



## Notice of Annual General Meeting Enero Group Limited

Notice is given that the Annual General Meeting of members of Enero Group Limited will be held at Level 3, 1 Buckingham Street, Surry Hills, NSW 2010 at 11.00am on Wednesday, 29 October 2014

### Agenda

#### Accounts and Reports

To receive and consider the Statement of Financial Position of Enero Group Limited (Enero) as at 30 June 2014, the Statement of Financial Performance of Enero for the year ended on that date, together with the consolidated accounts of Enero and its controlled entities in accordance with the Corporations Act 2001 (Cth) (Corporations Act), and the reports of the Directors and auditors.

#### 1. Resolution 1 – Non-binding resolution to adopt remuneration report

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

*“That the ‘Remuneration Report’ as set out in Enero’s Annual Financial Report for the year ended 30 June 2014, be adopted.”*

#### 2. Resolution 2 – Re-election of Directors

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

2.1 “That John Porter who retires in accordance with clause 6.1(f) of Enero’s constitution and, being eligible, offers himself for re-election, be re-elected as a Director of Enero”; and

2.2 “That Max Johnston who retires in accordance with clause 6.1(f) of Enero’s constitution and, being eligible, offers himself for re-election, be re-elected as a Director of Enero.”

#### 3. Resolution 3 – Approval of Company’s Share Appreciation Rights Plan (SAR)

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

*“That the Share Appreciation Rights Plan (SAR) described in the explanatory notes accompanying this Notice of Meeting is approved for all purposes (including for the purpose of Listing Rule 7.2 Exception 9) so that any securities (or rights to securities) issued in accordance with the terms of the SAR qualify as an exception to Listing Rule 7.1).”*

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## Information for Shareholders

### Voting Exclusions

#### Resolution 1:

In accordance with the Corporations Act, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report (KMP) and their 'Closely Related Parties' (as defined in the *Corporations Act 2001*) (each a **Restricted Voter**). However, Enero need not disregard a vote cast by a Restricted Voter if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Restricted Voter.

Further, Enero will not disregard a vote cast by the chair of the meeting (**Chair**) as a proxy, if the appointment of the Chair expressly authorises the Chair to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

#### Resolution 3:

In accordance with the ASX Listing Rules, Enero will disregard any votes cast in respect of Resolution 3 by any Director of the Company (except one who is ineligible to participate in an incentive scheme of the Company (being a Director who does not meet the criteria of 'Eligible Employee' in the SAR)) and any associate of that person.

However, Enero need not disregard a vote if:

- it is cast by a person or proxy for a member who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as a proxy for a person entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Key Management Personnel (**KMP**) and their 'Closely Related Parties' (as defined in the Corporations Act) (each a **Restricted Voter**) are able to vote on this resolution in their personal capacity so long as they are not a Director who is entitled to participate in the SAR (being an 'Eligible Employee' as defined in the SAR) and any associate of that person. Each member of Enero's KMP is named in page 24 of Enero's Annual Financial Report for the year ended 30 June 2014.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 3 unless:

- the appointment specifies the way the proxy is to vote on Resolution 3; or
- the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the KMP.

**Note:** Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 3. Shareholders may also direct the Chair to vote against Resolution 3 or to abstain from voting.

### Proxies

A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights and an additional form of proxy is available on request from Enero. A proxy need not be a shareholder of Enero. If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy but not directed as to how to vote, the proxy may only vote on Resolutions 1 and 3 if the proxy is the Chair of the meeting and 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 KMP. If such authorisation is given, the Chair intends to vote in favour of Resolutions 1 and 3.

Where a shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. The form of proxy must be signed by a shareholder or a shareholder's attorney. Proxies given by corporations must be signed in accordance with their constituent documents or as authorised by the Corporations Act. If the form of proxy is executed under power of attorney it must accompany the form of proxy unless it has already been noted by Enero. In the case of joint shareholders, names of the joint shareholders should be shown on the form of proxy.

Enero has determined, in accordance with regulation 7.11.37 of the Corporations Regulations, that for the purpose of determining voting entitlements for the general meeting, Enero Shares will be taken to be held by those people who are shown in the register of members as at 11.00am Sydney time on Monday, 27 October 2014.

To be valid, the proxy forms (together with any power of attorney or other authority) must be returned:

- by post to the share registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Vic 3001;
- online at [www.investorvote.com.au](http://www.investorvote.com.au); or
- by successfully transmitted facsimile transmission to either Computershare on +61 3 9473 2555 (outside Australia) or 1800 783 447 (within Australia),

by no later than 11.00am Sydney time on Monday, 27 October 2014.

Shareholder queries should be directed to the Company Secretary at Enero on (02) 8213 3031 or email [agm@enero.com](mailto:agm@enero.com).

