



MaxiPARTS Limited

(formerly called MaxiTRANS Industries Limited)

ACN 006 797 173

NOTICE OF ANNUAL GENERAL MEETING

**The MaxiPARTS Limited Annual General Meeting
will be held as a virtual meeting**

Date: Wednesday 3 November 2021

Time: 3.00 pm (Melbourne time)

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR ATTENTION
If you are in doubt as to how to deal with it, please consult your professional adviser.

**MAXIPARTS LIMITED
ACN 006 797 173**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of MaxiPARTS Limited will be held as a virtual meeting on Wednesday 3 November 2021 at 3.00 pm (Melbourne time).

Given the various restrictions regarding public gatherings arising from the spread of COVID-19 and in light of public health concerns relating to the spread of COVID-19, MaxiPARTS will hold its 2021 AGM as a virtual meeting. There will not be a physical venue for Shareholders to attend.

HOW TO ATTEND AND PARTICIPATE IN THE AGM

Your participation in the AGM is important to us. To make this AGM possible and provide you with the opportunity to participate, including asking questions and voting during the AGM, we are providing you the following ways to participate and share your views by visiting **web.lumiagm.com/381609492** on your smartphone, tablet or computer.

Lumi AGM is a server / application that enables Shareholders to:

- see the AGM presentation materials and listen to the AGM live;
- vote online during the AGM; and
- ask questions and make comments online during the AGM.

IMPORTANT INFORMATION

To participate in the AGM, you will be required to enter the unique 9-digit Meeting ID provided below.

**<https://web.lumiagm.com>
Meeting ID: 381-609-492**

To participate and vote online you will also need your Shareholder number and postcode. Shareholders should register at least 15 minutes before the commencement of the AGM.

Voting on all resolutions will be conducted by a poll.

Shareholders may also cast their votes at the AGM by appointing a proxy (preferably the Chair of the AGM) online at www.investorvote.com.au by 3.00 pm (Melbourne time) on Monday 1 November 2021 or by the other means identified under the heading "How to Vote" later in this Notice.

In the event of a technological failure that prevents Shareholders from having a reasonable opportunity to participate in the AGM, MaxiPARTS will provide an update on its website and the ASX platform to communicate the details of the postponed or adjourned AGM to Shareholders. Further information will be made available on our website: <https://corporate.maxiparts.com.au/annual-general-meeting/>

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes the various matters to be addressed at the meeting. The Explanatory Memorandum should be read in conjunction with this Notice of Meeting.

Capitalised terms used in this Notice and the Explanatory Memorandum have the meanings given to them in the Glossary unless the context indicates otherwise.

ITEMS OF BUSINESS

1. Financial Statements and Reports

To receive and consider the financial report, the directors' report and the auditors' report for the Company and its controlled entities for the year ended 30 June 2021.

2. Adoption of the Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

That the Company's Remuneration Report for the year ended 30 June 2021 be adopted.

Note: The vote on this Item is advisory only and does not bind the Directors or the Company. A voting exclusion applies to this Resolution. See page 4 for details.

3. Re-election of Director – Greg Sedgwick

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

That Gregory Leo Sedgwick, who retires in accordance with the Constitution and being eligible for election, is re-elected as a Director of the Company.

Note: Information about Greg Sedgwick and the re-election under this Item 3 is available on page 8 in the Explanatory Memorandum.

4. Re-election of Director – Gino Butera

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

That Gino Butera, who retires in accordance with the Constitution and being eligible for election, is re-elected as a Director of the Company.

Note: Information about Gino Butera and the re-election under this Item 4 is available on page 8 in the Explanatory Memorandum.

5. Grant of Performance Rights to the Managing Director and CEO

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

For the purposes of Listing Rule 10.14 and for all other purposes, to approve the grant of performance rights to Peter Loimaranta, Managing Director and Chief Executive Officer, as described in the Explanatory Memorandum.

Note: A voting exclusion applies to this Resolution. Information about this resolution is available on page 9 in the Explanatory Memorandum.

