



ASX Announcement

22 April 2021

Notice to all shareholders

Reckon Limited provides its Notice of Annual General Meeting, posted or emailed to shareholders this week, as well as a sample Proxy Form.

AUTHORISED FOR RELEASE BY THE BOARD OF DIRECTORS OF RECKON LIMITED

For further information, please contact:

Mr. Myron Zlotnick
Company Secretary
Reckon Limited
(02) 9134 3300

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Reckon Limited ACN 003 348 730 ("the Company") will be held at the registered office of the Company at **Level 2, 100 Pacific Highway, North Sydney, NSW, 2060** on **Wednesday 26 May 2021 at 10:00am (AEST)**.

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.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company on **1800 RECKON (Toll-free 1800 732 566) or +61 2 9134 3300 (Overseas)**.

At the time of printing this notice, the determination of March 2020 that permitted some legal leeway for the holding of virtual and hybrid meetings is no longer applicable. This means that the Annual General Meeting of Reckon Limited will take place physically at **Level 2, 100 Pacific Highway, North Sydney, NSW, 2060** on **Wednesday 26 May 2021 at 10:00am (AEST)**.

As shareholders are aware the impact of COVID-19 can be unpredictable and volatile.

Should circumstances change and the company is forced to change from a physical meeting to a virtual or hybrid meeting, Reckon Limited will announce details on the Australian Securities Exchange (ASX) online announcement platform and on the Reckon Limited website at <https://www.reckon.com/au/investors>.

Shareholders are urged to monitor the ASX announcement platform and the Reckon Limited website.

General Business

Item 1 - Consideration of Reports and Statements

To receive and consider the Directors' Report for the financial year ended 31 December 2020, the Annual Financial Report for that year, the Directors' Declaration and the Independent Audit Report.

Note: This item of ordinary business is for discussion only and is not a resolution.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Item 2 - Resolutions

Resolution 1 — Resolution for the election of Philip Hayman as a director

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

"That Philip Hayman, be re-elected as a Director and hold office in accordance with the Company's Constitution and ASX Listing Rule 14.4."

Note: The Chairman of the Meeting intends to vote undirected proxies in favour of Philip Hayman's - election.

Resolution 2 — Non binding vote to adopt Remuneration Report

The Remuneration Report is on pages 14 to 38 of the Annual Financial Report.

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 31 December 2020."

This resolution is advisory only and does not bind the Company or the directors.

Note: This resolution shall be determined under section 250R(2) of the Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and Closely Related Parties in contravention of section 250R or 250BD of the Corporations Act 2001 (Cth). Restrictions apply to votes unless exceptions apply, which are detailed on page 4 of this Notice of Meeting.

By Order of the Board.



Myron Zlotnick
Company Secretary
14 April 2021

HOW TO VOTE

Eligibility to attend & vote

In accordance with the *Corporations Act 2001* (Cth) (“Corporations Act”) and Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at **19.00 (AEST) on Monday, 24 May 2021**.

Accordingly, share transfers registered after that time will be disregarded in determining entitlements to vote at the meeting.

Proxies

A member entitled to vote at the meeting has the right to appoint a proxy to attend and vote instead of the member. A proxy need not be a member. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and does not specify the proportion or number which each proxy is to exercise, then, in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes for which the proxies are appointed.

If you appoint a proxy, you may still attend the meeting. However, your proxy’s right to speak and to vote are suspended while you are present. Accordingly you will

be asked to revoke your proxy if you register at the meeting.

Please note the restrictions on proxies relating to Resolution 2.

If the Chairman of the Meeting is to be your nominated proxy, please place a mark in the relevant box on the proxy form.

By marking this box you acknowledge and give express instructions that: the Chairman of the Meeting may exercise your proxy, either in accordance with your express directions as indicated on the proxy appointment form or where you have not directed your proxy, the proxy will be exercised as the Chairman of the Meeting decides, even though Resolution 2 (Remuneration Report) is connected directly or indirectly with the remuneration of a member of Key Management Personnel; and even if the Chairman has an interest in the outcome of those resolutions.

Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1 (election of Director) and Resolution 2 (Remuneration Report) subject to the Chairman being given the express authorisation referred to above.

Restriction on Proxies relating to Resolution 2

Resolution 2 – Non binding vote to adopt Remuneration Report	<p>In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 2 by or on behalf of a member of the Company's Key Management Personnel (including the Directors), whose remuneration details are included in the Remuneration Report, or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as "Restricted Voter"). However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none">(a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and(b) it is not cast on behalf of a Restricted Voter.
---	--

The Remuneration Report identifies Reckon's Key Management Personnel for 2020. Their Closely Related Parties are defined in the Corporations Act, and include certain of their family members, dependents and companies they control.

If you appoint the Chairman of the Meeting as your proxy (or if the Chairman is appointed your proxy by default) you can:

- direct the Chairman to vote by marking the relevant boxes in Step 3 to indicate your direction to vote, ie "for", "against" or "abstain";
- or
- if you do not direct the Chairman of the Meeting how to vote on Resolution 2 (Remuneration Report) you will be taken to have expressly authorised the Chairman to exercise your Proxy as decided by the Chairman.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 2.

Appointment of Proxy & Lodgment

A form for appointment of proxy is enclosed.

