

**Acrow Formwork and  
Construction Services  
Limited**

Level 5, 126 Phillip Street

Sydney NSW 2000

ACN: 124 893 465

<http://www.acrow.com.au/>



# Acrow Formwork and Construction Services Limited

## **Notice of 2018 Annual General Meeting**

Explanatory Statement | Proxy Form

20 November 2018

**10:00AM AEDT**

### **Address**

Automic Group

Level 5

126 Phillip Street

Sydney NSW 2000

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.

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# Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am AEDT on 20 November 2018 at: Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

## Your vote is important

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

## Voting in person

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

## Voting by proxy

To vote by proxy, please use one of the following methods:

1. Lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsah> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form.
2. Complete and sign the enclosed Proxy Form and return the form:
  - (a) by post to:  
Automic, GPO Box 5193, Sydney NSW 2001; or
  - (b) by hand to:  
Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
  - (c) by fax to: (02) 8583 3040

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Acrow Formwork and Construction Services Limited ACN 124 893 465 will be held at 10:00am AEDT on 20 November 2018 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 10:00am AEDT on 18 November 2018. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

**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.

# Resolutions

## Part A: Remuneration Report

### 1. **Resolution 1** – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purpose 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 30 June 2018.”*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 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 (**KMP**), 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:

- (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.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

## Part B: Re-election of Directors

### 2. **Resolution 2** – Re-election of Michael Hill as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That Michael Hill, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

### 3. **Resolution 3** – Re-election of Gregg Taylor as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That Gregg Taylor, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

### 4. **Resolution 4** – Re-election of Margaret Prokop as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That Margaret Prokop, a Director appointed as an additional Director and holding office until the next general meeting of the Company after her appointment in accordance with the Company's Constitution and ASX Listing Rule 14.4, and being eligible offers herself for re-election as a Director of the Company, effective immediately."*

## Part C: ASX Listing Rule 7.1A

### 5. **Resolution 5** – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## Part D: Ratification of Prior Issue of Equity Securities

### 6. **Resolution 6** – Ratification of Prior Issue of Equity Securities

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 10,000,000 fully paid ordinary shares issued on 31 August 2018 (**August Shares**), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who participated in the issue and received August Shares; or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.



## Part E: Appointment of Auditor

### 7. Resolution 7– Appointment of Auditor

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That, for the purposes of section 327B(1) of the Corporations Act and for all other purposes, KPMG of Level 38, Tower Three, International Towers Sydney, 300 Barangaroo Avenue, Sydney NSW 2000, having been nominated by shareholders and consented in writing to act as auditor of the Company, be appointed as auditor of the Company, effective immediately."*

## Part F: Adoption of Employee Share Option Plan

### 8. Resolution 8 – Adoption of ESOP

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*"That, for the purposes of ASX Listing Rule 7.2 (exception 9(b)) and for all other purposes, the Shareholders of the Company approve the adoption of the Employee Share Option Plan (**ESOP**), on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **Part G: Financial assistance by Natform Pty Ltd and Natform (QLD) Pty Ltd**

### **9. Resolution 9 – Financial assistance by Natform Pty Ltd and Natform (QLD) Pty Ltd**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*“That for the purposes of section 260B(2) of the Corporations Act, the giving of financial assistance by Natform Pty Ltd ACN 002 189 933 and Natform (QLD) Pty Ltd ACN 104 449 185 in connection with the acquisition of all of the issued shares in those companies by Acrow Group Investments Pty Ltd ACN 627 932 076, as described in the Explanatory Statement accompanying the Notice of Annual General Meeting at which this Resolution is to be passed, is approved by Shareholders of the Company.”*

**BY ORDER OF THE BOARD**



Lee Tamplin  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10:00am AEDT on 20 November 2018 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 .

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

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 <http://www.acrow.com.au/investors-2/> .

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. 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.

## Written questions of the auditor

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. 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 by 13 November 2018.

