

SIMONDS GROUP LIMITED

ACN: 143 841 801

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2022 Annual General Meeting of Shareholders of Simonds Group Limited ("the Company" or "Simonds Group") will be held at **11.30am Melbourne time on Friday 11 November 2022 at View Hotel, 562 St Kilda Road, St Kilda, Victoria 3004** ("the Meeting") for the purpose of transacting the business set out in this Notice of Annual General Meeting ("Notice").

Shareholders will be able to view the proceedings of the Meeting (which will be broadcast as a live webinar) by entering the URL into their browser: <https://kapara.rdbk.com.au/landers/3e5bd8.html>. Shareholders will not be able to vote or ask questions via the webinar. Shareholders can attend the physical Meeting or submit questions and vote in advance as outlined in this Notice.

While shareholders will be able to vote and ask questions at the Meeting, shareholders are encouraged to submit questions in advance of the meeting by email to the Company Secretary at company.secretary@simonds.com.au. Any questions submitted in this way must relate to the business of the Meeting as set out in this Notice and be received at least 48 hours before the scheduled start time for the Meeting. It is possible that there may not be time to address all shareholder questions at the Meeting.

Shareholders are also strongly encouraged to consider voting in advance of the Meeting by lodging a duly completed proxy form prior to the cut-off for proxy voting (being 11:30am Melbourne time on 9 November 2022). Instructions for lodging proxies are included on the personalised proxy forms sent to shareholders along with this Notice.

If it becomes necessary or appropriate to make alternative arrangements for holding the Meeting, the Company will seek to provide shareholders with as much notice as possible by announcing any alternative arrangements to the ASX. Shareholders are encouraged to check for announcements at the ASX website www.asx.com.au, search code "SIO".

AGENDA

Item 1. Financial Statements and Reports

To receive and consider the Financial Report and the Reports of the Directors and Auditor for the financial year ended 30 June 2022.

Note: There is no vote on this item as no resolution will be required to be passed on this matter.

Item 2. Remuneration Report

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

“That the Remuneration Report contained in the Company's 2022 Annual Report for the financial year ended 30 June 2022 be adopted.”

Note: In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and does not bind the Company or its Directors. Refer below for the voting exclusions that will apply in respect of this resolution.

Item 3. Re-election of Director – Mark Simonds

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

“That Mark Simonds an executive Director who retires by rotation in accordance with rule 3.6 of the Constitution of the Company and, being eligible, offers himself for re-election, be elected as a Director of the Company.”

Note: biographical details for Mr Simonds are set out in the attached Explanatory Statement.

Item 4. Election of Director – David Denny

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

“That Mr David Denny, a non-executive Director retiring in accordance with Rule 3.3 of the Constitution of the Company, being eligible, is elected as a Director of the Company.”

Note: biographical details for Mr Denny are set out in the attached Explanatory Statement.

Item 5. Appointment of auditor

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

“That, subject to the Australian Securities and Investments Commission having granted its consent to the resignation of Deloitte Touche Tohmatsu as auditor of the Company, for the purposes of section 327B of the Corporations Act 2001 (Cth) and all other purposes, PKF Melbourne Audit & Assurance Pty Ltd, having been duly nominated and having consented in writing to act, be appointed as auditor of the Company effective from the conclusion of the Meeting.”

OTHER BUSINESS

To transact any other business which may legally be brought before the Meeting in accordance with the Company's Constitution.

Voting exclusions

The Corporations Act and the ASX Listing Rules require that voting restrictions apply to the Company's key management personnel ("KMP") and their closely related parties ("CRPs") in relation to the resolution in Item 2 (Remuneration Report). A vote must not be cast, and the Company will disregard any votes cast, in any capacity on the resolution in Item 2 (Remuneration Report) by or on behalf of:

- a) a member of KMP whose remuneration is disclosed in the Remuneration Report; and
- b) their Closely Related Parties ("CRPs"),

as well as any votes cast as a proxy on the resolution in Item 2 by a member of the KMP at the date of the Meeting and their CRPs, unless the vote is cast:

- c) as proxy for a person who is entitled to vote in accordance with a direction in the proxy form; or
- d) by the Chairperson as proxy for a person who is entitled to vote and the Chairperson has received express authority to vote undirected proxies as the Chairperson sees fit on the resolution even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Definitions

KMP 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.

A **CRP** of a member of the KMP means:

- a) A spouse or child of the member;
- b) A child of the member's spouse;
- c) A dependant 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 Act.

Please refer to the Notes and Explanatory Memorandum for further information on the proposed resolutions. The accompanying Notes and Explanatory Memorandum form part of this Notice.

By Order of the Board

11 October 2022
Amanda Jones
Company Secretary

NOTES

WHO MAY VOTE

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board of the Company (as convenor of the Meeting) has determined that a person's entitlement to attend and vote at the Meeting will be those persons set out in the Company's register of shareholders as at 7.00 pm (AEDT) on 9 November 2022. This means that any Shareholder registered at 7.00 pm (AEDT) on 9 November 2022 is entitled to attend and vote at the Meeting.

