
AUSTRALIA SUNNY GLASS GROUP LIMITED
ACN 632 790 660
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3.30pm (AEST)
DATE: Friday, 31 May 2024
PLACE: The meeting is a **hybrid meeting**

In-Person:

Level 6, 99 William Street
Melbourne VIC 3000

Online:

Please pre-register prior to the day of the meeting at:

https://us02web.zoom.us/webinar/register/WN_tCVuyo9bRemfcM9VCf5s_A

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (AEST) on 29 May 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO RELATED PARTY – DAVID SULLIVAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 6.44 and for all other purposes, approval is given for the Company to issue up to the number of Shares that, when multiplied by the issue price per Share, determined in accordance with Section 1.5(e) of the Explanatory Statement, will be worth \$1,000,000, to David Sullivan (and/or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Voting Prohibition Statements

Resolution 1 – Approval to issue Shares to Related Party – David Sullivan

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 1 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 1 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 1 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

The Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Approval to issue Shares to Related Party – David Sullivan

David Sullivan (and/or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

- (a) a person as a 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; or
- (b) the Chair 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.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Automic Pty Ltd will need to verify your identity. You can register from 10:00 am AEST on the day of the meeting.

Voting online via the Virtual Meeting

The company is pleased to also provide shareholders with the opportunity to attend and participate in the Meeting through an online meeting platform, where shareholders will be able to watch, listen, ask questions and vote online.

To access the virtual meeting:

1. Open your internet browser and go to:
https://us02web.zoom.us/webinar/register/WN_tCVuyo9bRemfcM9VCf5s_A
2. Enter your registered holding name, HIN/SRN and postcode and click “**register**”.
3. **Shareholders are encouraged to register prior to the day of the meeting to ensure there is no delay in attending the meeting.**
4. Once your details are verified, you will receive a separate email with details of how to login on the day of the Meeting.
5. Click on the URL and you will be sent to join the webcast where you can view and listen to the Meeting, as well as ask questions in relation to the business of the Meeting.
6. Once the Chair of the Meeting has declared the poll open for voting, select “For”, “Against” or “Abstain” for the resolution.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary by email: jamesbarrie@fernvillegroup.com.au.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO RELATED PARTY – DAVID SULLIVAN

1.1 Background

On or around 5 July 2023, David Sullivan loaned \$1 million to the Company's wholly owned subsidiary, D W Sullivan Windows Pty Ltd (ACN 612 095 397) (**DWS**) (**Loan**). The Loan was not documented but the terms were verbally agreed and were arms-length terms standard for such a facility, and included:

Principal (maximum)	\$1 million
Interest Rate	5% per annum on drawn amounts, accruing daily from the drawdown date and payable on the repayment date
Repayment Date	12-months from the date of each drawdown date

Pursuant to the Loan, DWS has since drawn down the entire principal amount of \$1 million.

On 20 December 2023, the Company announced that DWS entered into voluntary administration and appointed Garth O'Connor-Price, Laurence Fitzgerald and Christopher Bergin from William Buck as joint and several administrators pursuant to section 436A of the Corporations Act.

On 24 April 2024, the Company and Mr Sullivan entered into an option deed granting an option in favour of Mr Sullivan to convert the principal amount of the Loan to fully paid ordinary shares in the capital of the Company (**Option**) (**Option Deed**). Any outstanding interest will be paid in cash to Mr Sullivan.

Pursuant to the Option Deed, the Company has agreed, subject to obtaining Shareholder approval, to issue up to the number of Shares that, when multiplied by the issue price per Share, determined in accordance with Section 1.5(e) below, will be worth \$1,000,000, to Mr Sullivan on the terms and conditions set out below.

For example, based on the most recent Share price of the Company of \$0.37, the maximum number of Shares to be issued would be 2,702,703 Shares. If the price per Share increased to \$0.50, the maximum number of Shares to be issued would be 2,000,000 Shares, and if the price per Share decreased to \$0.20, the maximum number of Shares to be issued would be 5,000,000 Shares.

Resolution 1 seeks Shareholder approval for the issue of the Shares to Mr Sullivan.

1.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shares to Mr Sullivan constitutes giving a financial benefit as Mr Sullivan is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Sullivan who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares because the Shares will be issued to Mr Sullivan as repayment of the Loan and as such the giving of the financial benefit is on arm's length terms.

1.3 Listing Rule 6.44

Resolution 1 seeks the required Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 6.44.

1.4 Technical information

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Shares within 1 year after the date of the Meeting. As approval is being obtained under Listing Rule 6.44 the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Shares and the Company would be required to repay the Loan in cash.

1.5 Technical Information required by Listing Rule 6.44

Pursuant to and in accordance with Listing Rule 6.44, the following information is provided in relation to Resolution 1:

- (a) the Shares will be issued to Mr Sullivan and Mr Sullivan falls within the category set out in Listing Rule 6.44 by virtue of being a Director;
- (b) the maximum number of Shares to be issued to Mr Sullivan (being the nature of the financial benefit proposed to be given) is the number of Shares that, when multiplied by the issue price per Share, determined in accordance with Section 1.5(e) below, will be worth \$1,000,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 year after the date of the Meeting;

- (e) the deemed issue price of the Shares will be the higher of the market price of the shares on the date Mr Sullivan provides notice to exercise the Option or the price per share equal to the VWAP for the thirty (30) trading days immediately prior to Mr Sullivan providing notice in writing to the Company. The Company will not receive any cash consideration for the issue of the Shares;
- (f) the purpose of the issue of the Shares is to repay the Loan;
- (g) the number of Shares to be issued to Mr Sullivan will be determined based upon a consideration of the Loan amount to be repaid and the issue price per Share;
- (h) the Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed;
- (i) the total remuneration package for Mr Sullivan for the previous financial year and the proposed total remuneration package for the current financial year is set out below:

Related Party	Current Financial Year	Previous Financial Year
David Sullivan	\$231,167 ¹	\$Nil ²

Notes:

- 1. Comprising \$200 per hour based on a 38 hour week.
- 2. Mr Sullivan was appointed as a Director of the Company on 4 July 2023.

- (j) the relevant interests of Mr Sullivan in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options
David Sullivan	10,666,667	Nil

- (k) the Company has been suspended from trading since 18 April 2024. The trading price of the Shares on the NSX in the 12 months before the date of this Notice and before the suspension is set out below:

	Price	Date
Highest	\$0.37	17 April 2024
Lowest	\$0.37	17 April 2024
Last	\$0.37	17 April 2024

- (l) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 1;
- (m) the Shares to be issued are not intended to remunerate or incentivise the Director;

- (n) the Shares are being issued under the Option Deed. A summary of the material terms of the Option Deed are set out in Section 1.1; and
- (o) a voting exclusion statement is included in Resolution 1 of the Notice.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that NSX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent 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 Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **AG1** means Australia Sunny Glass Group Limited (ACN 632 790 660).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

DWS means D W Sullivan Windows Pty Ltd (ACN 612 095 397).

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of the NSX.

Loan has the meaning set out in Section 1.1.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

NSX means NSX Limited (ACN 089 447 058) or the financial market operated by NSX Limited, as the context requires.

Option has the meaning set out in Section 1.1.

Option Deed has the meaning set out in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Resolution means the resolution set out in the Notice.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means the Company's share registry, Automic Pty Ltd (ACN 152 260 814).

Shareholder means a registered holder of a Share.