# Resolutions

## Part A: Remuneration Report

### Resolution 1 – Adoption of 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. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <http://www.acrow.com.au/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2019 Annual General Meeting (2019 **AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2019 AGM to approve the calling of 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 2019 AGM. All of the Directors who were in office when the 2019 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

### Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed him to vote in accordance with his stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

## **Part B: Re-election of Directors**

### **Resolution 2 – Re-election of Michael Hill as Director**

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. A Director shall not hold office for a period in excess of three years or past the third annual general meeting following his appointment. The retiring Directors must not be a Managing Director. The Directors to retire at the annual general meeting are those who have been in office the longest since their last election.

ASX Listing Rule 14.4 also provides that a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Michael Hill was elected as a Director of the Company on 24 December 2015 and has not sought re-election since.

A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election. Under this Resolution, Michael Hill has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Michael is a former partner of Ernst & Young in the M&A advisory team and has worked as a principal investor with the private equity firm Ironbridge from 2004 to 2014. He has also served on boards across numerous industries including technology, software services, retail, healthcare, media, waste services, tourism, hospitality and manufacturing.

Michael is a founder and Director of Bombora Group, a boutique investment house and is currently the Non-Executive Chairman of AHAlife Holdings Limited, Rhipe Limited and Janison Education Group Limited.

Mr Hill has a Bachelor of Arts Degree (Accountancy) from the University of South Australia and is a member of the Australian Institute of Chartered Accountants.

#### **Directors' recommendation**

The Directors (excluding Michael Hill) recommend that Shareholders vote for this Resolution.

### **Resolution 3 – Re-election of Gregg Taylor as Director**

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. A Director shall not hold office for a period in excess of three years or past the third annual general meeting following his appointment. The retiring Directors must not be a Managing Director. The Directors to retire at the annual general meeting are those who have been in office the longest since their last election.

ASX Listing Rule 14.5 provides that an entity which has Directors must hold an election of directors at each annual general meeting.

Gregg Taylor was appointed a Director of the Company on 11 August 2017, was re-elected at the 2017 AGM and has since served as a Director of the Company.

A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election. Under this Resolution, Gregg Taylor has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Gregg has 20 years of international business experience in financial markets, technology, sports administration, media and retail. Gregg is an Executive Director of Bombora Investment Management, a boutique investment house and currently serves on the board of Cronulla Sharks Rugby League Football Club and Cronulla Sharks Leagues Club. Gregg has founded and managed multiple global operating businesses in sports, retail and media sectors.

Gregg has a Bachelor of Commerce Degree from University of Wollongong and was a CFA Charter holder.

#### **Directors' recommendation**

The Directors (excluding Gregg Taylor) recommend that Shareholders vote for this Resolution.

## **Resolution 4 – Re-election of Margaret Prokop as Director**

The Company's Constitution provides that the Directors may at any time appoint a person to be a Director as an addition to the existing Directors. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Margret Prokop was appointed as an additional Director of the Company on 31 August 2018 and has since served as a Director of the Company.

Under this Resolution, Margaret Prokop seeks re-election as a Director of the Company at this AGM.

Margaret Prokop is the founder and leader of the strong management team at Natform.

Margaret is a qualified engineer, she has successfully led Natform for many years. Natform is now the leading designer and hirer of screen systems for the construction industry.

#### **Directors' recommendation**

The Directors (excluding Margaret Prokop) recommend that Shareholders vote for this Resolution.

## Part C: ASX Listing Rule 7.1A

### Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

ASX Listing Rule 7.1A enables eligible entities to seek Shareholder approval by Special Resolution passed at an annual general meeting to issue equity securities (which must be in the same class as an existing quoted class of equity securities of the Company) which do not exceed 10% of the existing ordinary share capital without further Shareholder approval. The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

Approval under this Resolution is sought for the Company to issue equity securities under Listing Rule 7.1A.

