



BWX LIMITED

ABN 13 163 488 631

**NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY NOTES
AND PROXY FORM**

Date of Meeting:

Monday 27 February 2023

Time of Meeting:

12:00 noon

Place of Meeting:

BWX Limited, Unit 1, 45-49 McNaughton Road, Clayton VIC 3168

Online Meeting at <https://meetings.linkgroup.com/BWX2022>

Notice of Meeting

Notice is given that the Annual General Meeting (**AGM**) of the shareholders of BWX Limited (**BWX** or the **Company**) will be held at the offices of BWX Limited at Unit 1, 45-49 McNaughton Road, Clayton Victoria commencing at 12:00 noon (Melbourne time) on 27 February 2023.

We will also simulcast the 2022 AGM through an online meeting accessible at <https://meetings.linkgroup.com/BWX2022>. Attendees may access the simulcast virtual meeting by registering their name and contact details when prompted. Shareholders will also need their Shareholder Reference Number (SRN) or Holding Identification Number (HIN) to fully participate in the meeting including lodging votes and asking questions. We also encourage shareholders to submit written questions and vote by direct voting or appointing a proxy prior to the meeting.

Online voting at the meeting will be available between when the online platform is open (typically, fifteen minutes prior to the commencement of the meeting at 12:00 noon Melbourne time) and the time at which the Chairman announces that voting has closed. We recommend logging in to the online platform at least fifteen minutes prior to the scheduled start time for the meeting. For further information on how to participate virtually, please refer to the information in this Notice and the Online Platform Guide which is available at www.bwxltd.com/investor-centre.

BUSINESS

A. Receipt and consideration of Reports

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

B. Resolution 1 – Adoption of the Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Remuneration Report, as contained within the Directors' Report for the year ended 30 June 2022 set out in the Company's 2022 Financial Report, be adopted."

Note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting exclusions apply to this resolution - please see the voting exclusion statement.

C. Resolution 2 – Election of Mr. Steven Fisher

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

"That Mr. Steven Fisher, who was appointed a Director on 19 December 2022, retires in accordance with the Constitution and being eligible, offers himself for election, is elected as a director of the Company, details of which are set out in the Explanatory Notes."

D. Resolution 3 – Ratification of issue of Shares to certain institutional investors

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 22,459,183 Shares to certain institutional investors on the terms and conditions more fully described in the Explanatory Notes."

Notice of Meeting

E. Resolution 4 – Grant of Rights to the Group CEO and Managing Director for FY22 LTI Plan

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

“That, for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve:

- (a) the grant of 24,449 Rights to the Group CEO and Managing Director, Mr. Rory Gration, in respect of the FY22 LTI component of his annual remuneration package under the BWX Equity Incentive Plan; and*
- (b) any issue of Shares to Mr. Rory Gration on the exercise of any such Rights, on the terms summarised in the Explanatory Notes.”*

Voting exclusions apply to this resolution - please see the voting exclusion statement.

F. Resolution 5 – Grant of Rights to the Group CEO and Managing Director for FY23 LTI Plan

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

“That, for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve:

- (a) the grant of 978,200 Rights to the Group CEO and Managing Director, Mr. Rory Gration, in respect of the FY23 LTI component of his annual remuneration package under the BWX Equity Incentive Plan; and*
- (b) any issue of Shares to Mr. Rory Gration on the exercise of any such Rights, on the terms summarised in the Explanatory Notes.”*

Voting exclusions apply to this resolution - please see the voting exclusion statement.

By order of the Board



ALISTAIR GRANT
Company Secretary
25 January 2023

Notice of Meeting

VOTING AND PROXIES

Voting

1. The Directors have determined that, for the purpose of voting at the meeting, members are those persons who are the registered holders of Shares at 7:00pm (Melbourne time) on 25 February 2023.

Voting Exclusions

1. KMP that may have a vested interest in the outcome of a Resolution have restrictions on voting on those Resolutions. KMP include members of the Board and certain senior executives, as set out in BWV's FY22 Annual Report. The Corporations Act restricts KMP and their Closely Related Parties from voting in certain circumstances.
2. Under the Corporations Act and ASX Listing Rules, voting exclusions apply to the following Resolutions and further detail is provided in the Explanatory Notes:
 - Resolution 1 – Adoption of the Remuneration Report
 - Resolution 3 – Ratification of issue of Shares to institutional investors
 - Resolutions 4 and 5 – Grant of Rights to the Group CEO and Managing Director

Proxies

1. A Shareholder who is entitled to attend and vote at the meeting may appoint up to two proxies to attend and vote on behalf of that Shareholder.
2. If a Shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that Shareholder's votes that each proxy may exercise. If the appointment does not so specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded.
3. Where a Shareholder appoints more than one proxy, neither proxy is entitled to vote on a show of hands.
4. A proxy need not be a Shareholder of BWV.
5. To be effective, BWV must receive the completed proxy form and, if the form is signed by the Shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority) by no later than 12.00 noon (Melbourne time) on 25 February 2023.
6. Proxies may be lodged with BWV:
 - (a) by mail, using the enclosed reply envelope to:

BWV Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
 - (b) by facsimile:

+61 2 9287 0309
 - (c) online, at www.linkmarketservices.com.au
 - (d) by hand:

Link Market Services Limited, Parramatta Square, Level 22, Tower 6, 10 Darcy Street,
Parramatta NSW 2150

Notice of Meeting

7. Proxies given by corporate Shareholders must be executed in accordance with their constitutions or signed by a duly authorised officer or attorney.
8. A proxy may decide whether to vote on any motion except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy directs how to vote on an item of business, the proxy may only vote on that item, in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he/she thinks fit.
9. The Constitution provides that where the appointment of a proxy has not identified the person who may exercise it, the appointment will be deemed to be in favour of the Chairman of the meeting to which it relates, or to another person as the Board determines.
10. If a Shareholder appoints the Chairman of the meeting as the Shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as a proxy for that Shareholder, in favour of the item on a poll.

