacity under ASX Listing Rule 7.1A  The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company	Issue Price of 30 cents per share.  Closing market price on the date of issue was 34 cents per share, which represents a discount of 11.8%	Cash consideration of \$5,200,000  The proceeds were used in their entirety to fund the capital requirements of projects resulting from the Uni-span acquisition.	Institutional and other sophisticated investors, including existing shareholders

Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")	17,333,333
Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)	8.3%

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Ratification of Prior Issue of Performance Rights under Rights Plan**

### **Resolution 5 – Ratification of Prior Issue of Performance Rights under the Rights Plan**

On 11 August 2020, the Company announced that it had issued 15,108,000 unlisted and unvested performance rights (**August Performance Rights**) to employees of the Company under the Company's Rights Plan.



The August Performance Rights form part of the Long Term Variable Remuneration of the employees and were issued in four tranches each with performance vesting conditions. If vesting conditions are met, each performance right can be exercised into one Fully Paid Ordinary Share (ASX:ACF) at the holder's discretion until the expiry date of 31 July 2035.

The August Performance Rights were issued on 10 August 2020 by utilising the Company's existing capacity under Listing Rule 7.1.

#### **ASX Listing Rule 7.1**

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of the August Performance Rights which were issued on 10 August 2020 (**Issue Date**).

All of the August Performance Rights were issued by utilising the Company's existing capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the August Performance Rights did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of the August Performance Rights for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the August Performance Rights will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of the August Performance Rights will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

#### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The August Performance Rights were issued to employees of the Company under the Company's Rights Plan, and form part of the Long Term Variable Remuneration of the employees. The issue of the August Performance Rights to employees included an issue of 1,100,000 August Performance Rights to Andrew Crowther, who is a KMP of the Company.

The August Performance Rights to which this Resolution relates were issued to employees whose behaviour and performance it was felt had a direct impact on the Company group and long-term performance and further were issued to:

- (i) create alignment between the interests of such employees and the Company shareholders,
- (ii) ensure that such employees have commonly shared goals, and
- (iii) assist participants in the Rights Plan to become Shareholders.

- (b) The Company issued 15,108,000 August Performance Rights

- (c) A summary of the terms of the August Performance Rights are as follows:

- i The August Performance Rights were issued in four tranches each with performance vesting conditions.
- ii Performance Measurement Periods:



- A. The performance conditions of Tranches 3 and 4 will be measured between the first day of FY2020 and the last day of FY2021.
  - B. The performance conditions of tranches 1 and 2 will be measured between the first day of FY2020 and the last day of FY2022.
- iii Vesting Conditions:
- A. Tranches 1 and 3 consist of both target and stretch performance conditions and will be measured by comparing the Company's annualised total shareholder return to the annualised total shareholder return of a portfolio of similar ASX listed companies over the Performance Measurement Periods.
  - B. Tranches 2 and 4 consist of both target and stretch performance conditions and will be measured by the Company's growth in underlying EPS over the Performance Measurement Periods.
  - C. All tranches require continued employment during the first year of the Measurement Periods.
- iv Each participant can elect to exercise their vested August Performance Rights for nil consideration until the expiry date of 31 July 2035. Upon receipt of an exercise request the Board have discretion to settle the exercise by issuing one Fully Paid Ordinary Share (ASX:ACF) for each vested August Performance Right or in cash or a combination of both.
- v Shares issued on conversion of August Performance Rights will rank equally with the then Shares of the Company.
- vi The terms governing the transferability of the Performance Rights and the treatment of such Rights in the event the Company undergoes a capital reconstruction or undertakes a significant corporate action (including a sale of major asset or delisting) is summarised in Annexure B and set out in full in the Rights Plan.

The August Performance Rights were issued pursuant to the Rights Plan for which shareholder approval is being sought under Resolution 7. A summary of the key terms of the Rights Plan is set out in Annexure B, and a copy of the rules of the Rights Plan is available upon request from the Company.

- (d) The August Performance Rights were issued on 10 August 2020.
- (e) Each of the August Performance Rights were issued for nil consideration.
- (f) Funds were not raised from the issue of the August Performance Rights as the August Performance Rights were issued to employees of the Company and form part of the Long Term Variable remuneration of the Employees.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Appointment of Auditor**

### **Resolution 6 – Appointment of Auditor**

On 22 January 2020, pursuant to section 327C(1) of the Corporations Act, Grant Thornton Audit Pty Ltd was appointed as auditor of the Company to fulfil a casual vacancy.