6. Updates to Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

That the Constitution be amended as set out in the document tabled at the meeting and signed by the Chairman for identification, with effect from the close of the meeting.

Note: Information about this resolution is available on page 12 in the Explanatory Memorandum.

By order of the Board

Amanda Jones
Company Secretary
21 September 2021

IMPORTANT NOTES

VOTING ENTITLEMENTS

For the purposes of ascertaining voting entitlements for the AGM, the Board has determined that the shareholding of each member will be as it appears in the Company's register of members at 7.00 pm (Melbourne time) on Monday 1 November 2021.

HOW TO VOTE

To vote at the AGM you will need to follow these steps:

EITHER 1. Complete the enclosed proxy form and return it by facsimile or mail (to be received **no later than 3.00 pm (Melbourne time) on Monday 1 November 2021**) to either of the following offices or facsimile numbers:

Computershare Investor Services Pty Limited

GPO Box 242

Melbourne Victoria 3001

Facsimile number: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

OR 2. Lodge your proxy online – go to www.investorvote.com.au, log in and follow the prompts. Custodians – Relevant custodians may lodge their proxy form online by visiting www.intermediaryonline.com

OR 3. Attend the AGM virtually by either visiting web.lumiagm.com/381609492 on your smartphone, table or computer.

To participate in the AGM, you will be required to enter the unique 9-digit Meeting ID provided below.

Meeting ID: 381-609-492

The lodging of a completed proxy form will not prevent you from attending virtually and voting at the AGM.

VOTING EXCLUSION STATEMENTS

Item 2 – Remuneration Report

The Company will disregard any votes cast on Item 2 by or on behalf of:

- a member of the key management personnel named in the Remuneration Report for the year ended 30 June 2021 (each a KMP); or
- their Closely Related Parties,

regardless of whether the votes are cast as a Shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a KMP or Closely Related Party of a KMP if:

- it is cast as a proxy, and the proxy is appointed by writing that specifies how the proxy is to vote on Item 2 and it is not cast on behalf of a KMP or a Closely Related Party of a KMP; or
- the proxy is the Chair of the AGM and the appointment of the Chair as proxy does not specify the way the proxy is to vote on Item 2 and the Chair is expressly authorised to exercise the proxy in favour of Item 2 even if the resolution is connected directly or indirectly with the remuneration of a KMP.

Online: go to www.investorvote.com.au, log-in and follow the prompts.

Custodians: Relevant custodians may lodge their proxy form online by visiting www.intermediaryonline.com

5. A member which is a body corporate and entitled to attend and vote at the AGM, or a proxy which is a body corporate and is appointed by a member entitled to attend and vote at the AGM, may appoint an individual to act as its representative at the AGM in accordance with section 250D of the Corporations Act. The representative must submit a certificate to evidence his or her appointment to the Share Registry by **no later than 3.00 pm (Melbourne time) on Monday 1 November 2021** unless it has previously been provided to the Share Registry. The proxy form contains instructions for obtaining a form of the certificate.
6. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit, subject to any voting restrictions that may apply to the proxy.
7. If the proxy form is signed but is blank in all other material aspects, it will be taken to mean that it is in favour of the Chair of the AGM for full voting rights and the Chair intends to vote in favour of all items on a poll.

APPOINTING THE CHAIR AS YOUR PROXY

The proxy form accompanying this Notice of Meeting contains detailed instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the Chair of the AGM as their proxy. You should read those instructions carefully.

If a Shareholder directs the Chair how to vote on an item of business, the Chair must vote in accordance with the direction.

In relation to each of the remuneration-related resolutions (being Items 2 and 4), if the Chair of the AGM is appointed as your proxy, and you have not directed the Chair as your proxy how to vote on the relevant resolution, please note that by completing and returning the proxy form accompanying the Notice of Meeting you will be expressly authorising the Chair of the AGM to exercise your undirected proxy in favour of those resolutions even though they are connected with the remuneration of the Company's key management personnel.

