



28 March 2018

**ASX Limited**  
**MARKET ANNOUNCEMENT**

**Think Childcare Limited**

**2017 Annual Report and  
2018 Annual General Meeting  
Confirmation of Dispatch of Documentation**

Attached for release to the market is the documentation for the 2018 Annual General Meeting (**AGM**). A copy of the Company's printed Annual Report for the financial year ended 31 December 2017 was released to the market on 16 February 2018.

The 2018 AGM is to be held on Friday 4 May 2018 commencing at 10.30 a.m. at the offices of Minter Ellison:

Level 23  
525 Collins Street  
Melbourne VIC 3000

The AGM documentation, inclusive of the Notice of Meeting; Explanatory Statement and Proxy Form, together with a copy of the Annual Report for those members who have opted to receive a printed copy of the Report, will be dispatched to members later today.

In addition, electronic notification of the availability of the Annual Report will also be broadcast via the Share Registrar later today.

All of the above mentioned documentation can be viewed on the Company's webpage on the ASX Company Announcement Platform either directly under security code 'TNK' or by following the link provided on the Company's corporate website under the Investor section.

**END RELEASE**

For further information contact:  
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Company Secretary  
Tel: + 61 2 9712 7444



**Think Childcare Limited**

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# Think Childcare Limited

ABN 81 600 793 388

## Notice of 2018 Annual General Meeting

and

## Explanatory Statement

The Annual General Meeting is to be held  
on Friday 4 May 2018 at 10.30 a.m. (Melbourne time)  
at the offices of Minter Ellison, Level 23, 525 Collins Street, Melbourne, Victoria, Australia

### Important Notice

Shareholders who opted in writing to receive a printed Annual Report will have received it. All shareholders can view the Annual Report either by visiting the Company's website at:  
[www.thinkchildcare.com.au](http://www.thinkchildcare.com.au)

OR

by visiting the Company's webpage on the ASX website under the ASX Security Code "TNK"

### THIS IS AN IMPORTANT DOCUMENT

If you are in doubt as to the action you should take, please consult with your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately

## Important notice

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### General

You should read this Notice of Annual General Meeting and accompanying Explanatory Statement in its entirety before making a decision on how to vote on the Resolutions set out in the Notice. The Notice is contained on page 4 and the Explanatory Statement on page 11 and the proxy form for this AGM accompanies this Booklet.

### Defined terms

Capitalised terms in this Booklet are defined either in the Glossary or where the relevant term is first used.

### Purposes of the Explanatory Statement

The purposes of the Explanatory Statement which forms part of the Notice of Annual General Meeting are to:

- (a) explain the terms and effect of each Resolution to Shareholders;
- (b) explain the manner in which each Resolution is to be considered and, if approved, implemented; and
- (c) provide such information as is prescribed by the Corporations Act, Corporations Regulations and ASX Listing Rules or as is otherwise material to the decision of Shareholders about how to vote on the Resolutions.

### Investment decisions

This document does not take into account the investment objectives, financial situation or particular needs of any Shareholder or any other person. This document should not be relied on as the sole basis for any investment decision in relation to Shares. Shareholders should consider obtaining independent advice before making any decision in relation to the Resolutions. The Company is not licensed to provide financial product advice in relation to its Shares or any other financial products.

### Forward looking statements

Certain statements in this document relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from expected future results, performance or achievements expressed or implied by such statements. Such risks, uncertainties and other important factors include among other things, general economic conditions, specific market conditions, exchange rates, interest rates and regulatory changes. These statements reflect the expectations of relevant parties only as of the date of this Booklet.

## Glossary

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In this Booklet, including in the Notice:

**AGM** means the annual general meeting of Think Shareholders, notice of which is given in the Notice.

**Associate** has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of that Act included a reference to this document and the Company was the designated body.

