

Notice of Annual Meeting 2019

Notice is hereby given that the annual meeting of shareholders of EBOS Group Limited (the Company) (Annual Meeting) will be held at Addington Raceway & Events Centre, 75 Jack Hinton Drive, Christchurch on 15 October 2019, commencing at 2.00pm.

Special Business

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

Resolution 1

1. Amendment of Constitution

It is hereby resolved to amend the constitution of the Company in the manner described in the explanatory notes with effect from the time the resolution is passed.

General Business

2. To consider and receive the annual report and the financial statements for the year ended 30 June 2019 and the audit report thereon.

To consider and if thought fit, pass the following ordinary resolutions 2 to 4:

Resolution 2

3. Election of Director

It is hereby resolved that Stuart McLauchlan be elected as a director of the Company.

Resolution 3

4. Non-executive directors' remuneration

It is hereby resolved that, pursuant to NZX Listing Rule 2.11.1 and ASX Listing Rule 10.17, total remuneration for non-executive directors be increased by \$310,000 from \$1,100,000 per annum to \$1,410,000 per annum with effect from 1 July 2019.

Resolution 4

5. Auditor's remuneration

It is hereby resolved that the directors of the Company be authorised to fix the fees and expenses of Deloitte as auditor of the Company.

6. To consider any other business that can be properly brought before the meeting.

Please see explanatory notes for further information regarding Resolutions 1 to 4.

By Order of the Board



M B Waller
Chairman
Christchurch, New Zealand

12 September 2019

Explanatory Notes

Resolution 1

Amendment of constitution

The NZX Main Board Listing Rules (NZX Listing Rules) have been amended by NZX following its review in 2018. The new NZX Listing Rules came into effect on 1 January 2019 subject to a six monthly transitional period. The new NZX Listing Rules have applied to the Company since 1 July 2019.

A class waiver was also issued by NZX providing that an NZX listed entity may defer updating its constitution to reflect the new NZX Listing Rules to its next annual meeting following transition to the new NZX Listing Rules. Accordingly the Company seeks shareholder approval at this Annual Meeting to amend its constitution in order to reflect the new NZX Listing Rules.

A copy of the Company's existing constitution and a marked up copy highlighting the proposed changes to the existing constitution may be viewed on the Company website at www.ebosgroup.com. The new NZX Listing Rules may be viewed on the NZX website at www.nzx.com.

The proposed changes to the constitution are to reflect the new NZX Listing Rules and to make minor procedural and formatting changes. The key proposed amendments are as follows:

- (i) Voting by poll: all votes at shareholders' meetings must now be conducted by poll (i.e. votes will be counted according to the votes attached to the shares of each shareholder present in person or represented by proxy or otherwise and voting at the meeting);
- (ii) Board Composition: providing that the Company's board will satisfy the composition requirements of the NZX Listing Rules;
- (iii) Minimum holdings: allowing share parcels of less than the minimum holding to be sold on the market, rather than through NZX;
- (iv) Director rotation and retirement: removing the requirement for one third of directors to retire by rotation and including the requirement for a director to retire from office when required to do so by the new NZX Listing Rules;
- (v) Proxies: including more prescriptive requirements related to proxy forms.

The proposed amendments to the Company's constitution do not impose or remove a restriction on the Company's activities and accordingly no rights arise under section 140 of the Companies Act 1993.

NZX Regulation has approved the proposed changes to the Company's constitution and NZX does not take responsibility for any statement contained in this Notice of Meeting.

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In accordance with the NZX Listing Rules, if there is any provision in the constitution that is inconsistent with the NZX Listing Rules, the NZX Listing Rules will prevail.

Resolution 2 **Election of Stuart McLauchlan**

Mr Stuart McLauchlan was appointed by the Board as a director effective 1 July 2019.

Mr McLauchlan is currently Chairman of Scott Technology Limited, Analog Digital Instruments Limited and UDC Finance Limited and was formerly the Chairman of Pharmac. He is also a director of Ngai Tahu Tourism Limited and Argosy Property Limited and holds directorships with several other private companies.

He is also a governor of the New Zealand Sports Hall of Fame and a member of the Marsh NZ Advisory Board.

A chartered accountant and partner of GS McLauchlan & Co, Mr McLauchlan is a Chartered Fellow of the Institute of Directors and a past President. He is also a Fellow of the Chartered Accountants Australia and New Zealand.