Important note for Resolutions 1, 4 and 5:

Unless the Chairman is appointed by a Shareholder as proxy, KMP and their Closely Related Parties will not be able to vote as a proxy on Resolutions 1, 4 and 5, unless the Shareholder directs them how to vote on the proxy form. If a Shareholder intends to appoint one of these persons as their proxy, the Shareholder should ensure that they direct that person how to vote on Resolutions 1, 4 and 5.

If the Chairman is appointed by a Shareholder as proxy, or if the Chairman is appointed as proxy by default, the Shareholder may:

- direct the Chairman how to vote on Resolutions 1, 4 and 5 by marking either "For", "Against" or "Abstain" on the section of the proxy form corresponding to that Resolutions, in accordance with the directions on that form; or
- not direct the Chairman how to vote on Resolutions 1, 4 and 5, in which case, by submitting the proxy form, the Shareholder will be expressly authorising the Chairman to vote the undirected proxy in favour of the Resolutions, even if a Resolution is connected, directly or indirectly, with the remuneration of the KMP.

Explanatory Notes

1. Introduction

These Explanatory Notes form part of the Notice of Annual General Meeting of BWX and have been prepared to provide Shareholders with information in connection with the Annual General Meeting to be held virtually through an online meeting accessible at <https://meetings.linkgroup.com/BWX2022>. Terms defined in the Explanatory Notes have the same meaning where used in this Notice of Meeting or as otherwise defined in Section 9 - Definitions.

The purpose of these Explanatory Notes is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the Resolutions. At the Annual General Meeting, Shareholders will be asked to consider Resolutions approving:

1. adoption of the Remuneration Report;
2. election of Mr. Steven Fisher as a Director;
3. ratification of issue of Shares to certain institutional investors; and
4. approval of the grant of Rights to the Group CEO and Managing Director; and
5. approval of the grant of Rights to the Group CEO and Managing Director.

All Resolutions are ordinary resolutions requiring them to be passed by a simple majority of votes cast by Shareholders entitled to vote on the resolutions. Further information regarding the Resolutions is set out below.

These Explanatory Notes are important and should be read in their entirety by all Shareholders.

2. Financial Statements and Reports

At the Annual General Meeting, Shareholders will be given an opportunity to ask questions and comment on the Directors' Report, Financial Statements and Independent Auditor's Report for the financial year ended 30 June 2022. Shareholders should note that the financial statements and reports will be received in the form presented. It is not the purpose of the meeting for the financial statements and reports to be accepted, rejected or modified in any way. There is no requirement either in the Corporations Act or in the constitution of the Company for Shareholders to approve the Directors' Report, Financial Statements or the Independent Auditor's Report.

No resolution will be required to be passed on this matter.

The Company's 2022 Annual Report can be viewed or downloaded from the Company's website at www.bwxltd.com/investor-centre.

3. Resolution 1 – Adoption of the Remuneration Report

Under section 250R(2) of the Corporations Act, a resolution adopting the Remuneration Report contained within the Directors' Report must be put to the vote.

Shareholders are advised that under section 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company.

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

Recommendation

The Board unanimously recommends that Shareholders vote in favour of this non binding Resolution.

Voting exclusion statement

Explanatory Notes

A vote must not be cast on Resolution 1 by any KMP, details of whose remuneration are included in the Remuneration Report, or their Closely Related Party (in any capacity), unless the vote is cast as proxy:

- a) for a person who is entitled to vote on Resolution 1 and the vote is cast in accordance with the directions on the proxy form; or
- b) by the Chairman as proxy for a person who is entitled to vote, and the proxy appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is connected, directly or indirectly, with the remuneration of the KMP.

4. Resolution 2 – Election of Mr. Steven Fisher

Resolution 2 seeks approval for the election of Mr. Steven Fisher as a Director, with effect from the end of the Annual General Meeting.

Biography

Mr. Steven Fisher was appointed to the Board as a Director on 19 December 2022 and was also appointed as Chairman. Mr. Fisher has more than thirty-years' experience in general management positions in the wholesale consumer goods industry and was the former managing director of the Voyager Group. Prior to entering the consumer goods industry, Steven was a practising chartered accountant having qualified with a Bachelor of Accounting degree in South Africa.

The Board has determined that Mr. Fisher is an independent Director.

Recommendation

The Directors (other than Mr. Fisher who abstains from making a recommendation) recommend that Shareholders vote in favour of Resolution 2.

5. Resolution 3 – Ratification of issue of Shares to certain institutional investors

The Company is seeking Shareholder approval for the purposes of ASX Listing Rule 7.4 and for all other purposes, in respect of the issue of Shares made to certain institutional investors as announced to the ASX on 28 June 2022 and as further described in the table below.

Persons to whom the issue was made	Certain sophisticated and professional institutional investors under a placement
Date of issue of Shares	4 July 2022
Number of Shares issued	22,459,183 Shares
Issue price per Share	A\$0.60 per Share
Class and material terms of shares issued	Fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares
Use of the funds raised	The funds were used to accelerate debt reduction and for working capital

The issue of the above Shares was within the 15% limitation imposed by ASX Listing Rule 7.1.