The Chair intends to exercise all undirected proxies by voting in favour of all resolutions on the agenda.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is to be read in conjunction with the accompanying Notice of Annual General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with an explanation of the business of the AGM and of the resolutions to be proposed and considered at the AGM of the Company to be held on Wednesday 3 November 2021 and to allow Shareholders to determine how they wish to vote on those resolutions.

Shareholders should read the Notice of Meeting and this Explanatory Memorandum in full before deciding how to vote.

Capitalised terms used in this Explanatory Memorandum have the meanings given to them in the Glossary unless the context indicates otherwise.

Item 1 - Financial Statements and Reports

The Corporations Act requires that the Company's financial report (which includes financial statements, notes to the financial statements and the directors' declaration), the directors' report and the auditor's report be laid before the AGM.

There is no requirement in either the Corporations Act or the Constitution for Shareholders to approve the financial report, the directors' report or the auditor's report.

A copy of the Annual Report has been provided to each Shareholder (as required) and is also available on the Company's website: www.maxiparts.com.au. The Annual Report contains the financial report, the directors' report and the auditor's report.

Our auditor is not obliged to provide written responses to any written submitted questions. However, the Auditor will be present at the AGM and Shareholders will be given a reasonable opportunity to submit questions and make comments on these reports during the meeting, and on the management of the Company, and to submit questions to the auditor.

Item 2 – Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report for the year ended 30 June 2021 is set out in the Company's Annual Report.

The Remuneration Report sets out:

- the remuneration policies adopted by the Board;
- the links between the remuneration policies adopted by the Board and the performance of the Company;
- the remuneration details for each Director and key management personnel;
- the different bases of remuneration paid to non-executive Directors and executive management; and
- information about performance-linked remuneration, including short term and long term incentives.

The Shareholder vote on the Remuneration Report is advisory only and will not bind the Company or its Directors. However, the Board will take into account any Shareholder discussions on this Resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

In accordance with the provisions of the Corporations Act, known generally as the "two strikes rule", Shareholders should note that if 25% or more of the votes cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, a resolution will be put to Shareholders at the second annual general meeting (a "spill" resolution) that, if passed, will require another meeting to be held within 90 days. At that meeting the Company's Directors (other than the Managing Director), who held office when it was resolved to put the Remuneration Report to the second annual general meeting and who wish to continue as a Director, must stand for re-election.

Shareholders will be given a reasonable opportunity at the AGM to ask questions about, or make comments on, the Remuneration Report.

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report.

Election of Directors

Pursuant to the Constitution, a non-executive Director must retire from office at the conclusion of the third annual general meeting after the Director was last elected. Mr Jim Curtis is due to retire in accordance with this provision and has decided not to seek re-election.

Item 3 – Re-election of Director – Mr Greg Sedgwick

Pursuant to the Constitution, a non-executive Director who is elected to fill a casual vacancy must retire from office at the conclusion of the next annual general meeting after the Director was appointed. Directors are eligible for re-election.

Mr Greg Sedgwick was elected as a Director on 19 March 2021 to fill a casual vacancy and is due to retire from office at the conclusion of the AGM and seeks re-election as a Director. Mr Sedgwick is Chair of the Remuneration & Human Resources Committee, and a member of the Audit & Risk Management Committee and Nominations Committee.

Further details about Mr Sedgwick are set out in the Annual Report.

The Directors (except Mr Sedgwick) unanimously recommend that Shareholders vote in favour of the re-election of Mr Sedgwick.

Item 4 – Election of Director – Mr Gino Butera

Pursuant to the Constitution, a non-executive Director who is elected to fill a casual vacancy must retire from office at the conclusion of the next annual general meeting after the Director was appointed. Directors are eligible for re-election.

Mr Gino Butera was elected as a Director on 17 September 2021 to fill a casual vacancy and is due to retire from office at the conclusion of the AGM and seeks re-election as a Director. Mr Butera is a member of the Remuneration & Human Resources Committee, Audit & Risk Management Committee and Nominations Committee.