Under section 327C(2) of the Corporations Act, an auditor who has been appointed under section 327C(1) of the Corporations Act only holds office until the company's next annual general meeting.

The Company is required to appoint an auditor to fill any vacancy at each annual general meeting (after its first annual general meeting) pursuant to section 327B(1) of the Corporations Act.

Pursuant to section 328B of the Corporations Act, the Company received a valid notice of nomination which nominated Grant Thornton Audit Pty Ltd to be appointed as the new auditor of the Company. A copy of the notice of nomination is set out in Annexure A of this Notice of Meeting.

Grant Thornton Audit Pty Ltd has provided the Company its written consent to act, subject to Shareholder approval being obtained, as the Company's auditor in accordance with section 328A(1) of the Corporations Act.

Accordingly, under this Resolution, Shareholder approval is being sought to appoint Grant Thornton Audit Pty Ltd as the auditor of the Company.

### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Adoption of Rights Plan**

### **Resolution 7 – Adoption of Rights Plan**

#### **Background**

Shareholder approval is being sought to adopt an employee incentive scheme entitled “Rights Plan” (**Rights Plan**) under Resolution 7 of this Notice of Meeting.

The purpose of the Rights Plan is to:

- (a) enable the Company to provide variable remuneration that is performance focussed and linked to long-term value creation for Company shareholders, to employees whose behaviour and performance have a direct impact on the Company group and long-term performance,
- (b) create alignment between the interests of participants in the Rights Plan and Company shareholders,
- (c) enable the Company to compete effectively for the calibre of talent required for it to be successful,
- (d) ensure that participants in the Rights Plan have commonly shared goals, and
- (e) assist participants in the Rights Plan to become Shareholders.

A summary of the key terms of the Rights Plan is set out in Annexure B, and a copy of the rules of the Rights Plan is available upon request from the Company.

#### **ASX Listing Rules**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Rights Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

The Company advises that Shareholder approval for the Rights Plan has not been previously sought from Shareholders under ASX Listing Rule 7.2 (exception 13(b)). Accordingly, this would be the first time that the Company has sought Shareholder approval for the Rights Plan for the purposes of ASX Listing Rule 7.2 (exception 13(b)). If this Resolution is approved by Shareholders, the Company will issue up to a maximum of 20,000,000 Performance Rights under the Rights Plan during the three year period following approval and in any event will issue only the number of Performance Rights that it is able to issue to remain within the 5% limit set by ASIC Class Order [CO 14/1000].

#### **Directors Recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Issue of Performance Rights under Rights Plan**

### **Resolution 8 – Approval of Issue of Performance Rights to Steven Boland, Director of the Company**

#### **Background**

Shareholder approval is being sought to adopt an employee incentive scheme entitled “Rights Plan” (**Rights Plan**) under Resolution 7 of this Notice of Meeting.

The Company seeks to invite Steven Boland, subject to Shareholder approval that is sought under this Resolution, to participate in the Rights Plan by subscribing for 2,204,000 performance rights under the Rights

### **Plan (Performance Rights).**

A summary of the terms of the Performance Rights are included in the Information Required by ASX Listing Rule 10.15 section below.

### **Director and Related Party Approvals**

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

- (a) a director of the Company;
- (b) an associate of a director of the Company; or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

As Steven Boland is a director of the Company, the proposed issue of Performance Rights constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

To this end, this Resolution seeks the required Shareholder approval to issue the Performance Rights to Steven Boland under and for the purposes of Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14, in accordance with Listing Rule 10.12 (exception 8), separate approval is not required under Listing Rule 10.11.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights to Steven Boland.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Performance Rights to Steven Boland.

### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Performance Rights constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company (being Peter Lancken, Margaret Prokop, Gregg Taylor and David Moffat) carefully considered the issue of these Performance Rights to Steven Boland and formed the view that the giving of this financial benefit as part of their remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Performance Rights, and the responsibilities held by Steven Boland in the Company.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Performance Rights to Steven Boland fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Performance Rights to Steven Boland requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

### **Information Required by ASX Listing Rule 10.15**

The following information in relation to the issue of Performance Rights to Steven Boland is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottee is Mr Steven Boland.
- (b) Mr Boland is a related party of the Company by virtue of being a Director of the Company pursuant to Listing Rule 10.14.1.
- (c) The maximum number of Performance Rights that may be acquired by Mr Boland is 2,204,000.