### By Order of the Board



Brendan York  
Company Secretary  
26 September 2014

## Explanatory Statement

This Explanatory Statement has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Enero.

All shareholders should read this Explanatory Statement carefully and in its entirety before making any decision in relation to the resolutions.

### Receiving Financial Statements and Reports

Under the Corporations Act, the Directors of Enero must lay the financial report, the Director's report and the auditor's report for Enero (and its subsidiaries) for the financial year ended 30 June 2014 before the meeting (**Reports**).

These Reports are set out in the Company's 2014 Annual Report which has been made available to shareholders and is available on the Company's website ([www.enero.com](http://www.enero.com)).

Shareholders will be given reasonable opportunity at the Annual General Meeting to ask questions and make comments on the reports.

No resolution is required to be moved in respect of this item of General Business.

### Resolution 1 – Non-binding resolution to adopt remuneration report

Under the Corporations Act, Enero is required to include, in the Directors' report, a detailed remuneration report including prescribed information in relation to the remuneration of Directors and executives of Enero and Enero's remuneration practices.

The remuneration report for the year ended 30 June 2014 is incorporated in the Company's 2014 Annual Report (as part of the Directors' report) and is available on the Company's website ([www.enero.com](http://www.enero.com)). Shareholders will be given reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Reports.

The vote on the remuneration report is advisory only and does not bind the Directors or Enero. However, if at least 25% of the votes cast are against adoption of the remuneration report at

the 2014 AGM, and then again at the 2015 AGM, Enero will be required to put a resolution to the 2015 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, Enero must then convene an extraordinary general meeting, (**spill meeting**) within 90 days of the 2015 AGM. All of the Directors who were in office when the 2015 Directors' report was approved, other than the Managing Director, will (if they desire) need to stand for re-election at the spill meeting.

Each Director recommends the adoption of the remuneration report by shareholders.

### Resolution 2 – Re-election of Directors

Clause 6.1(f) of Enero's constitution requires that one-third of Directors (rounded down to the nearest whole number and excluding the Managing Director) and any other Director who, if he or she does not retire, will at the conclusion of the meeting have been in office for three or more years or for three or more AGMs since he or she was last elected to office, must retire at the AGM. Retiring Directors may seek re-election. John Porter and Max Johnston are currently Directors of Enero and in accordance with the Company's constitution both John and Max will retire and will seek re-election at the AGM.

About the Directors standing for re-election:

#### John Porter

John was appointed as Chairman and Non-Executive Director of the Company on 24 April 2012. Prior to joining Enero Group, John Porter was Executive Director and Chief Executive Officer of Austar United Communications Limited from June 1999 to April 2012. John was Managing Director of Austar Entertainment Pty Limited from July 1997 to December 1999. From January 1997 to August 1999, he also served as the Chief Operating Officer of United Asia Pacific, Inc. (UAP). He led the establishment of Austar Entertainment Pty Limited in 1995, and by doing so played an integral role in the development of Australia's subscription television industry. Prior to joining Austar, John spent ten years in

various senior management capacities for Time Warner Cable, a subsidiary of Time Warner, Inc. He has more than 30 years of management experience in the US and Australian subscription television industries. John is also currently CEO of Telenet Group Holding NV. John is a member of the Audit Committee and the Remuneration and Nomination Committee.

#### Max Johnston

Max was appointed as a Non-Executive Director of the Company on 28 April 2011. Max is a Non-Executive Director of Probiotec Limited and a Director of Medical Developments International. For 11 years he was President and Chief Executive Officer of Johnson & Johnson, Pacific and an Executive Director of Johnson & Johnson. Max has also held several prominent industry roles, including as a past President of ACCORD Australasia Limited, a former Vice Chairman of the Australian Food and Grocery Council and a former member of the Board of ASMI. He has had extensive overseas experience during his career in leading businesses in both Western and Central-Eastern Europe and Africa. Max is Chairman of the Remuneration and Nomination Committee.

Each Director (other than John Porter and Max Johnston) recommends that shareholders vote in favour of Resolution 2 to re-elect John Porter and Max Johnston as Directors of Enero.

### Resolution 3 – Approval of Company's Share Appreciation Rights Plan (SAR)

During 2011, Enero introduced the SAR designed to incentivise Enero's senior executives and other senior management of Enero and its controlled entities.

#### a. Participation and terms:

All employees of Enero's group are eligible to participate in the SAR but only become entitled to participate in the SAR on receipt of an offer from Enero's Board. Non-Executive Directors are not eligible to participate in the SAR. Executive Directors are eligible to participate in the plan but will not participate until shareholder approval is obtained in accordance with Listing Rule 10.14.