PROXIES

A Shareholder entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- a) A proxy need not be a Shareholder.
- b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint not more than two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- c) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.
- d) A proxy form accompanies this Notice.
- e) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit, or abstains from voting.
- f) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the proxy form provided along with this Notice and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- g) A proxy has no power to act for a Shareholder at a meeting at which the Shareholder is present.
- h) The proxy must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the Corporations Act.
- i) If any attorney or authorised officer signs the proxy form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the form of proxy.
- j) The proxy form (together with any relevant authority) must be received at least 48 hours before the time for which the Meeting has been called or, if the Meeting has been adjourned, at least 48 hours before the resumption of the Meeting.

You can lodge your completed proxy form, letter of representation or power of attorney:

- Online: <https://votingonline.com.au/sio2022>
- By fax: +61 2 9290 9655
- By mail to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia
- In person: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia

Shareholders are encouraged to submit their proxy forms online or by facsimile. If you wish to post a proxy form, please be aware of current postal timeframes, including the possibility of delays due to reduced frequency of deliveries by postal services.

CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting 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. Alternatively, corporate Shareholders can submit a proxy form in accordance with the instructions set out above.

ATTENDING AND VOTING AT THE MEETING

Shareholders will be able to attend the Meeting in person, ask questions and vote. Voting on all resolutions to be considered at the Meeting will be conducted by a poll.

RESULTS OF THE MEETING

Voting results will be announced on the ASX as soon as practicable after the Meeting and will also be made available on the Company's website at <http://simondsgroup.com.au/announcements>.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Meeting.

This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the items of business (including proposed resolutions) set out in the Notice. Both documents should be read in their entirety and in conjunction with each other.

ITEM 1: FINANCIAL STATEMENTS AND REPORTS

At this Meeting, the Shareholders will consider the Company's financial statements and the Directors' and Auditor's Reports for the Company for the year ended 30 June 2022.

Shareholders are not required to vote on the financial statements. However, shareholders will be given reasonable opportunity at the Meeting to raise questions on the financial statements and reports. Shareholders will also be able to ask a representative of the Company's auditor questions relevant to the audit of the financial statements and reports.

ITEMS 2: REMUNERATION REPORT

The Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company. Nevertheless, the Board will consider the outcome of the vote when considering the future remuneration policies and practices of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel of the Company. The Remuneration Report is part of the Annual Report for the year ending 30 June 2022.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

The Remuneration Report for the year ended 30 June 2022:

- Describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between remuneration of executives and the Company's performance;
- Sets out the remuneration arrangements for Key Management Personnel; and
- Explains the difference between the basis for remunerating Non-Executive Directors and Senior Managers.

Voting consequences – Remuneration Report

The Directors' Report in the Annual Report for the year ended 30 June 2022 contains (in a separate and clearly defined section) a Remuneration Report which sets out the remuneration policy of the Company and reports the remuneration arrangements in place for specified executives and the Directors of the Company.

The Company is required by 250R of the Corporations Act to put to the vote at the annual general meeting a resolution that the Remuneration Report be adopted. The Company is also required to inform Shareholders in the notice of the annual general meeting that a resolution to this effect will be put at the meeting.

Before calling for votes in relation to this Item 2, the Chairman of the Meeting will allow a reasonable opportunity for the Shareholders present to ask questions about, or make comments on, the Remuneration Report.

It should be noted that, in accordance with section 250R(3) of the Corporations Act, the vote on Item 2 is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on the resolution are voted against adoption of the Remuneration Report at two consecutive annual general meetings, the Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting will be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.

At the 2021 AGM of the Company, the resolution to approve the Remuneration Report was approved by the requisite majority. Accordingly, the spill resolution is not relevant for this Meeting.

Recommendation

The Board recommends shareholders vote in favour of adoption of the Remuneration Report. The Chairman of the Meeting intends to vote all 'open' proxies in favour of this resolution where permitted by law to do so.

ITEMS 3 AND 4: RE-ELECTION AND ELECTION OF DIRECTORS – MARK SIMONDS AND DAVID DENNY

In accordance with rule 3.6 of the Company's Constitution, at every annual general meeting, one third (or if that is not a whole number, the whole number nearest to one third) of the Company's Directors (who are not appointed, and required to retire, under rule 3.3) must retire from office by rotation and are eligible for re-election. At the Company's last annual general meeting on 27 October 2021, the following individuals were elected (or re-elected, as the case may be) to the Board of Directors of the Group:

- Mr Piers O'Brien as a non-executive Director; and
- Mr (Robert) Andrew Bloore as a non-executive Director.

The nominated Director to retire at the Meeting and who, being eligible, has put themselves forward for re-election as Director of the Company is Mr Mark Simonds, who is a non-executive Director. In addition, Mr David Denny who was appointed as a Director since the 2021 AGM of the Company under rule 3.3 of the Company's Constitution, and automatically retires at the Meeting, being eligible, is also seeking election as a Director.

