



**This document is important and requires your immediate attention.**

## **Adrad Holdings Limited**

**ACN 121 033 396**

### **Notice of Annual General Meeting and Explanatory Statement**

The Annual General Meeting of Adrad Holdings Ltd will be held at 26 Howards Road Beverley SA at 1.00 pm (Adelaide time) on Monday 21 November 2022.

Further information regarding participation in the meeting is set out on page 2 of this document.

## Contents

- A. Notice of Annual General Meeting
- B. Explanatory Statement
- C. Proxy form

### Important note

This booklet sets out information to assist Shareholders to assess the resolutions to be considered at the Annual General Meeting.

You should read this information carefully and in its entirety before making a decision as to how to vote at the Annual General Meeting. No responsibility is taken for the contents of this booklet by ASIC, ASX or any of their officers.

If you do not fully understand the contents of this information you should consult your financial or legal adviser for assistance.

A Notice of Annual General Meeting and Proxy Form are included in/with this booklet. Shareholders are urged to complete and return the enclosed Proxy Form as soon as possible, irrespective of whether or not they intend to attend the Annual General Meeting.

### Questions

If you have any queries regarding the contents of this booklet or in relation to the Annual General Meeting, please contact the Company Secretary, Ms Kaitlin Smith, on (08) 8232 8800. Questions may also be submitted by emailing [cosec@adrad.com.au](mailto:cosec@adrad.com.au).

### How to participate in the AGM

The Annual General Meeting of the Shareholders of Adrad Holdings Limited (**Company**) will be held at 26 Howards Road Beverley SA commencing at 1.00 pm (Adelaide time) on Monday, 21 November 2022.

### How to submit your vote in advance of the meeting

#### Voting by Proxy

To be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11.00am (Adelaide time) on Saturday 19 November 2022. Any Proxy Form received after that time will not be valid for the Annual General Meeting as scheduled.

**By mail** Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia

**By fax** 1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

**Custodian voting** For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions

# Adrad Holdings Limited

ACN 121 033 396

## Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of Adrad Holdings Limited for 2022 will be held at 1.00 pm (ACDT) on Monday 21 November 2022.

### Agenda

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes the business to be transacted at the Annual General Meeting.

### Ordinary Business

#### Financial Statements and Reports

To receive and consider the annual financial report and the reports of the Directors and of the Auditor for the financial year ended 30 June 2022.

#### Resolution 1 – Adoption of Remuneration Report

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

*“That, for the purposes of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2022 be adopted.”*

Please note that pursuant to Section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

#### **Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

#### Resolution 2 – Appointment of Auditor at First AGM

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

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, Grant Thornton Audit Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting.”*

**Resolution 3 – Re-Election of Director – Gary Washington**

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

*“That, for the purpose of ASX Listing Rule 14.5 and Rule 20.6 of the Constitution and for all other purposes, Mr. Washington, who retires by rotation in accordance with Rule 20.6 of the Constitution, and being eligible and offers himself for re-election, be re-elected as a Director.”*

**Other Business**

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Annual General Meeting.

By order of the Board



Kaitlin Smith  
Company Secretary  
Dated: 21 October 2022

# Explanatory Statement

## 1. General Information

This Explanatory Statement and all attachments are important documents. They should be read carefully.

This Explanatory Statement has been prepared for the Shareholders of Adrad Holdings Limited (**Company**) in connection with the Annual General Meeting of the Company to be held at 1:00pm (Adelaide time) on Monday 21 November 2022 at 26 Howards Road Beverley SA.

The purpose of this Explanatory Statement is to provide Shareholders with the information known to the Company that the Board considers material to their decision on whether to approve the Resolutions in the accompanying Notice. This document is important and should be read in conjunction with all of the information contained in this booklet, including the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### Proxies

Please note that: (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy; (b) a proxy need not be a member of the Company; (c) a Shareholder may appoint a body corporate or an individual as its proxy; (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting.

**To vote by proxy, please complete and sign the Proxy Form and return it so that it is received by no later than 1.00pm (Adelaide time) on Saturday 19 November 2022 in accordance with the instructions set out on the Proxy Form. Proxy Forms received later than this time will be invalid.**

### Voting entitlements

In accordance with Regulation 7.11.37 of the *Corporations Regulations* 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 6.30pm (Adelaide time) on Saturday 19 November 2022. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlements to attend and vote at the Annual General Meeting.

## 2. Financial Statements and Reports

In accordance with the Corporations Act and the Constitution, the business of the Annual General Meeting will include the receipt and consideration of the annual financial report of the Company for the year ended 30 June 2022, together with the related Directors' report, Directors' declaration and Auditors' report. This item of business is intended to provide an opportunity for Shareholders to raise questions on the reports themselves and on the performance of the Company generally. No resolution need be put to the meeting in relation to these items.

As a Shareholder, you are entitled to submit a written question to the Auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor's report; or
- the conduct of the audit in relation to the financial report.

All written questions must be received by the Company no later than 5.00pm (Adelaide time) on Wednesday, 16 November 2022.

All questions must be sent to the Company and may not be sent to the Auditor. The Company will then forward all questions to the Auditor.

The Auditor will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the Auditor.

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

Section 250R(2) of the Corporations Act requires a listed company to put to its shareholders (at its annual general meeting) a resolution that the remuneration report be adopted. Such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2022.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. Notwithstanding the advisory effect of Resolution 1, the Board will consider the outcome of the vote made by the Shareholders with regard to the Remuneration Report at the Annual General Meeting when reviewing the Company's remuneration policies.