**ASX** means ASX Limited ACN 008 624 691 or the financial market it operates, as the context requires.

**Auditor** means the Company's auditor, Bentleys NSW Audit Pty Ltd.

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

**Booklet** means this Booklet, comprising the Notice of Annual General Meeting and the Explanatory Statement.

**Company** or **Think** means Think Childcare Limited ACN 600 793 388.

**Constitution** means the constitution of the Company.

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

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

**CY** means a period of 12 months ending on 31 December.

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

**ESOP** means the Think Childcare Limited Employee Share Option Plan.

**Explanatory Statement** means the explanatory statement contained in this Booklet in relation to the Resolutions to be considered at the AGM and which accompanies and forms part of the Notice.

**Group** means the Company and its controlled entities.

**Listing Rules** means the Listing Rules of ASX.

**Notice** means the notice of AGM contained in this Booklet.

**Ordinary Share** or **Share** means a fully paid ordinary share in Think.

**Ordinary Shareholder** or **Shareholder** means a holder of at least one Ordinary Share.

**Placement** means the placement of 5,271,357 Shares at \$1.99 per Share announced by the Company to ASX on 7 March 2018.

**Register of Members** means the register of members of the Company.

**Resolutions** means the resolutions set out in the Notice.

**Trading Day** has the meaning given in the Listing Rules.

**VWAP** has the meaning given in the Listing Rules.

A reference to **dollars, \$, AUD, cents, A\$ or \$A** is to the lawful currency of Australia.

## Notice of Annual General Meeting

Notice is given that the 2018 Annual General Meeting (**AGM**) of Think Childcare Limited (**Company**) will be held on:

Date : Friday, 4 May 2018

Time : 10:00 a.m. Registration  
10.30 a.m. Commencement of AGM

Venue : The offices of Minter Ellison  
Level 23, 525 Collins Street  
Melbourne, Victoria, Australia

### ORDINARY BUSINESS

#### 1 Financial Statements and Reports

To receive and consider the Consolidated Financial Report and the Reports of the Directors and of the Auditor for the financial period ended 31 December 2017 which are contained in the 2017 Annual Report.

#### 2 Election of Director

**Resolution 1** - To consider and, if thought fit, pass the following resolution:

**Mark Kerr**

*"That Mr M Kerr, a Director retiring by rotation in accordance with Clause 59.2 of the Constitution of the Company and the Listing Rules of ASX Limited, being eligible and having offered himself for re-appointment, be re-appointed as a Director of the Company".*

#### 3 Adoption of Remuneration Report

**Resolution 2** - To consider and, if thought fit, pass the following resolution:

*"That the Remuneration Report for the financial period ended 31 December 2017 as disclosed in the Directors' Report be adopted".*

*Note – the vote on this Resolution is advisory only and does not bind the Directors or the Company. Voting restrictions apply to this Resolution.*

### SPECIAL BUSINESS

#### 4 Subsequent approval of Placement

**Resolution 3** – To consider and, if thought fit, pass with or without modification the following resolution:

*"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve the issue of 5,271,357 Shares at \$1.99 per Share that the Company announced to the ASX on 15 March 2018."*

*Note – A voting exclusion applies to this Resolution.*

## **5 Approval of additional 10% placement capacity**

**Resolution 4** – To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

*"Subject to the passing of Resolution 3, that for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve that the Company have the additional capacity to issue Shares up to the maximum calculated in accordance with Listing Rule 7.1A."*

*Note – A voting exclusion applies to this Resolution. Resolution 3 must be passed for this Resolution, if passed, to take effect.*

## **6 Renewal of ESOP**

**Resolution 5** – To consider and, if thought fit, pass with or without modification the following resolution:

*"That for the purposes of Exception 9 in Listing Rule 7.2 and for all other purposes, Shareholders approve the issue of securities (comprising Options, Performance Rights and Share Appreciation Rights) under the Think Childcare Limited Employee Share Option Plan as an exception to Listing Rule 7.1."*

*Note – A voting exclusion applies to this Resolution.*

## **OTHER BUSINESS**

To transact any other business that may be legally brought forward.