Mr Butera is an experienced executive with a distinguished career at Cummins Inc., one of the world's largest manufacturers and providers of Diesel Engines and associated spare parts over multiple industrial end markets. Mr. Butera was most recently based in the USA leading the Global Power Generation business for Cummins. He and his family have recently returned permanently to Australia. During his career Mr Butera has worked in Australia, Africa, the Middle East and the USA including periods leading regions with some of Cummins largest spare parts distribution businesses.

The Directors (other than Mr Butera) unanimously recommend that Shareholders vote in favour of the election of Mr Butera.

Item 5 – Grant of Performance Rights to the Managing Director

Pursuant to the Listing Rules, the Company must seek Shareholder approval to grant securities in the Company, including performance rights, to Mr Peter Loimaranta, the Company's Managing Director and Chief Executive Officer, under an employee incentive scheme. If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1 (New Issues) for the proposed grant of performance rights, nor for the issue of any Shares on exercise of the performance rights, to Mr Loimaranta.

The Company is seeking approval for the grant of performance rights to Mr Loimaranta under the Company's Performance Rights Plan.

The Company issues performance rights under its long term incentive program (**LTI Program**) to incentivise executives to manage the business in a way that drives sustainable long term growth in shareholder value. Performance rights will

only vest if the specific, long term performance hurdle attached to those performance rights, is met. Details of the performance hurdle attaching to the performance rights proposed to be issued are set out in the table below.

A summary of the terms of the performance rights proposed to be granted to Mr Loimaranta is set out below. The performance rights are otherwise issued on the terms of the Performance Rights Plan (**Plan Rules**) which was approved by Shareholders in 2010. The Board has the discretion to waive or vary the terms of the Plan Rules.

A performance right will, upon its vesting and exercise, entitle a holder to receive (either by way of issue or by transfer) one Share in the Company (subject to adjustments for capital actions in accordance with the Listing Rules and the terms of the Performance Rights Plan) which will rank equally with all other existing Shares.

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| <p><i>Maximum number of securities that may be acquired by Mr Loimaranta and the formula for calculating the number of securities to be issued</i></p> | <p>49,965 (249,822 pre-share consolidation) performance rights.</p> <p>The number of performance rights proposed to be granted to Mr Loimaranta has been calculated by using the 'face value' methodology – that is, by dividing the long-term incentive component of his annual remuneration (\$154,890) by \$0.62, being the volume weighted average price of MaxiPARTS shares during the first month of the three-year performance period (July 2021).</p> |
| <p><i>Performance hurdles</i></p> | <p>The performance rights will vest and be exercisable only if the performance hurdle attached to the performance rights is satisfied.</p> <p>Following the sale of the Trailer business, the Board has reassessed the appropriate performance hurdles to attach to future grants of performance rights. In the past, the performance hurdle for all performance rights on issue was return on invested capital (ROIC). However, the Board is of the view that a more appropriate performance hurdle for the MaxiPARTS business is Economic Value Added (EVA). This is because the current ROIC of MaxiPARTS would be above the assessed weighted average cost of capital of 9.5%, and the Board considered that a focus on continued generation of improvements in economic value is better aligned to shareholder value than an increase in ROIC.</p> <p>The performance rights will be subject to a performance hurdle requiring a cumulative EVA result of \$6,220,000 over the three-year period ending 30 June 2024 in order for the performance rights to vest. The FY21 EVA for the MaxiPARTS business was \$1,843,000 (based on the pro forma P&L and balance sheet for MaxiPARTS previously disclosed).</p> <p>A sliding scale will apply for partial attainment of the performance hurdle. The minimum target is 67% of the targeted improvement in EVA that must be achieved before any of the performance rights vest in the year ending 30 June 2024, at which point 50% of the performance rights will vest. 100% of the performance rights will vest where the target EVA is fully achieved or exceeded.</p> <p>Any unvested performance rights will lapse.</p> |
| <p><i>The price or formula for calculating the price for each security to be acquired under the Plan</i></p> | <p>No price is payable by Mr Loimaranta for the grant or exercise of the performance rights.</p> |
| <p><i>Participants in the LTI Program</i></p> | <p>At the discretion of the Board, senior managers and executive directors of the Company are invited to participate in the LTI Program.</p> |
| <p><i>Type of awards granted</i></p> | <p>Performance rights are granted to participants in the LTI Program. Each performance right will, on its exercise, entitle the holder to receive one fully paid ordinary share in the Company, which will rank equally with all other existing fully paid ordinary shares. The exercise of a performance right is subject to certain performance hurdles being met.</p> |
| <p><i>Basis of award of performance rights</i></p> | <p>The Company issues performance rights under its long-term incentive program (LTI Program) to incentivise executives to manage the business in a way that drives sustainable long term growth in shareholder value. Performance rights will only vest if the specific, long term performance hurdle attached to those performance rights, is met.</p> |