Explanatory Notes

Under ASX Listing Rule 7.1, the Company may issue equity securities up to 15% of its share capital in any 12 month rolling period without shareholder approval, unless an exception in ASX Listing Rule 7.2 applies.

ASX Listing Rule 7.4 permits a company to obtain subsequent approval of a prior issue of shares from its shareholders. The subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1 and refreshes the Company's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved.

If Resolution 3 is not passed, the issue of Shares noted above will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without shareholder approval over the 12 months following the issue date for those Shares.

As noted above, Shareholder approval is now being sought for the purposes of ASX Listing Rule 7.4.

Recommendation

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

Voting Exclusion for Resolution 3

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

- a) a person who participated in the above issue of Shares ; or
- b) an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of Resolution 3 by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Resolution 4 – Grant of Rights to the Group CEO and Managing Director for FY22 LTI Plan

Resolution 4 seeks approval for the granting of 24,449 Rights to the Group CEO and Managing Director (**CEO**), Mr. Rory Gration, in respect of the FY22 LTI component of his annual remuneration package under the BWX Equity Incentive Plan (**Plan**). This issue of Rights in relation to the period between 1 March 2022 and 30 June 2022 during which Mr. Gration served as CEO in FY22 and 'tops-up' his existing FY22 LTI award.

Explanatory Notes

Background

The Company operates the Plan as part of its executive remuneration strategy, and it has incorporated feedback from investors in developing it. The Plan aims to deliver rewards to eligible executives, recognising individual and Company performance and aligned with the interests of Shareholders. Under the Plan, eligible executives are offered Rights, subject to satisfaction of applicable performance based conditions over the three year vesting period. Rights have been adopted because they create share price alignment between executives and Shareholders but do not provide participants with the full benefits of Share ownership (such as dividend and voting rights) until the Rights vest and Shares are acquired. Further details about the Plan can be found in the 2022 Remuneration Report (see pages 30-46 of the 2022 Annual Report).

Mr. Gration has already been awarded 71,797 Rights on 17 November 2021 in relation to his former role as Chief Operating Officer and based on his prior base salary. When Mr. Gration was appointed as CEO on 1 March 2022, his base salary and LTI potential were changed as outlined in the 2022 Remuneration Report (see pages 30-46 of the 2022 Annual Report). As such, the Board determined to provide an additional 24,449 Rights in relation to the period between 1 March 2022 and 30 June 2022 during which Mr. Gration served as CEO in FY22.

Approvals sought

ASX Listing Rule 10.14 requires shareholder approval for a director to be issued equity securities in a company under an employee incentive scheme.

Accordingly, Shareholders are asked to approve the grant of 24,449 Rights to Mr. Gration under the Plan, on the terms and conditions set out in these Explanatory Notes. Approval of this Resolution will also result in the Rights granted to Mr. Gration being included as an exception to the approval requirements of ASX Listing Rule 7.1. This means the Rights granted to Mr. Gration and any other Shares issued pursuant to this approval, will not use up part of the 15% limit available under ASX Listing Rule 7.1.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E or an exemption applies. Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, which includes Mr. Gration.

Accordingly, Shareholder approval is being sought for the purposes of sections 200B and 200E for any termination benefits that may be provided to Mr. Gration in respect of the FY22 grant of Rights in connection with his ceasing to hold managerial or executive office.

The Board believes that granting the Rights is the best way to achieve management and Shareholder alignment. However, if Shareholders do not approve this Resolution, the Board will consider whether to proceed with this grant; to make the grant on different terms; or to acquire Shares on-market to satisfy some or all of the original grant of Rights.

Explanatory Notes

Key terms of the Rights

In accordance with ASX Listing Rule 10.15, a brief overview of the key terms of the proposed grant of Rights to Mr. Gration are set out below.

Term	Details
Details of the grant	<p>Subject to Shareholder approval, Mr. Gration as the CEO and Managing Director (Listing Rule 10.14.1) will be granted 24,449 Rights under the Plan comprising the FY22 LTI component of his annual remuneration package.</p> <p>The number of Rights to be granted has been calculated by dividing Mr. Gration's maximum FY22 LTI Opportunity (being 100% of his FY22 base salary of \$700,000) by the volume weighted average price (VWAP) of a Share for the thirty trading days immediately prior to 1 July 2021, being \$4.38 and then pro-rated for the period between 1 March 2022 and 30 June 2022.</p> <p>The value of the Rights is \$107,086.62, being the number of the rights (24,449) multiplied by the VWAP of \$4.38 per share.</p>
Entitlements	<p>Each Right is an entitlement to receive one Share, subject to satisfaction of the applicable performance and / or service-related conditions.</p> <p>Rights do not carry any dividend or voting rights, or in general, a right to participate in other corporate actions such as bonus issues.</p> <p>Rights are not transferable (except in limited circumstances or with the consent of the Board).</p>
Date of grant	<p>If Shareholder approval is obtained, the Rights will be granted to Mr. Gration as soon as practicable after the AGM, but in any event, within 12 months of the AGM.</p>
Performance / vesting conditions	<p>Vesting of Rights is subject to:</p> <ul style="list-style-type: none"> • two independently tested performance hurdles (refer below for detail); and • Mr. Gration's continued employment with the Company. <p>(1) Relative TSR hurdle (50% of Rights): Vesting of 50% of Rights will be subject to the Company's Relative TSR hurdle.</p> <p>Broadly, TSR calculates the return Shareholders would earn if they held a notional number of Shares over a period of time and measures the growth in the Company's Share price together with the value of dividends during the relevant period, assuming that the dividends are re-invested into new Shares.</p> <p>Relative TSR compares the TSR performance of the Shares of the Company against the TSR of the securities of a select group of companies listed on the ASX (Comparator Group) over the performance period, being 1 July 2021 to 30 June 2024 (Performance Period). The Comparator Group which the Board has chosen is the S&P ASX Small Ordinaries Index, being all of the companies from number 101 to 300 by market capitalisation (excluding BWX) on the ASX.</p> <p>The Relative TSR hurdle is tested by measuring the degree to which the Company's TSR performance has outperformed the TSR of the Comparator Group against the pre-determined targets set by the Board over the Performance Period and described below.</p>