Dated: 21 March 2018

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

Mathew Edwards, Managing Director and CEO

### **NOTES:**

#### **1. Proxies**

A member entitled to attend and vote at this meeting is entitled to appoint a proxy. If a member is entitled to cast two or more votes, the member may appoint two proxies. If two proxies are appointed, each proxy may be appointed to represent a specific proportion or number of the member's voting rights. If no proportions are specified, each proxy may exercise half the available votes. Fractions of votes are to be disregarded. A proxy need not be a member of the Company. A proxy may be an individual or a body corporate.

If members wish to appoint one proxy, please use the form provided. If you want to appoint two proxies please follow the instructions set out on the reverse side of the proxy form.

To be effective, a proxy form and an original or certified copy of the authority (if any) under which it is signed may be lodged with the Company's Share Registrar as follows:

**By hand or by post** at the Share Registry with Computershare Investor Services Pty Ltd  
452 Johnston Street, Abbotsford, Vic 3067, Australia or by post- GPO Box 242, Melbourne, Vic,  
3001, Australia; or

**By Facsimile:** within Australia 1800 783 447 OR outside Australia + 61 3 9473 2555; or

**Online:** for Intermediary Online Subscribers only (custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com);

**Enquiries** – call: within Australia 1300 850 505 OR outside Australia + 61 3 9415 4000

All proxy forms must arrive (in either case) no later than 10.30 a.m. (Melbourne time) on Wednesday, 2 May 2018.

## **2. Corporate Shareholders, Proxies and Attorneys**

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act.

Corporate shareholders and proxies wishing to appoint a representative to attend and vote at the meeting on their behalf must provide the representative with:

- (a) a properly executed letter or certificate authorising the person to act as the corporate shareholder's or proxy's representative; or
- (b) a copy of the resolution of the corporate shareholder or proxy appointing the representative, certified by a secretary or director of the shareholder or proxy.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

A shareholder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by Computershare at the address listed above for the receipt of proxy appointments by no later than 10.30 a.m. (Melbourne time) on Wednesday, 2 May 2018.

## **3. Explanatory Statement**

An explanation of each resolution is included in the accompanying Explanatory Statement. The Explanatory Statement forms part of the Notice.

## **4. Voting Entitlements**

The Board of Directors of the Company, pursuant to Section 1074E(2)(g) of the *Corporations Act 2001*, Regulation 7.11.37 of the *Corporations Regulations 2001* and ASX Settlement Operating Rule 5.6.1, and as the convenor of the meeting, has determined that the shareholding of each member for the purpose of ascertaining voting entitlements for the AGM will be as it appears on the Register of Members at 7.00 p.m. (Melbourne time) on Wednesday, 2 May 2018.

On a show of hands, every person present and qualified to vote will have one vote. If members appoint one proxy then that proxy may vote on a show of hands. However, if members appoint two proxies, neither may vote on a show of hands.

If members appoint a proxy who is also a shareholder or also a proxy for another shareholder, your directions may not be effective on a show of hands. However, upon a poll and upon your proxy voting

on the poll then your voting direction will be fully counted. Should a poll be taken then the Company's Share Registrar will conduct the poll and the Company's external Auditor, Bentleys NSW Audit Pty Ltd, will act as scrutineer.

## 5. Voting Exclusion and Restriction Statements

### Resolution 1: Election of Director

There are no voting exclusions in relation to Resolution 1.

### Resolution 2: Adoption of Remuneration Report

The Company will disregard any votes cast on the proposed Resolution for the adoption of the Remuneration Report for (Resolution 2) by or on behalf of:

- (a) a member of the key management personnel of the Company, details of whose remuneration are included in the remuneration report for the year ended 31 December 2017 (**KMP**); or
- (b) a closely related party of the KMP,

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 the KMP if it is cast as a proxy and it is not cast on behalf of a KMP or closely related party of a KMP and either:

- (a) the proxy if appointed in writing that specifies how the proxy is to vote on Resolution 2; or
- (b) the proxy is the person chairing the meeting and the appointment of the chair as proxy does not specify the way the proxy is to vote on Resolution 2 and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the proxy.