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| | <p>An award of performance rights is calculated by reference to a participant's remuneration package. Mr Loimaranta is eligible to receive performance rights equal to up to 33.3% of his total employment compensation. For other participating executives, the value of their performance rights is 17.5% of their total employment compensation. 'Total Employment Compensation' (TEC) is the total of salary, superannuation and other monetary or non-monetary benefits.</p> <p>Previously, the Company expressed the award of performance rights as a percentage of total available remuneration, or TAR. The Company has moved to express remuneration using the more common term of TEC. Expressing the award as a percentage of TAR, Mr Loimaranta will be eligible to receive up to 20% of his TAR as performance rights, and the other participating executives will be eligible to receive up to 12.7% of their TAR as performance rights.</p> |
| <i>Basis of number of rights awarded</i> | <p>The number of performance rights a participant receives is calculated on a "face value" basis by dividing the participant's performance right entitlement by the Company's share price. The share price is determined using the volume weighted average price (VWAP) over the first month of the financial year in which the rights are granted (ie, for rights granted in 2021 with a FY21 base, the July 2021 VWAP is used). This is on the basis that the start of the financial year is the starting point for measuring the achievement of the EVA target.</p> |
| <i>Exercise of performance rights</i> | <p>Under the Plan Rules, vested performance rights may only be exercised during the period commencing on the third anniversary of the grant date and ending on the seventh anniversary of the grant date. Unexercised performance rights will lapse on their expiry date.</p> <p>In special circumstances, the Plan Rules permit an alternative exercise period to apply. For example, where a holder of performance rights retires, dies, sustains a total and permanent disability or is made redundant, the Board can determine that the performance hurdles be waived and that the exercise period commence on the date the special circumstance arises and end 90 days later.</p> |
| <i>Lapse of performance rights</i> | <p>Under the Plan Rules, unvested performance rights lapse if a holder ceases to be an employee of the MaxiPARTS group.</p> <p>Unvested and vested performance rights will lapse immediately if the holder is dismissed with cause, has committed an act of fraud, defalcation or gross misconduct in relation to the MaxiPARTS group, or has committed a disreputable act.</p> <p>The Plan Rules provide that vested performance rights will lapse:</p> <ul style="list-style-type: none"> • six months after the date of termination of employment of the holder (other than in special circumstances relating to the death, retirement, redundancy or total and permanent disablement of the holder). • twelve months after the holder ceases employment as a result of special circumstances; or • twelve months after the occurrence of a change of control in the Company. |
| <i>Voting rights</i> | <p>The performance rights do not carry any voting rights, but Mr Loimaranta will be able to vote any Shares that are provided on vesting and exercise of the performance rights.</p> |
| <i>The names of all persons referred to in Listing Rule 10.14 who received securities under the Plan since the last approval</i> | <p>Mr Loimaranta received 190,723 (953,613 pre-share consolidation) performance rights for nil consideration since the 2020 Annual General Meeting. Shareholder approval was not obtained for that grant, as Mr Loimaranta was not a director at the time of offer or grant of those performance rights.</p> |