The Nomination & Remuneration Committee and the Board have reviewed the performance of each of Mark Simonds and David Denny and are satisfied that they continue to bring valuable expertise and experience to the Board.

ITEM 3: RE-ELECTION OF MR MARK SIMONDS AS DIRECTOR

Mark Simonds was appointed to the Board in September 2017 and is an Executive Director. Mark is a member of the Audit & Risk Committee and Nomination & Remuneration Committee.

Mark holds a registered builder's licence in Victoria, NSW, Queensland and South Australia. Mark has spent over 40 years immersed in the volume home building industry. Prior to 2014, when Simonds Group Limited was listed, Mark was fully engaged in the day-to-day executive management of Simonds Homes. From 1973 until the listing of Simonds Group Limited in 2014, Mark worked alongside his father Gary Simonds and understands what is required for a successful volume building business. Mark is the Deputy Chairman of Simonds Consolidated, which is primarily focussed on construction and development activities and private real estate investments.

Recommendation

Having received an acknowledgement from Mark Simonds that he has sufficient time available to carry out the duties of a Director of the Company, and having regard to the required mix of skills and experience required by the Board, the Board (excluding Mr Mark Simonds) unanimously recommends that shareholders vote in favour of the re-election of Mr Mark Simonds as Director of the Company.

ITEM 4 – ELECTION OF MR DAVID DENNY AS DIRECTOR

David Denny was appointed to the Board in November 2021. David is a member of the Audit & Risk Committee and the Nomination & Remuneration Committee.

David was appointed as an Independent, Non-Executive Director of Simonds Group Limited on 1 November 2021. David was a Partner of PriceWaterhouseCoopers (PwC) for 21 years, including as the practice leader of PwC's Mergers & Acquisition advisory and Corporate Finance advisory businesses in Australia and the Asia-Pacific region.

David has extensive international experience, including cross-border transactions, international leadership roles and a secondment to Asia.

Prior to David's appointment to the Board, the Company undertook various checks that did not reveal any information of concern.

Having assessed the factors relevant to determining director independence under Recommendation 2.3 of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations, 4th edition (ASX CGPRs), the Board considers David Denny as an independent Director.

Recommendation

Having received an acknowledgement from David Denny that he has sufficient time available to carry out the duties of a Director of the Company, and having regard to the required mix of skills and experience required by the Board, the Board (excluding Mr David Denny) unanimously recommends that shareholders vote in favour of the election of Mr David Denny as Director of the Company.

ITEM 5 – APPOINTMENT OF AUDITOR

Deloitte Touche Tohmatsu (**Deloitte**) has been the Company's external auditor since prior to its listing in 2014. Following the conclusion of a tender process in respect of the external audit function, PKF Melbourne Audit & Assurance Pty Ltd (**PKF**) was selected as the external auditor of the Company for the financial year beginning 1 July 2022, subject to shareholder approval of the appointment at the Meeting.

In accordance with section 329(5) of the Corporations Act, Deloitte has advised the Company that it has applied to the Australian Securities and Investments Commission (**ASIC**) for consent to resign as the Company's auditor. If ASIC does not grant its consent, Deloitte will continue to hold office as the Company's auditor after the Meeting.

Section 327B of the Corporations Act requires the Company to obtain shareholder approval by ordinary resolution for the appointment of PKF as auditor.

The Board supports the appointment of PKF as the Company's auditor.

In accordance with the section 328B(1) of the Corporations Act, a member of the Company, Vallence Gary Simonds, has given the Company written notice of the nomination of PKF for appointment as auditor. A copy of the written notice of nomination is attached to this Notice as Annexure A.

PKF has consented in writing to the appointment as the Company's auditor and, as at the date of this Notice, has not withdrawn its consent.

ANNEXURE A – NOTICE OF NOMINATION OF AUDITOR


Simonds Group Limited ACN 143 841 801

Nomination of Auditor

To: The Company Secretary
Simonds Group Limited
Level 1
570 St Kilda Road
Melbourne VIC 3004

As a member of Simonds Group Limited ACN 143 841 801 (**Company**), and pursuant to section 328B(1) of the *Corporation Act 2001* (Cth), I nominate PKF Melbourne Audit & Assurance Pty Ltd of Level 12, 440 Collins Street, Melbourne, Victoria 3000 to be appointed as the auditor of the Company at the Annual General Meeting to be held on 11 November 2022, or at any adjournment or postponement of that meeting.

Dated 3 October 2022

Signed 

Name (print) Vallenge Gary Simonds

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:30am (Melbourne Time) on Wednesday 9 November 2022.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/sio2022>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:30am (Melbourne Time) Wednesday 9 November 2022**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/sio2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

SIMONDS GROUP LIMITED

ABN 53 143 841 801

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Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Simonds Group Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **View Hotel, 562 St Kilda Road, Melbourne, Victoria 3004 on Friday, 11 NOVEMBER, 2022 at 11:30am (Melbourne Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mark Simonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – David Denny	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022