**If you are a KMP or a closely related party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include its directors and certain senior executives.

A closely related party of a member of the key management personnel means any of the following:

- a spouse, child or dependant of the member;
- a child or dependant of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this Notice, no additional persons have been prescribed by regulation).



The proxy form accompanying this Notice contains detailed instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the chair of the meeting as his or her proxy. You should read those instructions carefully.

**Resolution 3 – Subsequent approval of Placement**

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

- (a) a person who participated in the Placement; or
- (b) an Associate of any such person.

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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 to vote as the proxy decides.

**Resolution 4 – Approval of additional 10% placement capacity**

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

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares); or
- (b) an Associate of any person referred to in (a).

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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 to vote as the proxy decides.

**Resolution 5 – Renewal of ESOP**

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

- (a) a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); or
- (b) an Associate of such a Director.

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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 to vote as the proxy decides.

In addition a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the person is either:
  - (i) a member of the key management personnel for the Company; or

- (ii) key management personnel for the Company; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, this proxy voting restriction does not apply if:

- (a) the person is the chair of the AGM; and
- (b) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

## 6. Undirected Proxies

The chairman of the Company (or if he is unable to attend a Director nominated by the Board) will chair the AGM.

If the appointment of the proxy specifies the way the proxy is to vote on the resolution the Chair of the AGM will vote in accordance with that direction. If the appointment of the proxy does not specify the way the proxy is to vote, subject to the instructions in this document and any applicable voting restrictions, the Chair will vote *in favour* of each resolution.

The Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxyholder on each resolution.

## 7. Voting – General Comment

Each resolution will be moved, and then will be open to the meeting for discussion.

Following the completion of discussion the Chair will inform the meeting of the details of the valid proxy voting received by the Company. The resolutions will then be put to the vote.

## 8. Questions and Comments by members and proxyholders at the meeting

A reasonable opportunity will be given to members and proxyholders to ask questions about or make comments on the management of the Company at the meeting.

Similarly, a reasonable opportunity will be given to Shareholders and proxyholders to ask the Company's external Auditor, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditors' Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Bentleys NSW Audit Pty Ltd (**Bentleys**) via the Company, no later than 5 business days before the meeting, if the question is relevant to the content of Bentleys Audit Report or the conduct of its audit of the Company's Financial Report for the financial period ended 31 December 2017.

Relevant written questions for Bentleys must be received no later than 5.00 p.m. (Melbourne time) on Friday, 27 April 2018. A list of those relevant written questions will be made available to Shareholders

attending the meeting. Bentleys will either answer the questions at the meeting or table written answers to them at the AGM. If written answers are tabled at the meeting, they will be made available to Shareholders as soon as practicable after the meeting.

Please send any written questions for Bentleys to the Company at the address on the proxy form of:

Think Childcare Limited  
Suite 3, 1 Park Avenue, Drummoyne NSW 2047

or by email to [trinhb@thinkchildcare.com.au](mailto:trinhb@thinkchildcare.com.au)  
by no later than 5.00 p.m. (Melbourne time) on Friday, 27 April 2018.

## Explanatory Statement

*This Explanatory Statement accompanies and forms part of the  
Notice of Annual General Meeting dated 21 March 2018*

### ORDINARY BUSINESS

#### Item 1 - Receive and Consider the Financial and Other Reports

The *Corporations Act 2001* (Cth) requires that the Financial Report, Directors' Report and Auditor's Report be laid before the meeting. However, there is no requirement for the shareholders to vote on, approve or adopt these Reports. Shareholders will be given an opportunity to ask questions with respect to these reports.

Shareholders have been provided with all relevant information concerning the Company's financial statements in the Annual Report of the Company for the year ended 31 December 2017. A copy of the 2017 Annual Report has been forwarded or made available to each Shareholder. A copy of the financial statements and the associated reports will also be tabled at the meeting.