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| <i>The names of all persons referred to in Listing Rule 10.14 entitled to participate in the Plan</i> | Mr Loimaranta is the only person referred to in Listing Rule 10.14 entitled to participate in the Plan. |
| <i>The terms of any loan in relation to the acquisition</i> | No loan will be made in relation to the acquisition of performance rights or the underlying Shares by Mr Loimaranta. |
| <i>The date by which the Company will issue the securities</i> | The performance rights will be issued within 12 months of the date of the AGM. It is anticipated that the performance rights will be issued in November 2021. |

The Managing Director's total available remuneration consists of:

- Fixed component of \$465,135 inclusive of superannuation and allowances (TEC).
- STI component, comprising 33.3% of TEC; and
- LTI component, comprising 33.3% of TEC.

Performance rights were granted to Mr Loimaranta in previous periods before he became a person referred to in Listing Rule 10.14 and have not yet vested. These are:

- 85,683 (428,412 pre-share consolidation) performance rights that are due to vest on 30 June 2022 (**2022 Performance Rights**); and
- 190,723 (953,613 pre-share consolidation) performance rights that are due to vest on 30 June 2023 (**2023 Performance Rights**),

if the relevant performance hurdles are met. The performance hurdles attaching to these performance rights were the achievement of ROIC of the whole of the MaxiTRANS group, before the sale of the Trailer Business. Following the sale of the Trailer Business, the Board exercised its discretion to change the performance hurdle to one more relevant to the MaxiPARTS business.

The 2022 Performance Rights will only vest if the Company's ROIC at 30 June 2022 is 11.53% or greater. The 2023 Performance Rights will only vest if the Company's ROIC at 30 June 2023 is 12.5% or greater. The previous and new ROIC targets are set out below:

| | Previous ROIC target | New ROIC target |
|-------------------------|-----------------------------|------------------------|
| 2022 Performance Rights | 6.95% | 11.53% |
| 2023 Performance Rights | 6.95% | 12.5% |

Details of any securities issued under the Performance Rights Plan will be published in the MaxiPARTS Annual Report relating to the period in which they were issued, along with a statement that approval of the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Performance Rights Plan after the resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.

The non-executive Directors unanimously recommend that Shareholders vote in favour of the resolution.

Item 6 – Amendment to Constitution

Since the Constitution was last amended, there have been a number of developments in law and general corporate and commercial practice for ASX- listed entities.

A copy of the existing Constitution is available to view [here](#). A marked- up version of the Constitution showing the proposed amendments is available to view [here](#).

For this resolution to be passed as a Special Resolution in accordance with the Corporations Act, at least 75% of the votes cast by Shareholders entitled to vote must be in favour of the resolution.

The current Constitution contemplates general meetings being held at a physical location. There is only limited detail about how 'hybrid' meetings (where some attendees meet in person and others can participate online using technology) should be run, and 'virtual' meetings are not contemplated at all. The AGM is being conducted as a virtual meeting in reliance on the temporary amendments made to the Corporations Act in response to COVID -19.

If this resolution is approved, the amended Constitution will confirm the ability of Directors to approve technologies to be used at a general meeting. The Corporations Act and the existing Constitution require that members as a whole be given a reasonably opportunity to participate in a general meeting, and the proposed amendments in relation to the use of technology do not change this requirement.

Consequential provisions are also included to provide clarity around procedural matters including to ensure that 'online' attendees are treated as being present at the meeting and are counted for a quorum, and to confirm that the Directors may prescribe the detailed procedures by which meetings held with technological assistance may be conducted.

While the Company is conducting the AGM online due to the meeting and movement restrictions associated with COVID-19, the Board has made no determination regarding the method(s) by which general meetings will be held in the future. However, the clear preference of the current Board is to resume shareholder meetings in person as soon as practicable. Despite this preference, the Board considers the proposed amendments to the Constitution are in the best interests of Shareholders because they provide the flexibility and clarity described above.