- (d) The total remuneration package received by Mr Boland in FY20 was \$1,144,052.
- (e) Steven Boland has not previously been issued any securities under the Rights Plan.
- (f) The material terms of the Performance Rights are as follows:
  - i The Performance Rights are to be issued in four tranches each with performance vesting conditions.
  - ii Performance Measurement Periods:
    - A. The performance conditions of Tranches 3 and 4 will be measured between the first day of FY2020 and the last day of FY2021.
    - B. The performance conditions of tranches 1 and 2 will be measured between the first day of FY2020 and the last day of FY2022.
  - iii Vesting Conditions:
    - A. Tranches 1 and 3 consist of both target and stretch performance conditions and will be measured by comparing the Company's annualised total shareholder return to the annualised total shareholder return of a portfolio of similar ASX listed companies over the Performance Measurement Periods.
    - B. Tranches 2 and 4 consist of both target and stretch performance conditions and will be measured by the Company's growth in underlying EPS over the Performance Measurement Periods.
    - C. All tranches require continued employment during the first year of the Measurement Periods.
  - iv Each participant can elect to exercise their vested Performance Rights for nil consideration until the expiry date of 31 July 2035. Upon receipt of an exercise request the Board have discretion to settle the exercise by issuing one Fully Paid Ordinary Share (ASX:ACF) for each vested Performance Right or in cash or a combination of both.
  - v Shares issued on conversion of Performance Rights they will rank equally with the then Shares of the Company.
  - vi The terms governing the transferability of the Performance Rights and the treatment of such Rights in the event the Company undergoes a capital reconstruction or undertakes a significant corporate action (including a sale of major asset or delisting) is summarised in Annexure B and set out in full in the Rights Plan.

The Company has chosen this type of security to provide variable remuneration that is performance focussed and linked to long-term value creation for Company shareholders. The Performance Rights have been independently valued with a total current valuation of \$250,236.65.

- (g) The Performance Rights will be issued no later than 3 years from the date of this Meeting, if approved by Shareholder of the Company.
- (h) The Performance Rights are being issued for nil consideration pursuant to the terms of the Rights Plan.
- (i) The material terms of the Rights Plan are set out in Annexure B of this Notice of Meeting.
- (j) Details of any securities issued under the Rights Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Rights Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

## Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2020 Annual Report to Shareholders for the period ended 30 June 2020 as lodged by the Company with ASX on 24 September 2020.

**Annual General Meeting** or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**ASIC** means Australian Securities and Investment Commission.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Auditor's Report** means the auditor's report of Grant Thornton Audit Pty Ltd dated 24 September 2020 as included in the Annual Financial Report.

**August Performance Rights** means the 15,108,000 performance rights issued by the Company pursuant to the Rights Plan on 10 August 2020 for which ratification is being sought under Resolution 5.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

**Company** means Acrow Formwork and Construction Services Limited ACN 124 893 465.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Director** means a current director of the Company.

**Directors' Report** means the report of Directors as included in the Annual Financial Report.

**Dollar** or **"\$"** means Australian dollars.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting dated 26 October 2020 including the Explanatory Statement.

**Option** means an option which, subject to its terms, could be exercised into a Share.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Performance Right** means a performance right which, subject to its terms, could convert to a Share.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Remuneration Report** means the remuneration report as set out in the Annual Financial Report.

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Restricted Voter** means a member of the Company's KMP and any Closely Related Parties of those members.

**Rights Plan** means the employee incentive scheme entitled "Rights Plan" for which Shareholder approval is being sought for the adoption of under Resolution 7 of this Notice of Meeting.

**Securities** mean Shares and/or Options (as the context requires).

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Share Registry** means Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Spill Meeting** means the meeting that will be convened within 90 days of the 2021 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2021 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2021 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2021 AGM.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**VWAP** means the volume weighted average market (closing) price, with respects to the price of Shares.

