



Notice of Meeting for 2019 Annual General Meeting

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting of Shriro Holdings Limited (**Shriro** or the **Company**) will be held at 104 Vanessa Street, Kingsgrove, on Thursday 30 May 2019 at 2:00pm (AEST).

AGENDA ITEMS

1. Financial Report, Directors' Report and Auditor's Report

There is no formal resolution required for this agenda item. In accordance with the Corporations Act, the Financial Report, Directors' Report and Independent Auditors Report for the year ended 31 December 2018, which are included in the Annual Report, will be laid before the meeting. Shareholders will be provided with the opportunity to ask questions about the reports.

RESOLUTIONS

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

2. Re-election of Director

That Greg Laurie, being eligible, be re-elected as a Director of the Company.

3. Adoption of Remuneration Report

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

To adopt the Remuneration Report of the Company for the year ended 31 December 2018 as set out on pages 25 to 30 of the Annual Report.

Under the Corporations act, this resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion statement

Resolution 3 - Remuneration Report

The Company will disregard any votes cast (in any capacity) on Resolution 3 by or on behalf of:

- a) a member of the Key Management Personnel as disclosed in the Remuneration Report; and
- b) a Closely Related Party of those persons.

4. Grant of Performance Rights to the CEO

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

That approval be given to grant 415,225 rights with a face value of \$240,000 to the CEO Tim Hargreaves under the Shriro Holdings Limited Equity Incentive Plan (Plan), for the reasons explained in the Explanatory Notes.

Voting exclusion statement

Resolution 4 – Grant of Performance Rights to the CEO

Shriro will disregard any votes cast by Mr Hargreaves or his respective associates. However, Shriro will not disregard proxy votes cast by such persons on behalf of a person who is entitled to vote.

Shriro will disregard votes from key management personnel as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is Chairman of the Meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this resolution, even though it is connected with the remuneration of key management personnel.

The notes relating to voting and the Explanatory Memorandum form part of this Notice of Meeting.

By Order of the Board

Date: 15 April 2019

A handwritten signature in black ink, appearing to read 'Shane Booth', written over a horizontal line.

Shane Booth

Company Secretary

Notes relating to voting

1. ENTITLEMENT TO VOTE

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares in the Company as at 7:00 pm AEST on Wednesday 29 May 2019 will be entitled to attend and vote at the Annual General Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Where voting is conducted on a show of hands, every shareholder has one vote. Where voting is conducted on a poll, shareholders have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).

2. VOTING EXCLUSIONS

Resolution 3 (Adoption of Remuneration Report)

The Company will disregard any votes cast on resolution 3:

- by or on behalf of a member of the Company's key management personnel (**KMP**) named in the Company's Remuneration Report for the year ended 31 December 2018 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties, unless the vote is cast as proxy for a person entitled to vote on resolution 3;
- in accordance with a direction in the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

3. PROXIES

- (a) A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. A shareholder can appoint a proxy by completing and returning a signed proxy form (see section 4 of these notes relating to voting, and the enclosed proxy form).
- (b) A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes. If both proxies attend the Meeting, then neither may vote on a show of hands.
- (c) If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
 - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.
- (d) If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you do not direct your proxy how to vote on a particular item of business, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.
- (e) Members of the Company's KMP (which includes each of the Directors) and their closely related parties (which includes spouses and dependents) will not be able to vote as proxy on resolution 3, unless you direct them how to vote or the Chairman of the Meeting is your proxy. If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, you should ensure that you direct that person how to vote on resolution 3.
- (f) If you intend to appoint the Chairman of the Meeting as your proxy, you can direct the Chairman how to vote by marking the boxes for the relevant resolution (for example, if you wish to vote "for", "against" or to "abstain" from voting). However, if you do not mark a box next to resolution 3, then by completing and returning the proxy form, you will be expressly authorising the Chairman to vote as they see fit in respect of resolution 3 even though it is connected with the remuneration of the Company's KMP.
- (g) If:
 - a poll is duly demanded at the Annual General Meeting in relation to a proposed resolution;
 - a shareholder has appointed a proxy (other than the Chairman of the Meeting) and the appointment of the proxy specifies the way the proxy is to vote on the resolution; and
 - that shareholder's proxy is either not recorded as attending the Meeting or does not vote on the resolution, the Chairman of the Meeting will, before voting on the resolution closes, be taken to have been appointed as the proxy for the shareholder for the purposes of voting on that resolution and must vote in accordance with the written direction of that shareholder.
- (h) Please note that for proxies without voting instructions that are exercisable by the Chairman of the Meeting, the Chairman intends to vote all available proxies in favour of each resolution.

4. PROXY FORM

If you wish to appoint a proxy to act on your behalf, please complete the accompanying proxy form.