Further, the Board proposes that the Constitution be amended in recognition of, and anticipation for, the replacement of the current CHESS clearing system used by the ASX to clear and settle on market share transactions (**CHESS Replacement**). Under the current CHESS system, up to three joint holders may be registered in relation to a share. The CHESS Replacement will allow this to be increased to the registration of four joint holders of a share. The proposed amendment allows for this increase in joint shareholders once the CHESS Replacement is implemented.

Finally, the Constitution has been amended to reflect the change of name of the Company.

The Directors unanimously recommend that Shareholders vote in favour of this resolution to amend the Constitution.

QUESTIONS?

Shareholders should consider the information set out in the Notice of Meeting and Explanatory Memorandum before deciding how to vote at the AGM.

If after reading the Notice of Meeting and the Explanatory Memorandum you have any questions about the AGM, please contact the Company Secretary on (03) 9368 7000 or by email: cosec@maxiparts.com.au.

GLOSSARY

AGM means the 2021 Annual General Meeting of the Company to be held on Friday 22 October 2021 at 11:00am (Melbourne time).

Annual Report means the annual report of the Company for the financial year ended 30 June 2021.

Associate has the meaning given in the Listing Rules.

ASX means Australian Securities Exchange Limited.

Auditor's Report means the report published by KPMG and dated 20 August 2021.

Board means the Board of Directors.

Chair means the chairperson of the Meeting.

Closely Related Parties has the meaning given by section 9 of the Corporations Act.

Company means MaxiPARTS Limited ACN 006 797 173.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Economic Value Added (EVA) = NOPLAT – (Invested Capital x WACC), where:

NOPLAT = Net Operating Profit Less Adjusted Taxes

Invested Capital = debt + lease liabilities + shareholder equity

WACC = Weighted Average Cost of Capital

Explanatory Memorandum means this explanatory memorandum which accompanies and forms part of the Notice of Meeting.

Group means the Company and all of its subsidiaries.

Listing Rules means the listing rules of the ASX.

Notice of Meeting means the notice of the AGM referred to in and which accompanies this Explanatory Memorandum.

Performance Rights Plan means the MaxiPARTS Performance Rights Plan approved by the Board of Directors on 30 September 2010 and amended by Board resolution on 24 August 2018.

Resolution means a resolution referred to in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Share Registry means Computershare Investor Services Pty Ltd.

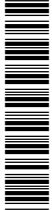
Shareholder means a holder of at least one Share.

Total Available Remuneration (TAR) means the total of salary, superannuation and other monetary or non-monetary benefits, including short and long term incentives.

Total Employment Compensation (TEC) means the total of salary, superannuation and other monetary or non-monetary benefits, excluding short and long term incentives.

Need assistance?**Phone:**1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)**Online:**www.investorcentre.com/contact

MXI

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

MaxiPARTS Limited Annual General Meeting

The MaxiPARTS Limited Annual General Meeting will be held on Wednesday, 3 November 2021 at 3:00pm (AEDT). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:

**Control Number: 999999****SRN/HIN: I9999999999****PIN: 99999**

For your proxy appointment to be effective it must be received by 3:00pm (AEDT) on Monday, 1 November 2021.



ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit:
web.lumiagm.com/381609492

For instructions refer to the online user guide www.computershare.com.au/virtualmeetingguide




MaxiPARTS Limited
ACN 006 797 173




MXI

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AEDT) on Monday, 1 November 2021.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of MaxiPARTS Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of MaxiPARTS Limited to be held as a virtual meeting on Wednesday, 3 November 2021 at 3:00pm (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 5 (except where I/we have indicated a different voting intention in step 2) even though Items 2 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 5 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 2 Adoption of the Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Re-election of Director – Greg Sedgwick | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Re-election of Director – Gino Butera | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Grant of Performance Rights to the Managing Director and CEO | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Updates to Constitution | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

MX I

2 8 0 2 4 0 A



Computershare