If this Resolution is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2018 Annual General Meeting; or
- (b) the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Accordingly, the approval given if this Resolution is passed will cease to be valid on the earlier of 20 November 2019 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this Resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

#### **(A x D) – E**

where:

- A** is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
  - (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
  - (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of the holders of ordinary securities under Listing Rules 7.1 or 7.4 (this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without securityholder approval); and
  - (iv) less the number of fully paid ordinary securities cancelled in the 12 months.
- D** is 10%.

- E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rules 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of this Resolution will be to allow the Company to issue equity securities under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at 2 October 2018, the Company has on issue 175,457,615 ordinary shares and therefore has capacity to issue:

- (a) subject to Shareholder approval for Resolution 6 being obtained, 26,318,642 equity securities under Listing Rule 7.1; and
- (b) subject to Shareholder approval for this Resolution being obtained, 17,545,761 equity securities under Listing Rule 7.1A.

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the equity securities, the subject of this Resolution, will be issued is 75% of the volume weighted average market (closing) price (**VWAP**) of the Company's equity securities in that class over the 15 days on which trades in that class were recorded immediately before either:

- (a) the date on which the price at which the equity securities are to be issued is agreed; or
- (b) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted. There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- (b) the equity securities issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue.

The table set out below shows the dilution of existing Shareholders on the basis of:

- The market price of the Company's ordinary shares and the number of ordinary shares as at 2 October 2018.
- Two examples where the number of ordinary shares on issue ("A") has increased, by 50% and 100%. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, pro-rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by Shareholders.
- Two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the market price as at 2 October 2018.



Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.265 50% decrease in issue price	\$0.53 issue price **	\$1.06 100% increase in issue price
<b>"A" is the number of shares on issue, being 175,457,615 *** shares</b>	<b>10% voting dilution</b>	17,545,761	17,545,761	17,545,761
	<b>Funds raised</b>	\$4,649,627	\$9,299,253	\$18,598,507
<b>"A" is a 50% increase in shares on issue, being 263,186,423 *** shares</b>	<b>10% voting dilution</b>	26,318,642	26,318,642	26,318,642
	<b>Funds raised</b>	\$6,974,440	\$13,948,880	\$27,897,761
<b>"A" is a 100% increase in shares on issue, being 350,915,230 *** shares *</b>	<b>10% voting dilution</b>	35,091,523	35,091,523	35,091,523
	<b>Funds raised</b>	\$9,299,254	\$18,598,507	\$37,197,014

**Notes:**

- (i) The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.
- (ii) The table assumes that no options are exercised in ordinary shares before the date of the issue of equity securities under Listing Rule 7.1A.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (iv) The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (v) The issue of equity securities under the Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes options, it is assumed that those options are exercised into ordinary shares for the purposes of calculating the voting dilution effect on existing Shareholders.

\* Any issue of equity securities is required to be made in accordance with the Listing Rules. Any issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require Shareholder approval.

\*\* Based on the closing price of the Company's Shares on ASX on 2 October 2018.

\*\*\* Based on the Company's Share structure as at 2 October 2018.

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further Shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Explanatory Statement, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the

issue price of the equity securities which will be determined at the time of issue. In some circumstances, the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or vendors). While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, some of the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- (a) raising funds to further develop the Company's business;
- (b) raising funds to be applied to the Company's working capital requirements;
- (c) acquiring assets. In these circumstances, the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets (therefore, for non-cash consideration, in which case an independent valuation will be obtained for non-cash consideration); and
- (d) paying service providers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- (a) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (b) the potential effect on the control of the Company;
- (c) the Company's financial situation and the likely future capital requirements; and
- (d) advice from the Company's corporate or financial advisors.

Offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue. Shareholder approval will sought any issue of equity securities to related parties.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of equity securities in the 12 months preceding the date of the Meeting. The details of all issues of equity securities by the Company during the 12 months preceding the date of the Meeting are detailed below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any)	Consideration details	Allottees of the Securities
<i>Securities issued on 13 December 2017</i>				
400,000 unlisted options (which reflects the consolidation completed on 15 March 2018)	<p>Issue of unlisted and unvested options to a director pursuant to shareholder approval obtained at the 2017 AGM.</p> <p>200,000 options exercisable at \$0.20 per option, expires on 13 December 2020.</p> <p>200,000 options exercisable at \$0.20 per option, expires on 13 December 2022.</p>	N/A – issued for nil cash consideration.	<p>N/A – issued for nil cash consideration.</p> <p>Based on a current Black Scholes valuation (assumed grant date of 15 October 2018), the undiscounted current value of each option which expires on 13 December 2020 is \$0.3184 per option, and the undiscounted current value of each option which expires on 13 December 2022 is \$0.3422 per option.</p>	Gregg Taylor, Director of the Company
<i>Securities issued on 26 March 2018</i>				
136,000,000 fully paid ordinary shares	<p>Issue of Shares to raise funds pursuant to prospectus dated 26 February 2018.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price 20 cents per share.</p> <p>No discount.</p>	<p>Cash consideration of \$27.2 million (before costs).</p> <p>All of these funds have been used by the Company for the acquisition of Acrow Holdings Pty Limited, to meet transaction costs and for working capital.</p>	Investors under the prospectus.
6,316,122 fully paid ordinary shares	Issue of Shares pursuant to prospectus dated 26 February 2018 to conversion	Deemed issue price of 20 cents per Share.	N/A – issued to satisfy debt owed to conversion participants.	Conversion participants who converted debt

	<p>participants who agreed to convert debt owed to them by the Company into equity.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	No Discount.		owed to them into equity.
<i>Securities issued on 27 March 2018</i>				
2,485,000 fully paid ordinary shares	<p>Issue of loan funded shares (of which 2,430,000 are issued under the Company's LTIP) pursuant to prospectus dated 26 February 2018.</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>	<p>Issue price 20 cents per share.</p> <p>No discount.</p>	Purchase of shares was funded by way of a \$495,000 loan from the Company to the investors and therefore no cash was received by the Company.	Invited participants under the LTIP and otherwise, for whom shareholder approval has been obtained.
1,650,000 unlisted and unvested options	<p>Issue of unlisted and unvested options (of which 1,620,000 are issued under the Company's LTIP) pursuant to prospectus dated 26 February 2018. Exercisable at \$0.20 per option, expires on 27 March 2021.</p>	N/A – issued for nil cash consideration.	<p>N/A – issued for nil cash consideration.</p> <p>Based on a current Black Scholes valuation (assumed grant date of 15 October 2018), the undiscounted current value of each option is \$0.3208 per option.</p>	Invited participants under the LTIP and otherwise, for whom shareholder approval has been obtained.
12,375,000 unlisted and unvested performance rights	<p>Issue of unlisted and unvested performance rights (of which 12,150,000 are issued under the Company's LTIP) pursuant to</p>	N/A – issued for nil cash consideration.	<p>N/A – issued for nil cash consideration.</p> <p>Based on a current Black Scholes valuation (assumed</p>	Invited participants under the LTIP and otherwise, for whom shareholder

	prospectus dated 26 February 2018. Expire on 27 March 2020 if unvested at the time.		grant date of 15 October 2018), the undiscounted current value is the assumed price on the grant date, being \$0.50 per right.	approval has been obtained.
<i>Securities issued on 8 May 2018</i>				
1,560,000 fully paid ordinary shares	Exercise of options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price 20 cents per share, which represents a discount of 25.93% of the closing price on the date of issue.	Cash consideration of \$312,000.  All of these funds have been used by the Company for working capital purposes.	Optionholder
<i>Securities issued on 28 May 2018</i>				
120,000 fully paid ordinary shares	Exercise of options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price 20 cents per share, which represents a discount of 28.57% of the closing price on the date of issue.	Cash consideration of \$24,000.  All of these funds have been used by the Company for working capital purposes.	Optionholder
<i>Securities issued on 12 June 2018</i>				
120,000 fully paid ordinary shares	Exercise of options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price 20 cents per share, which represents a discount of 33.33% of the closing price on the date of issue.	Cash consideration of \$24,000.  All of these funds have been used by the Company for working capital purposes.	Optionholder
<i>Securities issued on 25 June 2018</i>				