To be effective the proxy form must be received no later than 2:00pm (AEST) on Thursday 30 May 2019 at:

Online: www.linkmarketservices.com.au

Mail: **Shriro Holdings Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia**

Facsimile: **+61 2 9287 0309**

Email address: registrars@linkmarketservices.com.au

Explanatory Memorandum

5. CORPORATE REPRESENTATIVES

A body corporate that is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it has been signed, unless it has previously been given to the Company.

6. VOTING BY ATTORNEY

A shareholder entitled to attend and vote may appoint an attorney to act on his or her behalf at the Annual General Meeting. An attorney may but need not be a member of the Company.

An attorney may not vote at the Annual General Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company by 12:00pm the 29th of May 2019.

7. QUESTIONS FOR THE AUDITOR

Shareholders may submit written questions to the Company's Auditor, Deloitte Touche Tohmatsu, if the question is relevant to the content of Deloitte Touche Tohmatsu's Audit Report for the year ended 31 December 2018 or the conduct of its audit of the Company's Financial Report for the year ended 31 December 2018.

Relevant written questions for the Auditor must be received by the Company by no later than 5:00 pm (AEST), Thursday 23 May 2019. Please send any written questions to:

Shane Booth

Shriro Holdings Limited

104 Vanessa Street, Kingsgrove NSW 2208, or shaneb@shriro.com.au

A list of written questions will be made available to shareholders attending the Meeting. If written answers are tabled at the Meeting, they will be made available to shareholders as soon as practicable after the Meeting.

This Explanatory Memorandum has been prepared to help shareholders understand the items of business at the forthcoming Annual General Meeting.

1. ANNUAL FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

The Corporations Act requires:

- the reports of the Directors and Auditors; and
- the annual Financial Report, including the Financial Statements of the Company for the year ended 31 December 2018, to be laid before the Annual General Meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given an opportunity to raise questions or comments on the management of the company.

Also, a reasonable opportunity will be given to shareholders as a whole at the Meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

2. RE-ELECTION OF GREG LAURIE

Mr Laurie was appointed to the Board on 14 April 2015 and has extensive experience in a number of manufacturing and distribution industries. Mr Laurie was Finance Director of Crane Group Limited from 1989 until his retirement from that role in 2003. Previously he was CFO for then Top 100 listed company Rheem Australia Limited, which manufactured a range of home appliances in one of its divisions. Mr Laurie is presently an independent Non-Executive Director and Chairman of the Audit Committee of Nick Scali Limited and is Chairman of ASX listed Big River Industries Limited.

The Chairman intends to vote all undirected proxies in favour of this Resolution.

Recommendation

The Board (with Greg Laurie abstaining) recommends that shareholders vote **in favour** of the re-election of Greg Laurie.

3. ADOPTION OF REMUNERATION REPORT

Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report. The Remuneration Report on pages 25 to 30 of the Company's 2018 Annual Report sets out the remuneration policies of the Company and reports on the remuneration arrangements in place for the Company's KMP during the year ended 31 December 2018.

As prescribed by the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the Meeting into account in setting remuneration policy for future years.

Recommendation

The Board recommends that shareholders vote **in favour** of the adoption of the Remuneration Report.

4. GRANT OF PERFORMANCE RIGHTS TO THE CEO

The Board believes that it is in the Shareholders interests to provide the CEO with equity-based incentives to ensure that there is alignment between satisfactory returns for shareholders and earnings for Mr Tim Hargreaves as CEO.

The granting of Performance Rights (Rights) proposed in this Resolution is in accordance with Shriro's Employee Share Scheme Rules. The LTIP allows the CEO to be issued with Rights which have associated performance hurdles that are tested at the end of three years from the date of issue to determine vesting. Subsequent to vesting, each Right can be exercised and converted to an equivalent number of shares of the Company, or cash at the Board's discretion.

It is proposed that Tim Hargreaves be issued with 240,000 Rights in respect of the 2019 year with an effective issue date of 1 January 2019. Testing for achievement of the performance hurdle will occur following Board approval of the Company's financial statements three years after the Rights effective issue date.

The performance hurdle relating to the Rights to be issued to Tim Hargreaves such that 100% of the Rights vest, is for the compound annual growth rate (CAGR) of the Company's earnings per share (EPS) to be 10% or higher for the three years (Target Performance). Where the CAGR of EPS for the three years is no less than 5% (Threshold Performance), 50% of the Rights will vest. EPS CAGR performance between 5% and 10% will result in a pro rata proportion of Rights to vest between 50% and 100%.