Explanatory Notes

Term	Details																
	<p>The percentage of Rights that vest, if any, will be determined with reference to the Company's Relative TSR performance in comparison to that of the Comparator Group over the Performance Period as set out in the table below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #cccccc;">Relative TSR of the Company ranked against the Comparator Group</th> <th style="background-color: #cccccc;">Rights subject to Relative TSR hurdle that vest (%)</th> </tr> </thead> <tbody> <tr> <td>Less than 50th percentile</td> <td>Nil</td> </tr> <tr> <td>Between 50th percentile and 75th percentile</td> <td>Straight line pro-rata vesting between 50% and 100%</td> </tr> <tr> <td>At or above 75th percentile</td> <td>100%</td> </tr> </tbody> </table> <p>(2) EPS hurdle (50% of Rights): Vesting of 50% of Rights will be subject to the Company's EPS hurdle.</p> <p>The EPS hurdle is tested by measuring the growth in the Company's EPS over the Performance Period against pre-determined targets set by the Board.</p> <p>Broadly, EPS measures the earnings generated by the Company attributable to each Share. EPS will be calculated by dividing NPAT for the Performance Period by the weighted average number of ordinary shares outstanding during the period. NPAT may be adjusted for the after-tax effect of material infrequent items that the Board believes do not reflect ongoing operations of the Group, and amortisation of acquired intangible assets.</p> <p>The percentage of Rights that vest, if any, will be determined with reference to the Company's EPS performance over the Performance Period, as set out in the table below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #cccccc;">Growth in Company's EPS</th> <th style="background-color: #cccccc;">Rights subject to EPS hurdle that vest (%)</th> </tr> </thead> <tbody> <tr> <td>Below 30% EPS growth</td> <td>Nil</td> </tr> <tr> <td>Between 30% and 80% EPS growth</td> <td>Straight line pro-rata vesting between 0% and 100%</td> </tr> <tr> <td>At or above 80% EPS growth</td> <td>100%</td> </tr> </tbody> </table> <p>The Board retains the discretion to adjust both the Relative TSR and EPS hurdles outlined above to ensure that Mr. Gration (and all other Plan participants) are neither advantaged nor disadvantaged by matters outside management's influence that materially affect the achievement of the hurdle (for example, by excluding one off non-recurrent items or the impact of significant acquisitions or disposals).</p> <p>The Board also retains the discretion to adjust the Relative TSR and EPS hurdles to ensure that they remain appropriately challenging and relevant in order to meet the aims of the Plan.</p>	Relative TSR of the Company ranked against the Comparator Group	Rights subject to Relative TSR hurdle that vest (%)	Less than 50 th percentile	Nil	Between 50 th percentile and 75 th percentile	Straight line pro-rata vesting between 50% and 100%	At or above 75 th percentile	100%	Growth in Company's EPS	Rights subject to EPS hurdle that vest (%)	Below 30% EPS growth	Nil	Between 30% and 80% EPS growth	Straight line pro-rata vesting between 0% and 100%	At or above 80% EPS growth	100%
Relative TSR of the Company ranked against the Comparator Group	Rights subject to Relative TSR hurdle that vest (%)																
Less than 50 th percentile	Nil																
Between 50 th percentile and 75 th percentile	Straight line pro-rata vesting between 50% and 100%																
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Growth in Company's EPS	Rights subject to EPS hurdle that vest (%)																
Below 30% EPS growth	Nil																
Between 30% and 80% EPS growth	Straight line pro-rata vesting between 0% and 100%																
At or above 80% EPS growth	100%																
Performance / vesting period	<p>The Relative TSR and EPS hurdles outlined above will be tested over the Performance Period.</p> <p>As the Company's full-year results are not typically announced to the market until late August each year following the results announcement, the final number of Rights that vest will not be determined until after this time.</p> <p>Any Rights that do not vest following testing will lapse.</p>																