## ANNEXURE A: NOTICE OF NOMINATION OF AUDITOR

To:

Company Secretary  
Acrow Formwork and Construction Services Limited  
ACN 124 893 465  
Level 5, 126 Phillip Street  
Sydney NSW 2000

Date: 14 October 2020

### **Re: Nomination of Auditor**

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Peter Lancken, being a member of Acrow Formwork and Construction Services Limited ACN 124 893 465 (Company) hereby nominate Grant Thornton Audit Pty Ltd of Level 17, 383 Kent Street, Sydney NSW 2000 as auditor of the Company at the Annual General Meeting to be held on 25 November 2020.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Lancken', with a large, stylized initial 'P'.

Peter Lancken

## ANNEXURE B: KEY TERMS OF THE RIGHTS PLAN

The Company intends to adopt the employee incentive scheme entitled “Acrow Formwork and Construction Services Limited Rights Plan” (**Rights Plan**), to assist in the reward, retention and motivation of the Company's Directors (excluding non-executive directors), senior management, and other key employees (**Eligible Persons**).

Under the rules of the Rights Plan, the Board has a discretion to offer performance rights to acquire Shares to Eligible Persons. In each case, the performance rights will be subject to service-based conditions and/or performance hurdles (**Rights**).

The terms and conditions of the Rights Plan are set out in comprehensive rules. A summary of the rules of the Rights Plan is set out below:

- The Rights Plan is open to Executive Directors, senior management, and any other employees of the Company, as determined by the Board.
- Participation in the Rights Plan is voluntary.
- The Board may determine the number of Rights to be issued under the Rights Plan to each participant and other terms of issue of the Rights, including:
  - what service-based conditions and/or performance hurdles must be met by a participant in order for the Rights to vest;
  - the measurement period applicable to each tranche of Rights;
  - the fee payable (if any) to be paid by a participant on the grant of Rights;
  - the fee payable (if any) to be paid by a participant on the conversion of Rights;
  - the period during which a vested Rights can be converted; and
  - any forfeiture conditions or disposal restrictions applying to the Rights and any Shares that a participant receives upon conversion of their performance rights.
- When any service-based conditions and/or performance hurdles have been satisfied, the performance rights will become vested and will be convertible to Shares.
- Each vested performance right enables the participant to be issued or to be transferred one Share upon conversion or a cash payment to the value of the shares, or a combination of both at the Board's absolute discretion, subject to the rules governing the Rights Plan and the terms of any particular offer.
- Rights may not be disposed of or transferred or otherwise dealt with and will lapse immediately on such a purported disposal, transfer or dealing (unless the transfer is effected by operation of law).
- In the event the Company undertakes:
  - an issue of bonus shares (other than in the case of a bonus share issue in lieu of a dividend payment), the number of Rights held by a participant will increase by the same number of bonus shares the participant would have received had the Rights been fully paid shares in the Company;
  - a general rights issue there will be no adjustments to the Rights, however the Board may consider issuing options to participants;
  - a rights issue other than to shareholders, the Rights will not be adjusted; or
  - any other capital reconstruction, the Board may make such adjustments to the Rights as it considers appropriate to ensure the holders of the Rights are neither advantaged or disadvantaged.
- On exercise of Rights the Board will determine in its absolute discretion whether to settle the exercised rights value in whole shares with any residual amount being forfeited, a cash payment to the participant or a combination of shares and a cash payment to the participant.
- In the event the Company:
  - is to de-list, the vesting conditions attached to each group of Rights will cease to apply and some or all of the Rights will vest, be exercisable and/or be rendered un-restricted (as appropriate) in accordance with the terms of the Rights Plan;
  - divests a significant portion of its assets, ceases its major operations or undertakes a



substantial return of capital to Shareholders some or all of the unvested Performance and Services Rights will vest (or their number and conditions will be adjusted to ensure no prejudice to Rights holders) and some or all restrictions on Restricted Rights will lift.

- Invitations under the Rights Plan will be made in reliance on ASIC Class Order 14/1000 (or any successor class order) and the Board will take such action or refrain from taking actions so as to remain able to rely on the relief provisions of the Class Order, including notifying ASIC when it first relies on the Class Order.
- The Rights Plan will be administered by the Board but the Board may delegate administration of the Rights Plan to a committee of the Board in relation to all participants or to the Managing Director in relation to other Participants.

# Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **1.00pm AEDT on Monday, 23 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

**WEBCHAT:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

