

Notice of Annual Meeting of Shareholders 2020



Notice of Annual Meeting of Shareholders

23 March 2020

Dear Shareholder

Due to the current COVID-19 situation, Summerset has decided to take the prudent step to hold its Annual Meeting of Shareholders **online only**.

We invite you to join us for the virtual Annual Meeting of Shareholders of Summerset Group Holdings Limited ("Summerset"), to be held online at www.virtualmeeting.co.nz/SUM20. You will still be able to vote and ask questions at the virtual meeting.

Where: www.virtualmeeting.co.nz/SUM20

When: Wednesday, 29 April 2020 at 1.00pm (New Zealand time)

Summerset CEO, Julian Cook and I will talk about Summerset's performance during the 2019 financial year and our plans for 2020. Questions from shareholders attending the meeting will be invited.

If you cannot attend, I encourage you to complete and lodge the proxy form in accordance with the instructions on the back of that form so that it reaches Link Market Services by 1.00pm (New Zealand time) on Monday 27 April 2020.

Items of Business:

- A. Chair's address
- B. Chief Executive Officer's address
- C. Update from Committee Chairs
- D. Ordinary resolutions
- E. General business and shareholder discussion

Resolutions:

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

1. That the Board is authorised to fix the auditors' remuneration.
2. Having retired, that Rob Campbell be re-elected as a Director of Summerset.
3. Having retired, that Andrew Wong be re-elected as a Director of Summerset.
4. Having been appointed during the year by the Board and holding office only until the Annual Meeting, that Venasio-Lorenzo Crawley be re-elected as a Director of Summerset.
5. That the maximum aggregate amount of remuneration payable by Summerset to Directors (in their capacity as Directors) be increased by \$72,000 per annum and any GST payable on these fees, from \$768,000 per annum to \$840,000 per annum (plus GST, if any).

Further information relating to these resolutions is set out in the Explanatory Notes accompanying this Notice of Meeting. Please read and consider the resolutions together with the Explanatory Notes.

I look forward to seeing you at the Annual Meeting and thank you for your ongoing support.

By order of the Board.



Rob Campbell

Chair

23 March 2020

Explanatory Notes

Ordinary Resolution 1

Pursuant to the Companies Act 1993, Ernst & Young are automatically reappointed at the Annual Meeting as auditors of Summerset. The proposed resolution is to authorise the Directors to fix the remuneration of the auditors, Ernst & Young.

Ordinary Resolutions 2, 3 and 4: Re-election of Directors

Pursuant to NZX Listing Rule 2.71:

- A Director must not hold office (without re-election) past the third Annual Meeting following the Director's appointment or 3 years, whichever is longer; and
- A Director appointed by the Board must not hold office (without re-election) past the next Annual Meeting following the Director's appointment.

Rob Campbell and Andrew Wong retire in accordance with NZX Listing Rule 2.71 and offer themselves for re-election. Venasio-Lorenzo Crawley, having been appointed during the year by the Board, also retires in accordance with NZX Listing Rule 2.71 and offers himself for re-election.

The Board has determined that each of Rob, Andrew and Venasio-Lorenzo qualify as Independent Directors and unanimously support their re-election.



Rob Campbell

Non-executive Director

Independent

BA (Hons 1st), MPhil (Econ)

Term of Office: Appointed Director on 26 September 2011, re-elected on 30 April 2013, 30 April 2014 and 27 April 2017

Board Committees: Audit Committee and Development and Construction Committee

Rob is the Chair of the Board. He has over 30 years' experience as a director and an investor.

He is currently the Chair of SKYCITY Entertainment Group, WEL Group Ltd, Tourism Holdings Ltd and director of Precinct Properties NZ Ltd.

Rob is also an investor and director of a number of substantial private companies and is a director of, or an advisor to, a number of private investment funds.

Rob has been Chair of Summerset since 2011, when he was appointed to Summerset to lead its listing on the NZX.



Andrew Wong

Non-executive Director

Independent

BHB, MBChB, MPH, FNZCPHM

Term of Office: Appointed Director on 1 March 2017, re-elected on 27 April 2017

Board Committees: Clinical Governance Committee

Dr Andrew Wong is the Managing Director of HealthCare Holdings Ltd, a private healthcare investment company. He qualified as a specialist medical practitioner with a Masters in Public Health, and with a Fellowship of the New Zealand College of Public Health Medicine.

He has extensive experience in strategic planning and implementation, business development, leadership and operational management. This has been gained over a 30 year career in public and private health both in New Zealand and overseas.

He is a director of a number of companies through his HealthCare Holdings role. These include Auckland Radiation Oncology, MercyAscot hospitals, Kensington Hospital and Mercy Radiology. Other present and past directorships include companies providing services in the areas of interventional cardiology, healthcare property development, medical supplies, day and inpatient surgery and endoscopy, and veterinary medicine. He has held government appointments with Health Workforce New Zealand and the Health Innovation Hub, as well as sitting on the Executive of the New Zealand Private Hospitals Association. Andrew is also an Adjunct Professor of AUT. He has been a director of Summerset since 2017.



Venasio-Lorenzo Crawley

Non-executive Director
Independent
MBA, BA

Term of Office: Appointed Director on 1 February 2020

Board Committees: Nomination and Remuneration Committee

Venasio-Lorenzo is the Chief Customer Officer at Contact Energy and an Advisory Board Member at the Auckland University of Technology. He has also recently completed a term as a Future Board Director for The Warehouse Group.

Venasio-Lorenzo's previous directorships and trustee positions include the Electricity Retailers Association of NZ Electricity, Gas Complaints Commission (now Utilities Disputes), Loyalty New Zealand, and Workbase.