Explanatory Notes

Term	Details
Allocation of Shares on vesting	<p>Following determination of the extent to which the performance hurdles have been satisfied (at the end of the Performance Period), vested Rights will be automatically exercised, and one Share will be allocated for each vested Right that is exercised.</p> <p>The Company's obligation to allocate Shares on vesting and automatic exercise may be satisfied by issuing new Shares, acquiring Shares on-market or transferring Shares from an employee share trust.</p>
Price payable for securities	<p>No amount is payable in respect of the grant of Rights, nor in respect of any Shares allocated on exercise of vested Rights.</p>
Trading restrictions	<p>Shares allocated on exercise of vested Rights will not be subject to any further trading restrictions, subject to compliance with the BWV Securities Trading Policy.</p> <p>Entering into any scheme or arrangement to "hedge" or alter the economic benefit of the Rights is prohibited.</p>
Cessation of employment	<p>If Mr. Gration ceases employment with the Company prior to the vesting of Rights, the treatment of the Rights will depend on the circumstances of his cessation.</p> <p>Where Mr. Gration ceases employment prior to vesting of his Rights due to his resignation or termination for cause (including gross misconduct), all of his unvested Rights will automatically lapse.</p> <p>Where Mr. Gration ceases employment in any other circumstance prior to vesting of his Rights, then a pro-rata number (based on the portion of the Performance Period that has elapsed at the time of his cessation) of Mr. Gration's unvested Rights will remain "on-foot" and will be performance tested at the end of the original Performance Period. To the extent the relevant performance hurdles are satisfied, the Rights will vest at the original vesting date. The Board retains the discretion to apply a different treatment at the time of termination if considered appropriate in the circumstances.</p>
Malus/ Clawback	<p>The Plan provides the Board with the ability to apply malus/clawback and forfeit Rights or Shares in certain circumstances, including fraud, gross misconduct or material misstatement of financial records.</p>
Termination benefits	<p>The approval to provide termination benefits in respect of the FY22 grant does not guarantee that Mr. Gration will receive a termination benefit but rather preserves the discretion of the Board to determine the most appropriate treatment in relation to the FY22 grant, which may include allowing vesting of Rights and settlement of them with Shares or a cash equivalent payment on cessation or allowing more than a pro-rata number of Rights to remain "on foot" upon cessation.</p> <p>The value of any benefit relating to the Rights given in connection with Mr Gration ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:</p> <ul style="list-style-type: none"> • the number of Rights held by Mr. Gration prior to cessation of employment; • the circumstances of or reasons for Mr Gration's cessation of employment; • the result of any pro-rating on cessation of employment;

Explanatory Notes

Term	Details
	<ul style="list-style-type: none"> whether performance hurdles are met or waived, and the number of Rights that vest; when the Rights vest and Shares are allocated; whether the Rights are settled in Shares or by payment of a cash equivalent amount; and the market price of Shares allocated to Mr. Gration on vesting of Rights.
Other information	<p>No other Director is eligible to participate in the Plan or any other employee incentive scheme of the Company.</p> <p>There is no loan scheme in relation to the grant of Rights under the Plan.</p> <p>Details of any Rights issued under the Plan will be published in the Company's 2023 Annual Report along with a statement that approval of the issue of the Rights was obtained at the 2022 AGM under ASX Listing Rule 10.14.</p> <p>Any additional people covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Rights under the Plan after this Resolution 4 is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.</p>

The Group CEO and Managing Director's total remuneration package for FY23

Under his employment agreement, Mr. Gration's current total remuneration package is set out below:

Remuneration element	Opportunity
Total Fixed Remuneration (inclusive of Base Salary plus Superannuation)	\$700,000
FY23 Short-Term Incentive	80% of Base Salary at target (\$560,000) 102% of Base Salary at maximum (\$714,000)
FY23 Long-Term Incentive	150% of Base Salary at maximum (for FY23 only) (\$1,050,000)

Further information regarding the CEO's executive remuneration arrangements is detailed on pages 35-36 of the 2022 Annual Report.

Rights previously awarded under the Plan

The following table summarises the Rights previously granted to Mr. Gration under the Plan:

Description	Number of Rights	Average Acquisition Price Paid
FY22 LTI Plan as Chief Operating Officer (1 July 2021 to 28 February 2022)	71,797	\$0

Explanatory Notes

Recommendation

The Board (other than Mr. Gration who abstains from making a recommendation because of his interest in this Resolution) unanimously recommends that Shareholders vote in favour of this Resolution 4.

Voting exclusion statement

BWX will disregard any votes cast in favour of Resolution 4, by or on behalf of the CEO and Managing Director or any Director, and any of their associates.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Additionally, a person who is appointed as proxy in relation to Resolution 4 and who is a KMP member or any of their Closely Related Parties must not vote as proxy unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 4; or
- b) the person is Chairman of the Annual General Meeting; and

the appointment expressly authorises the Chairman of the Annual General Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP member.

7. **Resolution 5 – Grant of Rights to the Group CEO and Managing Director for FY23 LTI Plan**

Resolution 5 seeks approval for the granting of 978,200 Rights to the CEO, Mr. Rory Gration, in respect of the FY23 LTI component of his annual remuneration package under the BWX Equity Incentive Plan (**Plan**).

Background

As noted above, the Company operates the Plan as part of its executive remuneration strategy, and it has incorporated feedback from investors in developing it. The Plan aims to deliver rewards to eligible executives, recognising individual and Company performance and aligned with the interests of Shareholders. Under the Plan, eligible executives are offered Rights, subject to satisfaction of applicable performance-based conditions over the three-year vesting period. Rights have been adopted because they create share price alignment between executives and Shareholders but do not provide participants with the full benefits of Share ownership (such as

Explanatory Notes

dividend and voting rights) until the Rights vest and Shares are acquired. Further details about the Plan can be found in the 2022 Remuneration Report (see page 38 of the 2022 Annual Report).