Shareholders should note that the sole purpose of tabling the financial statements of the Company at the Annual General Meeting is to provide the shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements at the meeting. It is not the purpose of the meeting that the financial statements be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt the Company's financial statements will be put to the shareholders at the meeting.

Shareholders will be allowed a reasonable opportunity to ask questions about, or make comments on, the management of the Company.

It is proposed that the Company's auditor will be present at the meeting. Shareholders present at the meeting will be allowed a reasonable opportunity to ask the 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 auditors in relation to the conduct of the audit.

#### Item 2 - Election of Mark Kerr (Resolution 1)

Details of the Director seeking election and all other Directors are contained in the 2017 Annual Report.

#### Election of Mr Mark Kerr as a Director

##### *Information about Mr Kerr*

**Mr Kerr - LLB**

**Non-Executive Director— Appointed 21 July 2014 and last re-elected 05 May 2017**

Mark Kerr is the Chairman of Think. Mark is an experienced director whose other current roles include Chairman and Managing Director of Hawthorn Resources Limited (22 November 2007 to present); non-

executive director of Alice Queen Ltd (2012 to present) and board member of International Specialised Skills Institute Inc. (December 2016 to present).

Mark is a director of Berkeley Consultants Pty Ltd which specialises in public relations and reputation management consultancy. Mark's community involvement currently extends to being a member of the Victorian Committee for the Juvenile Diabetes Research Foundation. He is also a committee member of the St. Vincent's Institute Charity Golf Day Committee.

Although Mark was last re-elected as a Director at the 2017 AGM on 5 May 2017, and has therefore held office for less than the period specified in Rule 59.4 of the Company's Constitution as the maximum period that a Director may hold office before seeking re-appointment, Listing Rule 14.5 requires the Company to hold an election of Directors each year. Accordingly, Mark is retiring and offering himself for re-election as a Director.

### **Directors' Recommendations**

The Directors (with Mr Kerr abstaining) unanimously recommend that Shareholders vote in favour of the re-election of Mr Kerr.

### **Item 3 – Adoption of the Remuneration Report (Resolution 2)**

The Company must put to a vote a resolution to adopt the Remuneration Report as disclosed in the Directors' Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Directors' Report must include a Remuneration Report containing prescribed information about the Board's policy for determining the nature and amount of the remuneration of Directors and other key management personnel. The Remuneration Report must also explain the relationship between the remuneration policy of the Board and the Company's performance. The Remuneration Report of the Company for the financial period ended 31 December 2017 is set out in pages 9 – 14 of the Directors' Report as incorporated in to the Company's 2017 Annual Report.

The vote on this resolution is advisory only and non-binding. However, if at least 25% of the votes cast on the resolution are voted against the Remuneration Report at the meeting, then:

- (a) if comments are made on the report at the meeting, the Company's Remuneration Report for the following financial year will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- (b) if at the following year's annual general meeting, at least 25% of the votes cast on the resolution for the adoption of the Remuneration Report for that year are against adoption, the Company will be required to put to shareholders a resolution proposing that a general meeting be called to consider the election of directors of the Company (**Spill Resolution**). If a Spill Resolution is passed, all of the directors (other than the managing director, if any) will cease to hold office at a subsequent general meeting (**Spill Meeting**), unless re-elected at that meeting; such meeting to be held within 90 days of the Annual General Meeting (AGM) that passed the Spill Resolution.

If at the Spill Meeting, the resolutions are all passed against re-electing the relevant directors, the legislation includes a mechanism to ensure the Board continues with the statutory required minimum of 3 directors. After the managing director, the remaining two positions will be filled by the directors whose re-election resolutions at the Spill Meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for two directors, the Managing Director and any other director whose re-election has been confirmed at the Spill Meeting, can choose who is to become the third director, with such appointment to be confirmed by shareholders at the AGM following the Spill Meeting.

The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting. As noted above the Remuneration Report is set out in the Company's 2017 Annual Report at pages 9 – 14.