1,950,000 fully paid ordinary shares	Exercise of options. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price 20 cents per share, which represents a discount of 28.57% of the closing price on the date of issue.	Cash consideration of \$390,000.  All of these funds have been used by the Company for working capital purposes.	Optionholder
<i>Securities issued on 31 August 2018</i>				
10,000,000 fully paid ordinary shares	Issue of Shares as part consideration for the acquisition of Natform Pty Ltd, as announced by the Company on 28 August 2018.  The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Deemed issue price of 35 cents per share, which represents a discount of 26.32% of the closing price on the date of issue.  However, if compared to the closing price on the day before the announcement, there is no discount.	Total consideration of \$3,500,000 issued as part consideration for the acquisition of Natform Pty Ltd and Natform (QLD) Pty Ltd (as announced to ASX on 28 August 2018).	Shareholders of Natform Pty Ltd and Natform (QLD) Pty Ltd.

<b>Total equity securities issued in previous 12 months* ("A")</b>	172,751,122
<b>Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period</b>	775.84%

\*Based on Company's fully diluted capital structure as at date of 2017 Annual General Meeting. The reason why the percentage is high is that the Company undertook a consolidation as part of an acquisition, which resulted in a significant change to the nature and scale of the Company.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## Part D: Ratification of Prior Issue of Equity Securities

### Resolution 6 – Ratification of Prior Issue of Equity Securities

#### Background

On 31 August 2018, the Company issued 10,000,000 fully paid ordinary shares (**August Shares**) at a deemed issue price of 35 cents per Share, by utilising the Company's existing capacity under Listing Rule 7.1.

The August Shares were issued as part consideration for the strategic acquisition of Natform Pty Ltd and Natform (QLD) Pty Ltd, as announced to ASX on 28 August 2018.

#### ASX Listing Rule 7.4

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 10,000,000 August Shares.

As noted above, all of the August Shares were issued by utilising the Company's existing capacity under Listing Rule 7.1.

Listing Rule 7.1 allows the Board of an ASX listed entity to issue up to 15% of the Company's issued capital in any 12 month period without the approval of the Shareholders of the Company.

Listing Rule 7.4 provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

The effect of approval of this Resolution is to allow the Board of the Company to issue additional securities within the 15% limit under Listing Rule 7.1 after this Resolution is adopted, instead of having to wait 12 months after the issue.

#### Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Company issued 10,000,000 August Shares.
- (b) Each of the August Shares were issued at a deemed issue price of 35 cents per August Share.
- (c) The August Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The August Shares were issued to shareholders in Natform Pty Ltd.
- (e) No funds were raised from the issue of the August Shares. The August Shares were issued as part consideration for the acquisition of Natform Pty Ltd, as announced by the Company on 28 August 2018.

#### Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Part E: Appointment of Auditor**

### **Resolution 7 – Appointment of Auditor**

On 24 August 2018, the Company announced that pursuant to section 327C(1) of the Corporations Act, KPMG was appointed as auditor of the Company to fulfil a casual vacancy.

Under section 327C(2) of the Corporations Act, an auditor who has been appointed under section 327C(1) of the Corporations Act only holds office until the company's next annual general meeting.

The Company is required to appoint an auditor to fill any vacancy at each annual general meeting (after its first annual general meeting) pursuant to section 327B(1) of the Corporations Act.