He has held senior executive positions at ASB Group and at IAG in both New Zealand and the UK and has worked across a wide variety of areas including strategy, finance, IT, pricing, data analytics, digital technology, culture and brand.

Venasio-Lorenzo holds an MBA and BA from Steinbeis University in Germany and has studied at the Darden School of Business via Virginia State University. He has been a director of Summerset since 2020.

Ordinary Resolution 5: Increase in the Fee Pool of Directors' Fees

The Board recommends to shareholders that the maximum annual Directors' remuneration payable to all Directors of Summerset taken together ("fee pool") be increased from the current level of \$768,000 to \$840,000 (plus GST, if any). This reflects a total increase of \$72,000 (a 9.38% increase) to the current approved fee pool plus any GST payable on the fee pool.

There is no intention to increase the standard Directors' fees at this time. This increase is proposed in order to reinstate the \$72,000 surplus in the fee pool that was approved at the 2019 Annual Meeting.

At the 2019 Annual Meeting, shareholders approved a fee pool of \$750,000 (plus GST, if any) ("2019 fee pool"). The 2019 fee pool was sufficient to allow payment of the annual standard Directors fees of \$678,000 (for six directors) and provided a \$72,000 surplus in order to allow the Board to approve payments to Directors for assuming additional responsibilities above and beyond the normal duties of the Board or any standard Committee. These additional responsibilities would typically include due diligence work for the issue of retail bonds or other significant strategic work or projects.

For example, in 2018, \$24,750 was paid to Directors for additional responsibilities above and beyond the normal duties of the Board in relation to the due diligence work for the issue of retail bonds in September 2018 and the potential expansion of operations into Australia.

Due to the appointment of Venasio-Lorenzo Crawley as an additional director, the fee pool was increased by the Board to \$768,000 pursuant to NZX Listing Rule 2.11.3, to enable Venasio-Lorenzo Crawley to be paid the standard Directors' remuneration. The current standard Directors' fees per annum are as tabled in the 2019 Notice of Meeting, being:

• Chair	\$180,000
• Non-executive Director	\$90,000
• Chair of Audit Committee	\$18,000
• Chair of Clinical Governance Committee	\$15,000
• Chair of Nomination & Remuneration Committee	\$7,500
• Chair of Development & Construction Committee	\$7,500

The total standard Directors' fees (for seven directors) are currently \$768,000 per annum (plus GST, if any).

An increase to the fee pool is recommended in order to reinstate the \$72,000 surplus approved at the 2019 Annual Meeting. If approved, this will allow the Board to approve payments to Directors for assuming additional responsibilities above and beyond the normal duties of either the Board or any standard Committee. These payments will only be approved in the event of commitments such as significant strategic work or projects.

Summerset will disregard any votes on Ordinary Resolution 5 by:

1. any Director of Summerset; and
2. any Associated Person of any Director of Summerset,

except where any such vote is cast by the Director or one of his or her Associated Persons as proxy for a person who is entitled to vote and the Director or that Associated Person votes in accordance with express instructions to vote for or against a particular resolution on the proxy form.

IMPORTANT INFORMATION

Virtual annual meeting

Shareholders will only be able to attend and participate in the Annual Meeting virtually via an online platform provided by our share registrar, Link Market Services at www.virtualmeeting.co.nz/SUM20. Shareholders attending and participating in the Annual Meeting virtually via the online platform will be able to vote and ask questions during the Annual Meeting. More information regarding virtual attendance at the Annual Meeting (including how to vote and ask questions virtually during the Meeting) is available in the Virtual Annual Meeting Online Portal Guide available at <https://bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf>.

Proxies

Any shareholder who is entitled to attend and vote at the Annual Meeting may appoint a proxy, who need not be a shareholder, to attend and vote instead of him or her by completing and returning the enclosed proxy form. If you appoint a proxy you may either direct your proxy how to vote for you or you may give your proxy discretion to vote as he/she sees fit. If you wish to give your proxy discretion then you must mark the appropriate boxes on the form to grant your proxy that discretion. If you do not tick any box for a particular resolution, then your instruction will be to abstain.

Shareholders can elect to vote their proxies on-line by visiting vote.linkmarketservices.com/SUM or by scanning the QR code on the Proxy Form with your smartphone.

NZX Register holders:

You will need to enter your CSN/Holder Number and Authorisation Code (FIN) to securely complete your proxy appointment.

ASX Register holders:

You will need to enter your Holder Number and postcode to securely complete your proxy appointment.

If you wish to mail the proxy form then please send it to our share registry, Link Market Services Limited, using the freepost envelope incorporated into the form. Alternatively you can scan and email the completed proxy form to meetings@linkmarketservices.co.nz (*please put the words Summerset Proxy Form in the subject line for easy identification*), or New Zealand-based shareholders may fax the form to (09) 375 5990 and overseas shareholders may fax it to +64 9 375 5990.

The completed proxy form must be received by the share registry no later than 1.00pm (New Zealand time) on Monday 27 April 2020. Any proxy form received after that time will not be valid for the scheduled meeting.

Ordinary Resolution

An ordinary resolution is one passed by a simple majority of votes from shareholders entitled to vote and voting on the resolution.

Voting

Voting entitlements for the Annual Meeting will be determined as at 5.00 p.m. (New Zealand time) on Monday 27 April 2020. Registered shareholders at that time will be the only persons entitled to vote at the Annual Meeting and only the shares registered in those shareholders' names at that time may be voted at the Annual Meeting.

The Chair will require voting at the Annual Meeting to be conducted by poll, as required by the NZX Listing Rules.

More information

If you have any questions, or for more information, please contact Summerset's Company Secretary, Robyn Heyman, on (04) 894 7320.