The report:

- explains the Board's policies in relation to the nature and level of remuneration paid to directors and key management personnel within the Think Childcare Limited group;
- discusses the link between the Board's policies and the Company's performance;
- sets out remuneration details for each director and for each of the Company's key management personnel; and
- makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives, including executive directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

**Please note that at the 2017 Annual General Meeting the number of votes cast against the adoption of the Remuneration Report for the year ended 31 December 2016 was less than 25 per cent of the total number of shares cast at the meeting on the resolution proposing the adoption of the Remuneration Report. Accordingly and as such a "first strike" was not recorded.**

#### **Directors' Recommendation**

##### *Remuneration Report*

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2. The Chairman has informed the Board that he intends to vote any open and available proxies given to him in favour of Resolution 2.

#### **SPECIAL BUSINESS**

##### **Item 4 - Subsequent approval of Placement (Resolution 3)**

On 7 March 2018 the Company announced to ASX that it had agreed to purchase 4 high quality childcare centres from third party vendors and its incubator partner, at a multiple of 4.0X EBITDA after payroll tax. The total purchase price for the centres was \$5,677,081.

The acquisitions are expected to be fully funded from the proceeds of the Placement. Remaining proceeds from the Placement were applied to working capital, to strengthen the balance sheet and to retire debt.

As the Shares issued under the Placement were issued within the Company's placement limit of 15% prescribed by Listing Rule 7.1, the issue reduced the Company's capacity to issue further Shares within this limit.

Listing Rule 7.4 allows the Company to refresh its placement capacity if a resolution of Shareholders is passed to approve a previously made issue of Shares. If Resolution 3 is passed:

- (a) the Company will have a refreshed capacity to issue securities equal to 15% of the total number of issued Shares; and
- (b) the number of Shares issued in the Placement will be added to the number of Shares against which the 15% limit is calculated for the purposes of a subsequent issue of Shares.

The following information is provided for the purposes of Listing rule 7.5, which is a prescribed disclosure requirement for a resolution proposed for the purposes of Listing Rule 7.4:

- (a) The number of Shares issued in the Placement: 5,271,357 Shares;

- (b) The Price at which the Shares were issued: \$1.99 per Share;
- (c) The terms of the Shares: Shares ranking equally in all respects with existing Shares except that the Shares will not be entitled to the CY2017 dividend;
- (d) The names of the persons to whom the Company issued the Shares or the basis on which those persons were determined: Participants in the Placements were investors introduced by Canaccord Genuity (Australia) Limited and Wilsons Corporate Finance Limited; and
- (e) The use (or intended use) of the funds raised: To fully fund the acquisitions of 4 childcare centres, to strengthen the Company's balance sheet and for other working capital purposes.

### Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

<b>Item 5 - Approval of additional 10% placement capacity (Resolution 4)</b>
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#### 1. General

Listing Rule 7.1A enables eligible entities to issue Shares up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

By proposing Resolution 4, the Company seeks Shareholder approval by way of a special resolution to have the ability to issue Shares under the 10% Placement Facility. The exact number of Shares to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2. The Company may use funds raised from any 10% Placement Facility for funding of further childcare centre acquisitions to further strengthen the balance sheet and/or general working capital. It may also use the 10% Placement Facility for non-cash consideration purposes such as the acquisition of additional childcare centres.

#### 2. Description of ASX Listing Rule 7.1A

##### (a) Shareholder approval

The ability to issue Shares under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

##### (b) Equity Securities

Any Shares issued under the 10% Placement Facility must be in the same class as existing quoted Shares.

##### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of the issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 48,454,326 Shares and therefore has a capacity to issue:

- (i) subject to the passing of Resolution 3, 7,268,148 Shares and other equity securities under the 15% placement limit in Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 4, Shares under Listing Rule 7.1A.

The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) Minimum Issue Price

The issue price of Shares issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Shares calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Shares are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Shares are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of this meeting; and



- (ii) if applicable, the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

### **3. ASX Listing Rule 7.1A**

The effect of the passing of Resolution 4 will be to allow the Directors to issue Shares under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires that at least 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder or proxy, by a corporate representative) are cast in favour of the Resolution.