Pursuant to section 328B of the Corporations Act, the Company received a valid notice of nomination which nominated KPMG to be appointed as the new auditor of the Company. A copy of the notice of nomination is set out in Annexure A of this Notice of Meeting.

KPMG has provided the Company its written consent to act, subject to Shareholder approval being obtained, as the Company's auditor in accordance with section 328A(1) of the Corporations Act.

Accordingly, under this Resolution, Shareholder approval is being sought to appoint KPMG as the auditor of the Company.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.



## **Part F: Adoption of Employee Share Option Plan**

### **Resolution 8 – Adoption of ESOP**

#### **Background**

This Resolution seeks Shareholder approval for the Company to adopt an employee incentive scheme entitled the "Employee Share Option Plan" (**ESOP**).

The ESOP is a new plan and will be adopted for the first time if Shareholder approval is obtained for this Resolution.

A copy of the ESOP is set out in Annexure B of this Notice of Meeting.

The purpose of the ESOP is to provide eligible participants with the opportunity to share in the future growth and profitability of the Company by aligning their interests with that of shareholders, as well as providing a greater incentive for eligible participants to have a greater involvement with, and to focus on the longer term goals of the Company.

#### **ASX Listing Rules**

Shareholder approval of the ESOP is sought for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 9(b)), so that Shares issued in accordance with the ESOP will be excluded from the calculation of the maximum number of new shares that can be issued by the Company in any 12 month period (currently 15% of shares previously on issue) for a period of three years from the date of approval.

If this Resolution is approved by Shareholders, it will have the effect of enabling the securities issued by the Company under the ESOP to be automatically excluded from the formula to calculate the number of securities which the Company may issue within the 15% in any 12 month limit under Listing Rule 7.1 during the next three-year period.

The following further information is provided for the purposes of Listing Rule 7.2 (exception 9(b)):

- (a) The ESOP is attached as Annexure B of this Notice of Meeting.
- (b) No securities have been to, or for the benefit of, eligible participants under the ESOP to date. The ESOP will commence after Shareholder approval is obtained for this Resolution.

#### **Directors Recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

## **Part G: Financial assistance by Natform Pty Ltd and Natform (QLD) Pty Ltd**

### **Resolution 9 – Financial assistance by Natform Pty Ltd and Natform (QLD) Pty Ltd**

#### **Background**

This Explanatory Statement has been prepared in connection with this Resolution, which is proposed to be passed as a special resolution of the Company pursuant to section 260B(2) of the Corporations Act to approve the giving of financial assistance within the meaning of section 260A of the Corporations Act by Natform Pty Ltd ACN 002 189 933 and Natform (QLD) Pty Ltd ACN 104 449 185 (collectively the **Natform Subsidiaries**). This Explanatory Statement forms part of and should be read with the Notice of Annual General Meeting.

#### **Background**

On 31 August 2018, a subsidiary of the Company namely Acrow Group Investments Pty Ltd ACN 627 932 076 (**Purchaser**) acquired all of the issued share capital in the Natform Subsidiaries (**Acquisition**). The cash component of \$7,000,000.00 paid on completion of the Acquisition was provided by the Purchaser using funds held within the Acrow Group of companies and also using funds drawn from existing facilities with Assetsecure Pty Ltd.

Following the Acquisition, a subsidiary of the Company namely Acrow Formwork and Scaffolding Pty Ltd ACN 004 284 806 (**Borrower**) has agreed to borrow funds from Westpac Banking Corporation (**Financier**) under a new facility agreement dated 16 September 2018 (**Facility Agreement**).

The Facility Agreement comprises Facility A, Financial Markets Transactions; Facility B, a Bank Bill Business Loan of \$7,000,000.00; Facility C, Westpac Business Card for \$150,000.00; Facility D, Flexible Options Finance for \$3,000,000.00; and Facility E, Westpac Equipment Finance –Revolving Limit of \$5,000,000.00.