In FY23, the BWX Board determined to make a special one-off grant to all employees eligible for the FY23 LTI Plan (including Mr. Gration). This one-off grant provides employees with an additional 50% of Rights for the FY23 LTI Plan only. The reason to grant the additional rights is to secure, motivate and incentivise those employees, who are seen as critical to executing the short-term recovery plan and support the long-term growth of the Company and provide shareholder value. As such, when determining Mr. Gration's maximum eligibility for Rights, the calculation was determined based on 150% of his Base Salary for FY23 only.

Approvals sought

ASX Listing Rule 10.14 requires shareholder approval for a director to be issued equity securities in a company under an employee incentive scheme.

Accordingly, Shareholders are asked to approve the grant of 978,200 Rights to Mr. Gration under the Plan, on the terms and conditions set out in the Explanatory Notes. Approval of this Resolution will also result in the Rights granted to Mr. Gration being included as an exception to the approval requirements of ASX Listing Rule 7.1. This means the Rights granted to Mr. Gration and any other Shares issued pursuant to this approval, will not use up part of the 15% limit available under ASX Listing Rule 7.1.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E or an exemption applies. Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, which includes Mr. Gration.

Accordingly, Shareholder approval is being sought for the purposes of sections 200B and 200E for any termination benefits that may be provided to Mr. Gration in respect of the FY23 grant of Rights in connection with his ceasing to hold managerial or executive office.

The Board believes that granting the Rights and ensuring that the limited stretch opportunity is the best way to achieve management and Shareholder alignment. However, if Shareholders do not approve this Resolution, the Board will consider whether to proceed with this grant; to make the grant on different terms; or to acquire Shares on-market to satisfy some or all of the original grant of Rights.

Key terms of the Rights

In accordance with ASX Listing Rule 10.15, a brief overview of the key terms of the proposed grant of Rights to Mr. Gration are set out below.

Term	Details
Details of the grant	<p>Subject to Shareholder approval, Mr. Gration as the CEO and Managing Director (Listing Rule 10.14.1) will be granted 978,200 Rights under the Plan comprising the FY23 LTI component of his annual remuneration package.</p> <p>The number of Rights to be granted has been calculated by dividing Mr. Gration's maximum FY23 LTI Opportunity (being 150% of his FY23 base salary of \$700,000) by the volume weighted average price (VWAP) of a Share for the thirty trading days immediately prior to 1 July 2022, being \$1.07.</p> <p>The value of the Rights is \$1,046,674, being the number of the rights (978,200) multiplied by the VWAP of \$1.07 per share. As mentioned above, this represents 150% of Mr. Gration's Base Salary.</p>

Explanatory Notes

Term	Details								
Entitlements	<p>Each Right is an entitlement to receive one Share, subject to satisfaction of the applicable performance and / or service-related conditions.</p> <p>Rights do not carry any dividend or voting rights, or in general, a right to participate in other corporate actions such as bonus issues.</p> <p>Rights are not transferable (except in limited circumstances or with the consent of the Board).</p>								
Date of grant	<p>If Shareholder approval is obtained, the Rights will be granted to Mr. Gration as soon as practicable after the AGM, but in any event, within 12 months of the AGM.</p>								
Performance / vesting conditions	<p>Vesting of Rights is subject to:</p> <ul style="list-style-type: none"> two independently tested performance hurdles (refer below for detail); and Mr. Gration's continued employment with the Company. <p>(3) Relative TSR hurdle (50% of Rights): Vesting of 50% of Rights will be subject to the Company's Relative TSR hurdle.</p> <p>Broadly, TSR calculates the return Shareholders would earn if they held a notional number of Shares over a period of time and measures the growth in the Company's Share price together with the value of dividends during the relevant period, assuming that the dividends are re-invested into new Shares.</p> <p>Relative TSR compares the TSR performance of the Shares of the Company against the TSR of the securities of a select group of companies listed on the ASX (Comparator Group) over the performance period, being 1 July 2021 to 30 June 2024 (Performance Period). The Comparator Group which the Board has chosen is the S&P ASX Small Ordinaries Index, being all of the companies from number 101 to 300 by market capitalisation (excluding BWX) on the ASX.</p> <p>The Relative TSR hurdle is tested by measuring the degree to which the Company's TSR performance has outperformed the TSR of the Comparator Group against the pre-determined targets set by the Board over the Performance Period and described below.</p> <p>The percentage of Rights that vest, if any, will be determined with reference to the Company's Relative TSR performance in comparison to that of the Comparator Group over the Performance Period as set out in the table below.</p> <table border="1" data-bbox="582 1592 1481 1794"> <thead> <tr> <th data-bbox="582 1592 1054 1653">Relative TSR of the Company ranked against the Comparator Group</th> <th data-bbox="1054 1592 1481 1653">Rights subject to Relative TSR hurdle that vest (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="582 1653 1054 1700">Less than 50th percentile</td> <td data-bbox="1054 1653 1481 1700">Nil</td> </tr> <tr> <td data-bbox="582 1700 1054 1760">Between 50th percentile and 75th percentile</td> <td data-bbox="1054 1700 1481 1760">Straight line pro-rata vesting between 50% and 100%</td> </tr> <tr> <td data-bbox="582 1760 1054 1794">At or above 75th percentile</td> <td data-bbox="1054 1760 1481 1794">100%</td> </tr> </tbody> </table> <p>(4) EPS hurdle (50% of Rights): Vesting of 50% of Rights will be subject to the Company's EPS hurdle.</p> <p>The EPS hurdle is tested by measuring the absolute growth in the Company's EPS over the Performance Period against pre-determined targets set by the Board.</p>	Relative TSR of the Company ranked against the Comparator Group	Rights subject to Relative TSR hurdle that vest (%)	Less than 50 th percentile	Nil	Between 50 th percentile and 75 th percentile	Straight line pro-rata vesting between 50% and 100%	At or above 75 th percentile	100%
Relative TSR of the Company ranked against the Comparator Group	Rights subject to Relative TSR hurdle that vest (%)								
Less than 50 th percentile	Nil								
Between 50 th percentile and 75 th percentile	Straight line pro-rata vesting between 50% and 100%								
At or above 75 th percentile	100%								