### **4. Specific Information required by Listing Rule 7.3A**

As required by Listing Rule 7.3A, the following information is provided:

- (a) The Shares will be issued at an issue price of not less than 75% of the VWAP Shares over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the Shares are to be issued is agreed; or
  - (ii) if the Shares are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Shares are issued.
- (b) If Resolution 4 is passed by the Shareholders and the Company issues Shares under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of unlisted options, only if the unlisted options are exercised). There is a risk that:
  - (i) the market price for the Company's Shares may be significantly lower on the date of the issue of the Shares than on the date of this meeting; and
  - (ii) the Shares may be issued at a price that is at a discount to the market price for the Shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the Shares.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Meeting.

The table also shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer that is required to comply with Chapter 6 of the Corporations Act) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$1.00 50% decrease in Deemed Price	\$2.00 Deemed Price	\$4.00 100% Increase in Deemed Price
Current Variable A 48,454,326 Shares	10% Voting Dilution	4,845,432	4,845,432	4,845,432
	Funds raised	\$4,845,432	\$9,690,864	\$19,381,728
50% increase in current Variable A 72,681,489 Shares	10% Voting Dilution	7,268,148	14,536,296	29,072,592
	Funds raised	\$7,268,148	\$14,536,296	\$29,072,592
100% increase in current Variable A 96,908,652 Shares	10% Voting Dilution	9,690,865	9,690,865	9,690,865
	Funds raised	\$9,690,865	\$19,381,730	\$38,763,460

The table has been prepared on the following assumptions:

- (iii) The Company issues the maximum Shares available under the ASX Listing Rule 7.1A being 10% of the Shares on issue at the date of the Meeting;
  - (iv) No unlisted options or performance rights are exercised into fully paid Shares before the date of the issue of Shares under Listing Rule 7.1A. The Company has nil unlisted options and 260,696 performance rights on issue at the date of this Notice of Meeting;
  - (v) The table does not demonstrate an example of dilution that may be caused to a particular shareholder by reason of placements under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Meeting;
  - (vi) The table only demonstrates the effect of issues of Shares under Listing Rule 7.1A. It does not consider placements made under Listing Rule 7.1, the "15% rule";
  - (vii) The price of Shares is deemed for the purposes of the table above to be \$2.00, being approximately, the closing price of the Company's listed securities on ASX on Friday, 16 March 2018 (**Deemed Price**). The Deemed Price is indicative only and does not consider the 25% discount to market that the Shares may be placed; and
  - (viii) The table does not demonstrate the effect of listed or unlisted options being issued under Listing Rule 7.1A, it only considers the issue of the fully paid ordinary securities.
- (c) The Company will only issue and allot the Shares during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Shares for the following purposes:
- (i) non-cash consideration including for childcare centre acquisitions where cash consideration is not provided (although the Company presently has no proposal to do

so). In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards funding the purchase price of childcare centre acquisitions, further strengthening the Company's balance sheet, including by retiring debt, and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Shares will be determined on a case-by-case basis having regard to factors including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues (such as a share purchase plan) in which existing security holders can participate;
  - (ii) the effect of the issue of the Shares on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new resources assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (f) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.
- (g) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

#### **Directors' recommendation**

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

#### **Item 6 – Renewal of ESOP (Resolution 5)**

Under Exception 9 in Listing Rule 7.2, an issue of equity securities under the ESOP is excepted from the 15% placement limit in Listing Rule 7.1 and, if Resolution 4 is passed, the 10% Placement Facility under Listing Rule 7.1A if:

- (a) Shareholders have approved the issue of Shares under the ESOP as an exception to Listing Rule 7.1; and
- (b) the notice of meeting includes:
  - (i) a summary of the terms of the ESOP;

- (ii) the number of securities issued under the ESOP since the date of the last approval; and
- (iii) a voting exclusion statement.