To be effective:

- the document appointing the proxy (and the original, or a certified copy, of the power of attorney or other instrument under which the document appointing the proxy is signed or executed); and
- must be received by the Company at least 48 hours before the meeting, i.e. by 10.00 (AEST) on Monday, 24 May 2021.

The documents should be delivered to the Company at:

Computershare
GPO Box 242
Melbourne VIC 3001
Fax: 61 3 9473 2555.

Or

Online at www.investorvote.com.au by following the instructions. You will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and Control Number, which is set out on the enclosed Voting Form.

No facility exists for receiving proxies by email.

Please refer to other notes appearing on the enclosed Proxy Form.

Voting Exclusions

There are no voting exclusions, other than the voting exclusion relating to the Key Management Personnel and their Closely Related Parties in relation to Resolution 2 (Remuneration Report).

Corporate Representative

A representative of a company attending the meeting must present at the meeting satisfactory evidence of his or her appointment to attend on the company's behalf, unless previously lodged with the Company.

EXPLANATORY NOTES

General Business

Item 1 Annual Financial Report

The *Corporations Act 2001* (Cth) ("Corporations Act") requires the Reports of the Directors and of the Auditors and the Annual Financial Report, including the Financial Statements, to be laid before the Annual General Meeting.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://www.reckon.com/au/investors>.

Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such Reports or Statements. However, shareholders will be given ample opportunity to raise questions on the reports and statements, and also, to make comments on the management and performance of the Company, at the meeting.

The Company's auditors will also be present to answer any questions. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary at cossec@reckon.com. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is Wednesday, 19 May 2021.

Resolution 1: Resolution for the election of Philip Hayman as a director

In the normal course, pursuant to clause 6.1(e) of the Company's Constitution and the ASX Listing Rule 14.4, specified directors must not hold office without re-election past the next Annual General Meeting and the Company must confirm the appointment by resolution at the next Annual General Meeting.

Although Mr Hayman was re-elected in 2019 he is again nominated for re-election under the provisions of the Constitution as no other director is otherwise required to be nominated for re-election.

Mr Hayman was one of the co-founders of Reckon in 1987, together with current Chairman, Greg Wilkinson. He was at various times in the early days of the company CFO and head of logistics.

He resigned from Reckon in 2004, but has maintained his interest in Reckon through his ongoing shareholding.

Since leaving Reckon has had varied general commercial experience through his investments in companies in start-up and first round capital raising phases. He has strong strategic finance acumen in both analytical and managerial accounting. He has excellent operational capabilities especially in logistics and supply chain processes. Mr Hayman has an ability to understand a marketplace, and its competitors. He also has strong compliance skills.

Mr Hayman is presently a director of an unlisted public company with manufacturing in China and sales in Australia and New Zealand. He also consults to an agricultural company with extensive holdings in southern NSW. And he currently owns and manages an accommodation company.

The board felt that it was appropriate to bring back Mr Hayman's broad entrepreneurial flair and energy to the company as it embarks on strategies to move to the cloud.

The Company will also benefit from his pragmatic and sensible style in conducting business.

The Directors (excluding Mr Hayman) unanimously recommend that shareholders vote in favour of Resolution 2.

Resolution 2: Non binding vote to adopt Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, the board will take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

The Remuneration Report is set out on pages 14 to 38 of the Annual Financial Report which is also available on Reckon's website.

The Remuneration Report sets out the policies for the remuneration of directors and Key Management Personnel. It also sets out required disclosures relating to the types and amounts of remuneration paid to directors and senior executives. An opportunity for

discussion of the Remuneration Report will be provided at the Annual General Meeting.

Under the Corporations Act, the Two Strikes Rule applies:

- if at least 25% of the votes cast, are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the board's proposed action in response or explain why no action has been taken; and
- if, at the AGM in the following year (2nd AGM), at least 25% of the votes cast are voted against the adoption of the Remuneration Report resolution.

The Two Strikes Rule requires that at the 2nd AGM, a resolution (a spill resolution) must be put to the shareholders calling for a further meeting ("Spill Meeting"). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene the Spill Meeting within 90 days of the 2nd AGM. All of the Directors who are in office at the time, other than the Managing Director, will need to stand for re-election at the Spill Meeting.

As Resolution 2 relates to matters including the remuneration of the directors, the board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, make no recommendation regarding this resolution.

GLOSSARY

Annual Financial Report means the 2020 Annual Report to Shareholders for the period ended 31 December 2020 as lodged by the Company with ASX on 26 March 2021.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of Deloitte Touche Tohmatsu dated 26 March 2021 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of 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 dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Reckon Limited ACN 003 348 730.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "\$" means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 12 April 2021 including the Explanatory Statement.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Computershare Limited.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Need assistance?



Phone:
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AEST) on Monday, 24 May 2021.**

Proxy Form

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.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

☐ **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.

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 Reckon 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 Reckon Limited to be held at the registered office of the Company at Level 2, 100 Pacific Highway, North Sydney, NSW 2060 on Wednesday, 26 May 2021 at 10:00 AM (AEST) 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 Item 1 (except where I/we have indicated a different voting intention in step 2) even though Item 1 is 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 Item 1 by marking the appropriate box in step 2.

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 Election of Philip Hayman as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Non binding vote to adopt Remuneration Report	<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.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3	/ /
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details (Optional)

Mobile Number	Email Address	By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically
<input type="text"/>	<input type="text"/>	