Explanatory Notes

Term	Details								
	<p>Broadly, EPS measures the earnings generated by the Company attributable to each Share. EPS will be calculated by dividing NPAT for the Performance Period by the weighted average number of ordinary shares outstanding during the period. NPAT may be adjusted for the after-tax effect of material infrequent items that the Board believes do not reflect ongoing operations of the Group, and amortisation of acquired intangible assets.</p> <p>The percentage of Rights that vest, if any, will be determined with reference to the Company's absolute EPS performance over the Performance Period, as set out in the table below.</p> <table border="1" data-bbox="584 640 1474 864"> <thead> <tr> <th data-bbox="584 640 1002 707">Absolute Growth in Company's EPS</th> <th data-bbox="1002 640 1474 707">Rights subject to EPS hurdle that vest (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="584 707 1002 763">Less than 11.7 cents</td> <td data-bbox="1002 707 1474 763">Nil</td> </tr> <tr> <td data-bbox="584 763 1002 819">Between 11.7 and 13.0 cents</td> <td data-bbox="1002 763 1474 819">Straight line pro-rata vesting between 0% and 100%</td> </tr> <tr> <td data-bbox="584 819 1002 864">At or above 13.0 cents</td> <td data-bbox="1002 819 1474 864">100%</td> </tr> </tbody> </table> <p>The Board retains the discretion to adjust both the Relative TSR and absolute EPS hurdles outlined above to ensure that Mr. Gration (and all other Plan participants) are neither advantaged nor disadvantaged by matters outside management's influence that materially affect the achievement of the hurdle (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).</p> <p>The Board also retains the discretion to adjust the Relative TSR and absolute EPS hurdles to ensure that they remain appropriately challenging and relevant in order to meet the aims of the Plan.</p>	Absolute Growth in Company's EPS	Rights subject to EPS hurdle that vest (%)	Less than 11.7 cents	Nil	Between 11.7 and 13.0 cents	Straight line pro-rata vesting between 0% and 100%	At or above 13.0 cents	100%
Absolute Growth in Company's EPS	Rights subject to EPS hurdle that vest (%)								
Less than 11.7 cents	Nil								
Between 11.7 and 13.0 cents	Straight line pro-rata vesting between 0% and 100%								
At or above 13.0 cents	100%								
Performance / vesting period	<p>The Relative TSR and absolute EPS hurdles outlined above will be tested over the Performance Period.</p> <p>As the Company's full-year results are not typically announced to the market until late August each year following the results announcement, the final number of Rights that vest will not be determined until after this time.</p> <p>Any Rights that do not vest following testing will lapse.</p>								
Allocation of Shares on vesting	<p>Following determination of the extent to which the performance hurdles have been satisfied (at the end of the Performance Period), vested Rights will be automatically exercised, and one Share will be allocated for each vested Right that is exercised.</p> <p>The Company's obligation to allocate Shares on vesting and automatic exercise may be satisfied by issuing new Shares, acquiring Shares on-market or transferring Shares from an employee share trust.</p>								
Price payable for securities	<p>No amount is payable in respect of the grant of Rights, nor in respect of any Shares allocated on exercise of vested Rights.</p>								

Explanatory Notes

Term	Details
Trading restrictions	<p>Shares allocated on exercise of vested Rights will not be subject to any further trading restrictions, subject to compliance with the BWX Securities Trading Policy.</p> <p>Entering into any scheme or arrangement to “hedge” or alter the economic benefit of the Rights is prohibited.</p>
Cessation of employment	<p>If Mr. Gration ceases employment with the Company prior to the vesting of Rights, the treatment of the Rights will depend on the circumstances of his cessation.</p> <p>Where Mr. Gration ceases employment prior to vesting of his Rights due to his resignation or termination for cause (including gross misconduct), all of his unvested Rights will automatically lapse.</p> <p>Where Mr. Gration ceases employment in any other circumstance prior to vesting of his Rights, then a pro-rata number (based on the portion of the Performance Period that has elapsed at the time of his cessation) of Mr. Gration’s unvested Rights will remain “on-foot” and will be performance tested at the end of the original Performance Period. To the extent the relevant performance hurdles are satisfied, the Rights will vest at the original vesting date. The Board retains the discretion to apply a different treatment at the time of termination if considered appropriate in the circumstances.</p>
Malus/ Clawback	<p>The Plan provides the Board with the ability to apply malus/clawback and forfeit Rights or Shares in certain circumstances, including fraud, gross misconduct or material misstatement of financial records.</p>
Termination benefits	<p>The approval to provide termination benefits in respect of the FY23 grant does not guarantee that Mr. Gration will receive a termination benefit but rather preserves the discretion of the Board to determine the most appropriate treatment in relation to the FY23 grant, which may include allowing vesting of Rights and settlement of them with Shares or a cash equivalent payment on cessation or allowing more than a pro-rata number of Rights to remain “on foot” upon cessation.</p> <p>The value of any benefit relating to the Rights given in connection with Mr Gration ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:</p> <ul style="list-style-type: none"> • the number of Rights held by Mr. Gration prior to cessation of employment; • the circumstances of or reasons for Mr Gration’s cessation of employment; • the result of any pro-rating on cessation of employment; • whether performance hurdles are met or waived, and the number of Rights that vest; • when the Rights vest and Shares are allocated; • whether the Rights are settled in Shares or by payment of a cash equivalent amount; and • the market price of Shares allocated to Mr. Gration on vesting of Rights.