Although the effect of Resolution 1 is advisory only, under the "two strikes" rule, companies will be required to put a resolution to shareholders to hold fresh elections for directors if, at two consecutive annual general meetings, at least 25% of the votes cast on a resolution (such as Resolution 1) to adopt the remuneration report are cast against that resolution. If required, a spill resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the spill resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

As this Annual General Meeting of the Company is its first general meeting since its Initial Public Offering, the spill resolution is not relevant for this Annual General Meeting.

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Directors recommend that Shareholders vote in favour of Resolution 1. The Chairman intends to vote undirected proxies in favour of Resolution 1.

#### **4. Resolution 2 – Appointment of Auditor at First AGM**

Section 327B(1) of the Corporations Act provides that a public company must appoint an auditor at its first annual general meeting and at any subsequent annual general meeting thereafter where there is a vacancy.

The Directors appointed Grant Thornton Audit Pty Ltd (**Grant Thornton**) as the Company's auditor following registration of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for Grant Thornton to be appointed as the Company's auditor. A copy of this nomination is attached to this Notice as Annexure A.

Grant Thornton has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act subject to Shareholder approval of this Resolution.

If this Resolution is passed, the appointment of Grant Thornton as the Company's auditor will take effect at the close of this Meeting.

#### **5. Resolution 3 – Re-Election of Director – Gary Washington**

ASX Listing Rule 14.5 and Rule 20.6 of the Constitution require that one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to one third) must retire from office at each Annual General Meeting. The Directors retire by rotation, with the Director(s) who have been the longest in office since being appointed or re-appointed being the Director(s) who must retire in any one year.

The Constitution ensures that no Director is able to remain in office for longer than 3 years without standing for re-election. Each Director is entitled to offer himself/herself for re-election as a Director at the Annual General Meeting which coincides with his/her retirement.

The Managing Director (if any) is exempted by his office as managing director from the requirement to retire by rotation.

Gary Washington was appointed as a Non-executive Director of Adrad on 2 August 2006.

Mr Washington and his wife, Karen Washington, founded Adrad in 1985. Mr Washington was Chair of the Company from its establishment until the appointment of Mr Davis to the role in January 2022. Mr Washington has successfully led significant growth in the Company's business since its establishment, both organically and by way of acquisition, including the acquisition of the Natra group of companies in 2006.

Mr Washington has over 50 years' experience in the industrial and automotive heat exchange industries and in manufacturing in Australia.

In addition to his role as a Director on the Board, Mr Washington also acts in an executive capacity.

If re-elected the Board considers Mr Washington will not be an independent Director due to being a substantial shareholder of the Company.

The Directors (with Mr Washington abstaining) support the re-election of Mr Washington and recommend that Shareholders vote in favour of Resolution 3. The Chairman intends to vote undirected proxies in favour of Resolution 3.

## Glossary

In this Notice of Annual General Meeting and Explanatory Statement the following terms have the following meaning unless the context otherwise requires:

**\$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Time.

**Annual General Meeting** means the annual general meeting of the Company the subject of the Notice of Annual General Meeting.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**ASX Listing Rules** or **Listing Rule** means the official listing rules of ASX.

**Auditor** means the auditor of the Company, Grant Thornton.

**Board** means the board of Directors.

**Chairperson** means the person appointed to chair the Annual General Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company** means Adrad Holdings Ltd (ACN 121 033 396).

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

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

**Director** means a director of the Company and **Directors** has a corresponding meaning.

**Equity Securities** includes a Share, a right to a Share or Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement to this Notice of Annual General Meeting.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Notice** or **Notice of Annual General Meeting** means the notice of Annual General Meeting.

**Option** means an option to acquire a Share.



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

**Remuneration Report** means that section of the Directors' Report under the heading "Remuneration Report" set out in the Company's annual report for the year ended 30 June 2022.

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

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

**Shareholder** means a shareholder of the Company.

**ANNEXURE A NOMINATION OF AUDITOR LETTER**

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3 October 2022

Adrad Holdings Limited  
26 Howards Road  
Beverley SA

I, Kaitlin Smith being a member of Adrad Holdings Limited (**Company**), nominate Grant Thornton Audit Pty Ltd in accordance with section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

Signed and dated 3 October 2022:



Kaitlin Smith  
Shareholder

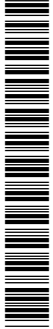
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**Adrad Holdings Limited**



Adrad Holdings Ltd  
ACN 121 033 396



## Need assistance?



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



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **1:00 pm (ACDT)** Saturday 19th November 2022

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

### PARTICIPATING IN THE MEETING

#### Corporate Representative

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

## Lodge your Proxy Form:

**XX**

### 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

### Custodians:

For Intermediary Online subscribers only visit  
[www.intermediaryonline.com](http://www.intermediaryonline.com)



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

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

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

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Adrad Holdings Ltd 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 Adrad Holdings Ltd to be held at 26 Howards Road, Beverley SA on Monday 21st November 2022 at 1:00 pm 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 Item 1 (except where I/we have indicated a different voting intention in step 2) even though Item 1 is 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 Item 1 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
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Appointment of Auditor at First AGM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Director – Gary Washington	<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  Securityholder 2  Securityholder 3  / /  
 Sole Director & Sole Company Secretary Director 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