The key terms of the awards under the employee long term incentive plan are summarised in the table below

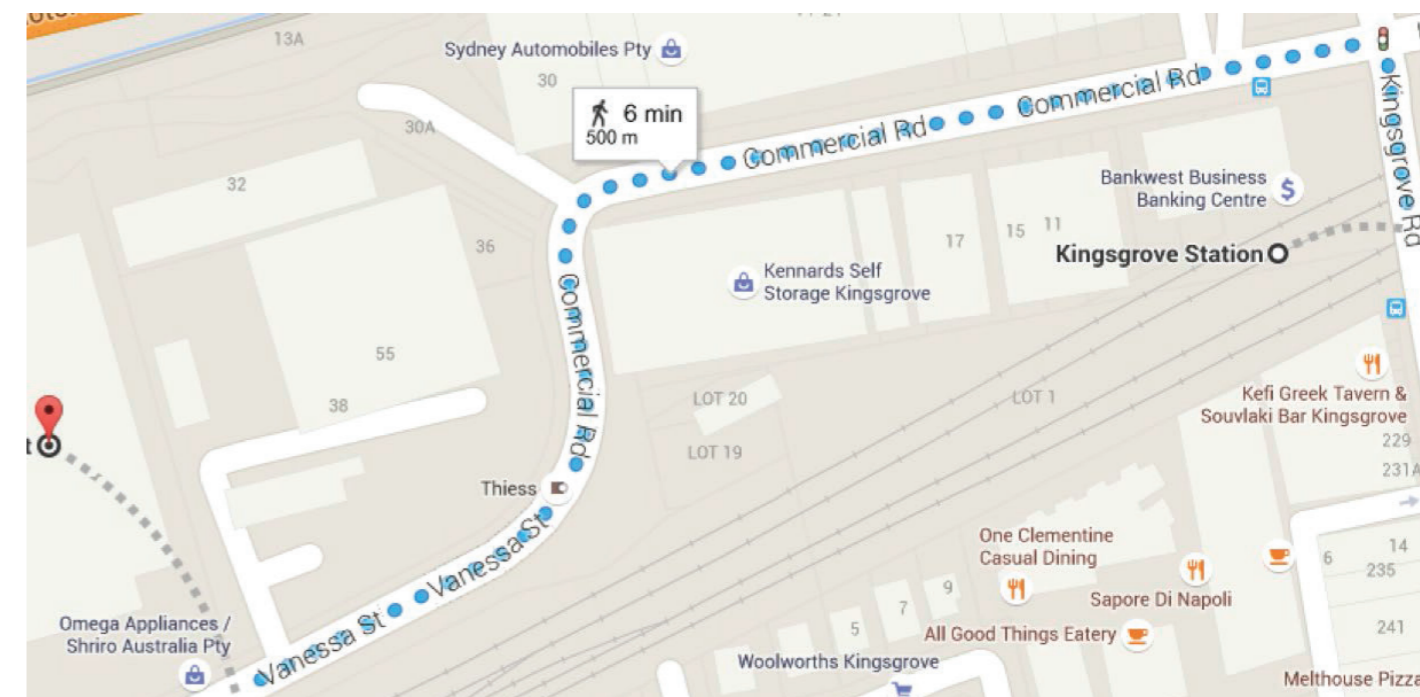
Rights associated with performance	The performance rights do not carry dividends or voting rights prior to vesting.
Restrictions on dealing	The participant must not sell, transfer, encumber, hedge or otherwise deal with performance rights. The participant will be free to deal with any Shares allocated on vesting of the performance rights, subject to the requirements of the Company's Policy for Dealing in Securities.
Cessation of employment	If the participant's employment is terminated for cause or the participant resigns, unless the Board determines otherwise, any unvested performance rights will automatically lapse. Where the participant ceases employment in any other circumstances, unless the Board determines otherwise: <ul style="list-style-type: none"> • a pro-rata portion of the performance rights (calculated by reference to the portion of the performance period that has elapsed up to the date of cessation) will remain on foot and will vest or lapse in due course, as though the participant had not ceased employment; and • the remaining portion of the performance rights will automatically lapse.

Recommendation

The Board (other than Mr Hargreaves, because of his interests) unanimously recommends that shareholders vote **in favour** of resolution 4.

5. HOW TO GET TO THE ANNUAL GENERAL MEETING

Shriro is located at 104 Vanessa Street, Kingsgrove. The meeting will be held in the showroom which is to the left once you enter the building. If you are travelling from the city, then Shriro is within walking distance from Kingsgrove train station.





SHRIRO HOLDINGS
LIMITED



Shriro Holdings Limited

ACN 605 279 329

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Shriro Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138;



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Shriro Holdings Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEST) on Thursday, 30 May 2019 at 104 Vanessa Street, Kingsgrove NSW 2208** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 3 & 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 3 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Resolutions

	For	Against	Abstain*
2 Re-election of Greg Laurie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Performance Rights to the CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

SHM PRX1901C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEST) on Tuesday, 28 May 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Shriro Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**