Since the issue of the Company's prospectus in October 2014 (which contained a summary of the terms of the ESOP) 434,207 performance rights have been granted of which nil have lapsed, 20,000 have been cancelled, 153,511 have vested and 260,696 are unvested and remain outstanding.

The Board has adopted the ESOP. The purpose of the ESOP is to:

- (a) assist in the reward, retention and motivation of Eligible Employees;
- (b) link the reward of Eligible Employees to Shareholder value creation; and
- (c) align the interests of Eligible Employees with Shareholders by providing an opportunity to Eligible Employees to receive Awards.

A summary of the terms of the ESOP is set out below.

Under the ESOP the Board may invite Eligible Employees by offering Awards.

An Eligible Employee is a director or employee of any member of the Group or any other person the Board determines may participate in the ESOP.

An Award may comprise:

- (a) an Option – a right to acquire a Share by way of issue or transfer subject to vesting and payment of an exercise price;
- (b) a Performance Right – a right to acquire a Share by way of issue or transfer, or the value in cash of a share subject to vesting; or
- (c) a Share Appreciation Right – a right to receive subject to vesting a cash payment equal to the growth in market value of the Share, which right may be satisfied by delivery of Shares or a cash payment.

The Board may offer and grant Awards in its absolute discretion including setting performance hurdles, vesting conditions, exercise conditions and other conditions such as whether and the amount of any exercise price, the expiry date, and in certain cases whether the Award is to be settled in cash or by the delivery of Shares on vesting.

The Board has the power under the ESOP to use an employee share trust or other mechanisms for the purposes of holding Awards or Plan Shares.

The ESOP rules provide for what happens when a holder of Awards become a 'Good Leaver' when they leave employment with the Group as well as what constitutes a Good Leaver and a Bad Leaver.

The ESOP rules also provides when Awards lapse and what happens on lapsing. Included in circumstances when Awards lapse are if the holder leaves employment as a Bad Leaver if applicable vesting conditions, performance hurdles or exercise conditions are not satisfied by the relevant time or the Expiry Date.

Awards will not be quoted. Plan Shares delivered on the vesting and/or exercise of Awards may be subject to disposal restrictions for a period. Otherwise Plan Shares will rank equally with then existing Shares.

On the occurrence of a change of control of the Company, the Board will determine in its sole and absolute discretion, the manner in which all unvested and vested Awards will be dealt with.

The ESOP rules contain standard adjustment provisions to account for bonus issues, pro rata issues and reorganisations. Prior to vesting, Awards do not carry any right to participate in any new issue of Securities.

The Company may buy-back Awards or Plan Shares for:

- (a) an amount agreed with the holder not exceeding market value;
- (b) market value; and
- (c) in certain cases where the Company is subject to a takeover bid.

The Board may amend the ESOP rules including retrospectively. It may also terminate or suspend the ESOP.

**Lodge your vote:**



**By Mail:**

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

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

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

**For all enquiries call:**

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

TNK

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

**Proxy Form**

**XX**

For your vote to be effective it must be received by 10.30 a.m. (Melbourne time) on Wednesday, 2 May 2018

**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**

**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.

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔



View your securityholder information, 24 hours a day, 7 days a week:

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

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I9999999999**



**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 Think Childcare 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 Think Childcare Limited to be held at the offices of Minter Ellison, Level 23, 525 Collins Street, Melbourne, Victoria, Australia on Friday, 4 May 2018 at 10.30 a.m. (Melbourne time) 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 Resolution 2 and 5 (except where I/we have indicated a different voting intention below) even though Resolution 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 Resolution 2 and 5 by marking the appropriate box in step 2 below. 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 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
Resolution 1	Re-election of Director - Mark Kerr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Subsequent approval of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of additional 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Renewal of ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

\_\_\_\_\_

Contact Daytime Telephone

\_\_\_\_\_

Date

\_\_\_\_/\_\_\_\_/\_\_\_\_

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Computershare