The specific terms and conditions of each share right issued pursuant to the SAR (**Share Right**) may be determined by the

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Enero Board prior to such Share Right's issue and allotment and will be notified to the eligible employee when the offer of such Share Right is made to that eligible employee. As such, the price payable per Share Right (if any), the conversion rate, the performance hurdles (if any) and the vesting and exercise profile of each Share Right will be determined by the Enero Board prior to its issue and allotment and may vary from holder to holder BUT subject always to:

- the restriction that one Share Right shall never convert into more than one share in the capital of Enero; and
- the over-riding restriction that the aggregate number of shares on offer under the SAR (or in each case any other relevant employee share scheme) may not exceed 15% of the total share capital of Enero at the time of the offer (noting that if Enero seeks to rely on ASIC Class Order 03/184 (the **Class Order**) in relation to an offer then the limit for that offer, all outstanding Share Rights offered under the Class Order and all shares of Enero issued in the previous five years under the SAR, or any other employee share scheme, in each case relying on the Class Order, equals 5% of the share capital of Enero at the time of the offer).

In addition, the Directors may exercise discretion to allow early vesting of Share Rights in the event of a change of control of Enero.

### **b. Maximum number of securities**

The SAR allows for Enero's Board to grant Share Rights to participants provided that the aggregate number of shares on offer under the SAR (or in each case any other relevant employee share scheme) may not exceed 15% of the total share capital of Enero at the time of the offer (noting that if Enero seeks to rely on ASIC Class Order 03/184 (the **Class Order**) in relation to an offer then the limit for that offer, all outstanding Share Rights offered under the Class Order and all shares of Enero issued in the previous five years under the SAR, or any other employee share scheme, in each case relying on the Class Order, equals 5% of the share capital of Enero at the time of the offer).

For the purposes of calculating the number of shares on offer under the SAR at any time Enero will deem any unexercised Share Right that does not have a fixed conversion rate (that is, in circumstances where the conversion rate of a Share Right is determined at some point after the date of the relevant offer by reference to a conversion formula stated in such offer) to have a conversion rate of one Share Right to one share. However, the Share Rights issued under the SAR to date will each convert into a fraction of one share upon vesting.

### **c. Exercise**

The exercise of each Share Right will entitle the holder to receive a number of ordinary shares (or a fraction of an ordinary share) calculated in accordance with the conversion rate or formula notified by the Enero Board to the eligible employee at the time the offer to that eligible employee was made in respect of that Share Right.

### **d. Disposal restrictions and scope**

The Share Rights are personal to each holder and may not be disposed of, encumbered or exercised by another person other than with the consent of Enero's Board, as part of a sale of Enero or in the case of a transfer to a personal legal representative of a holder. If there is a reorganisation of capital of Enero then the rights of a holder will be changed to the extent necessary to comply with the applicable Listing Rules.

The holders of Share Rights will not be entitled to participate in any new issues in shares to existing shareholders of Enero unless they acquire the underlying shares prior to the record date for determination of entitlements to the new issue of securities.

The Share Rights do not entitle the holder to vote at a meeting of shareholders of Enero or to receive a share of any dividend declared by Enero. Shares issued on exercise of Share Rights will not be subject to dealing restrictions unless Enero's Board specifically sets out such restrictions in the initial offer of Share Rights to an eligible employee.

### **e. Effect of approval**

Listing Rule 7.1 requires shareholder approval by ordinary resolution for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12 month period. However, Listing Rule 7.2 Exception 9 provides that an issue under an employee incentive scheme is exempted from the 15% limit if shareholders approve the issue of securities under an employee incentive scheme as an exception to Listing Rule 7.1 no more than three years before the date of issue.

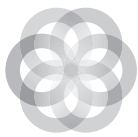
Listing Rule 7.2 Exception 9 requires shareholders to be informed of the number of securities issued under the relevant employee incentive scheme since the date of the last approval. However, there is no requirement for the Company to obtain shareholder approval prior to issuing Share Rights under the SAR and the SAR has not previously been approved by shareholders.

This is the first time that approval has been sought for the SAR for the purpose of Listing Rule 7.2 Exception 9.

### **f. Recommendation**

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





# ENERO

Enero Group Limited  
ABN 97 091 524 515

## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**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

000001 000 EGG

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

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 11:00am (Sydney time) Monday, 27 October 2014**

### 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 for Postal Forms

**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.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

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 Enero Group 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 Enero Group Limited to be held at Level 3, 1 Buckingham Street, Surry Hills, NSW 2010 on Wednesday, 29 October 2014 at 11:00am (Sydney 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 Items 1 and 3 (except where I/we have indicated a different voting intention below) even though Items 1 and 3 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 Items 1 and 3 by marking the appropriate box in step 2 below.

### 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
1	Adopt the remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.1	Re-election of John Porter as a Director of Enero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	Re-election of Max Johnston as a Director of Enero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of Company's Share Appreciation Rights Plan (SAR)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

### 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 / /

\_\_\_\_\_

EGG

999999A

Computershare +