Explanatory Notes

Term	Details
Other information	<p>No other Director is eligible to participate in the Plan or any other employee incentive scheme of the Company.</p> <p>There is no loan scheme in relation to the grant of Rights under the Plan.</p> <p>Details of any Rights issued under the Plan will be published in the Company's 2023 Annual Report along with a statement that approval of the issue of the Rights was obtained at the 2022 AGM under ASX Listing Rule 10.14.</p> <p>Any additional people covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Rights under the Plan after this Resolution 5 is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.</p>

The Group CEO and Managing Director's total remuneration package for FY23

Under his employment agreement, Mr. Gration's current total remuneration package is set out below:

Remuneration element	Opportunity
Total Fixed Remuneration (inclusive of Base Salary plus Superannuation)	\$700,000
FY23 Short-Term Incentive	80% of Base Salary at target (\$560,000) 102% of Base Salary at maximum (\$714,000)
FY23 Long-Term Incentive	150% of Base Salary at maximum (for FY23 only) (\$1,050,000)

Further information regarding the CEO's executive remuneration arrangements is detailed on pages 35-36 of the 2022 Annual Report.

Rights previously awarded under the Plan

The following table summarises the Rights previously granted to Mr. Gration under the Plan:

Description	Number of Rights	Average Acquisition Price Paid
FY22 LTI Plan as Chief Operating Officer (1 July 2021 to 28 February 2022)	71,797	\$0

Recommendation

The Board (other than Mr. Gration who abstains from making a recommendation because of his interest in this Resolution) unanimously recommends that Shareholders vote in favour of this Resolution 5.

Explanatory Notes

Voting exclusion statement

BWX will disregard any votes cast in favour of Resolution 5, by or on behalf of the CEO and Managing Director or any Director, and any of their associates.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Additionally, a person who is appointed as proxy in relation to Resolution 5 and who is a KMP member or any of their Closely Related Parties must not vote as proxy unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- b) the person is Chairman of the Annual General Meeting; and

the appointment expressly authorises the Chairman of the Annual General Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP member.

8. Undirected proxies

The Chairman of the meeting intends to use any undirected proxies held by him to vote at the meeting in favour of each of the Resolutions referred to above.

Explanatory Notes

9. Definitions

AGM or Annual General Meeting means annual general meeting of Shareholders convened by this Notice of Meeting.

ASX means ASX Limited or the financial market operated by it known as the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of directors of the Company.

BWV Equity Incentive Plan means the BWV Equity Incentive Plan, further details of which are outlined in pages 36 to 39 of the 2022 Annual Report of BWV.

Chairman means chairman of the Annual General Meeting.

Closely Related Party means any of the following:

- (a) a spouse, child or dependant of the member;
- (b) a child or dependant of the member's spouse;
- (c) 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;
- (d) a company the member controls; or
- (e) a person prescribed by regulations (as at the date of this notice, no additional persons have been prescribed by regulation).

Company means BWV Limited ABN 13 163 488 631.

Comparator Group means all of the companies in the S&P ASX Small Ordinaries Index, being companies from number 101 to 300 (excluding BWV) listed on the ASX against which Relative TSR will be measured.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

EPS means the earnings generated by the Company attributable to each Share. EPS will be calculated by dividing NPAT for the relevant period by the weighted average number of Shares outstanding during the Performance Period.

Explanatory Notes means these explanatory notes which explain and form part of this Notice of Meeting.

FY means a financial year commencing 1 July and ending 30 June. For example, FY20 means the financial year starting 1 July 2019 and ended 30 June 2020.

Key Management Personnel or KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly and includes Directors and certain senior executives.

LTI means long-term incentive.

Meeting means the meeting or AGM convened by this Notice of Meeting.

Notice of Meeting means this notice of meeting convening the Meeting, including the Explanatory Notes.

Explanatory Notes

NPAT means net profit after tax, adjusted for the after-tax effect of material infrequent items that the Board believes do not reflect ongoing operations of the Group, and amortisation of acquired intangible assets.

Performance Period means the three year period of performance between 1 July 2021 and 30 June 2024 for the FY22 LTI Plan and between 1 July 2022 and 30 June 2025 for the FY23 LTI Plan against which the Relative TSR and EPS hurdles are measured.

Relative TSR compares the TSR of the Shares against the securities of a select group of peer companies listed on the ASX, described as the Index.

Resolution means a resolution set out in this Notice of Meeting.

Right means an entitlement to receive one Share (or a cash payment of equivalent value), subject to satisfaction of the applicable performance and/or service-related conditions.

S&P ASX Small Ordinaries Index means all of the companies listed on the ASX from companies numbered 101 to 300 by market capitalisation (excluding BWX).

Shareholder means the registered holder of at least one Share.

Shares means fully paid ordinary shares in the capital of the Company.

Total Shareholder Return or **TSR** means total shareholder return, which is a measure of the return of the Shares over time calculated on the assumption that all dividends are reinvested when paid.

VWAP means volume weighted average price over the relevant period.