As Mr McLauchlan was appointed as a casual vacancy since the 2018 Annual Meeting he is now required to be put forward for election by shareholders at the Annual Meeting.

The Board considers Stuart McLauchlan as an Independent Director as referred in the NZX Listing Rules.

Resolution 3 **Non-executive directors' remuneration**

This resolution is put to shareholders in accordance with NZX Listing Rule 2.11.1 and ASX Listing Rule 10.17 and expresses the monetary sum payable to all non-executive directors in the aggregate. At present the authorised aggregate non-executive director remuneration is \$1,100,000 per annum, as approved by shareholders at the Company's annual meeting on 27 October 2015. The non-executive directors were paid an aggregate of \$976,000 in the 2019 financial year. It is proposed to increase the authorised aggregate remuneration by \$310,000 to \$1,410,000 per annum.

The Company is seeking the approval of the increase for the following reasons:

- (a) the size and complexity of the Group's business continues to increase with a consequent increase in workload for directors, including the workload of those directors that are appointed to committees of the Board;
- (b) to ensure that the aggregate remuneration can accommodate payment of fees to any additional non-executive directors that may be appointed; and
- (c) the Company wishes to offer competitive fees in order to attract and retain non-executive directors of a high calibre.

No securities have been issued to any non-executive director under ASX Listing Rules 10.11 or 10.14 with shareholder approval within the last three years.

Under NZX Listing Rule 6.3.1, the non-executive directors (being all of the current directors of the Company) and their Associated Persons (as that term is defined in the NZX Listing Rules) are precluded from voting in respect of this resolution. This does not however prevent a non-executive director who has been appointed as a proxy or a voting representative by another person who is not disqualified from voting, or an Associated Person of a non-executive director, from voting in respect of the shares held by that other person in accordance with the express instructions of that other person.

In addition, in accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 3 by: (i) the directors; and (ii) an associate (as that term is defined in the ASX Listing Rules) of any of the directors. However the Company need not disregard a vote if: (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form as the proxy decides.

Resolution 4 **Auditor's remuneration**

Deloitte is automatically reappointed as the auditor of the Company under section 207T of the Companies Act 1993. Pursuant to section 207S of the Companies Act 1993, this resolution authorises the directors to fix the fees and expenses of the auditor.

Rotation of Directors

Listing Rule 2.7.1 of the new NZX Listing Rules provides that a director of an issuer must not hold office (without re-election) past the third Annual Meeting following the director's appointment or 3 years, whichever is longer. Except for Mr Mark Waller who is retiring with effect from the end of the Annual Meeting, none of the Company's directors have held office during their current term for a length of time which would require them to retire by rotation at this Annual Meeting.

Attendance

All shareholders are entitled to attend and (subject to the exception set out in the next paragraph) vote at the meeting or to appoint a proxy, attorney or representative (in the case of a corporate shareholder) to attend and vote on their behalf.

Except as set out in the NZX Listing Rules issued by NZX Limited, the ASX Listing Rules issued by ASX Limited and

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the Company's constitution, there are no voting restrictions which prevent any shareholder from voting on any of the resolutions.

Voting

Voting on all resolutions put before this Annual Meeting will be by poll. Results of voting will be available after the conclusion of the Meeting, and will be notified on NZX and ASX.

Proxies

A proxy form is enclosed with this notice.

If you do not plan to attend the meeting, you may appoint a proxy. The Chairman of the meeting, or any other director, is willing to act as a proxy for any shareholder who appoints him or her for that purpose. To do this, enter "the Chairman" or the name of your proxy in the space allocated in "Step 1" of this form. Alternatively you can appoint a proxy online at www.investorvote.co.nz.

If in appointing your proxy, you do not name a person as your proxy (either online or on this proxy form), or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy and may vote only in accordance with your express direction. However, if the Chairman of the meeting is expressly granted a discretion on how to vote on a particular resolution, and that resolution is subject to voting restriction that applies to the proxy under NZX Listing Rule 6.3.1, then that proxy will be prohibited from voting such discretionary proxies on that resolution. ASX Listing Rule 14.2.2 requires the Company to state how the Chairman will vote undirected (discretionary) proxies. The Chairman will vote all undirected proxies in favour of the resolutions.