It is a requirement of the Facility Agreement that each Natform Subsidiary enters into certain security documents (including a Guarantee and Indemnity, a General Security Agreement, and other ancillary documents) in relation to the Facility Agreement. The obligations of each Natform Subsidiary in connection with securities for Facility B, which Facility will provide to the Borrower funds which can be considered to be advanced in connection with the Acquisition, will not come into effect unless and until the requirements of shareholder approval under section 260B(2) of the Corporations Act have been met.

The actions of the Natform Subsidiaries, by agreeing to guarantee and grant security in connection with Facility B, constitute the giving of financial assistance within the meaning of Part 2J.3 of the Corporations Act. Under section 260A(1) of the Corporations Act, any such financial assistance must be approved by the shareholders of each Natform Subsidiary, by a resolution passed at a general meeting of that company. In addition, as the Natform Subsidiaries are subsidiaries of the Company which is a listed domestic corporation, under section 260B(2) of the Corporations Act the financial assistance must also be approved by a special resolution passed at a general meeting of shareholders of the Company. As the ultimate holding company of the Natform Subsidiaries, the financial assistance by the Natform Subsidiaries cannot be provided without the approval of shareholders of the Company.

#### **Shareholder approval**

Pursuant to, and for the purposes of, sections 260A(1) and 260B(2) of the Corporations Act, shareholders

are asked to approve, by special resolution, the giving by the Natform Subsidiaries of the financial assistance described in this Explanatory Statement.

### **Board recommendation**

The Directors unanimously recommend shareholders vote in favour of the resolution for the approval of financial assistance by the Natform Subsidiaries.

### **Explanation of Principle of Financial Assistance**

The provision of the Security Documents by the Natform Subsidiaries and any Refinance or any amendment or replacement documents of any of the Facility Agreement, the Security Documents and any Refinance by the Natform Subsidiaries for the purpose of securing the obligations of the Borrower or the Company under the Facility Agreement may amount to financial assistance, in connection with the Acquisition, for the purpose of section 260A of the Corporations Act.

Under section 260A of the Corporations Act a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act, or
- (c) the assistance is exempted under section 260C of the Corporations Act.

The directors of each Natform Subsidiary have resolved to seek the approval of the shareholders of the relevant Natform Subsidiary to the provision of the financial assistance by the Natform Subsidiaries.

In addition, pursuant to section 260B(2) of the Corporations Act, as each Natform Subsidiary is a subsidiary of the Company and the Company is a listed domestic corporation, the members of the Company must pass a special resolution approving the financial assistance to be given by the Natform Subsidiaries.

The directors of the Company have resolved to seek the approval of the Shareholders of the Company to the provision of the financial assistance, and the resolution to be passed by the members of the Company is set out in the Notice of Annual General Meeting.

### **Further Particulars of Financial Assistance proposed to be given**

The Facility Agreement requires that, among other group companies, each Natform Subsidiary grants the following securities:

- (a) Fully Interlocking Debt & Interest Guarantee & Indemnity; each Natform Subsidiary proposes to give a guarantee of, and indemnity for, the obligations of the Borrower in connection with the Facility Agreement (**Guarantee**). The obligations of the Natform Subsidiaries under the Guarantee and Indemnity shall not come into effect in respect of Facility B unless and until the requirements of shareholder approval under section 260B(1) and section 260B(2) of the Corporations Act have been met. Once the Guarantee and Indemnity comes into effect it shall remain in force and effect until all moneys, obligations and liabilities have been paid, discharged or satisfied.
- (b) General Security Agreement; the obligations under the Guarantee and Indemnity will be secured by a General Security Agreement granted by each Natform Subsidiary in favour of the Financier.
- (c) Other; each Natform Subsidiary may also execute, or accede to, any document ancillary to, or in connection with, the Facility Agreement. Each Natform Subsidiary will be asked by the Financier to provide information about its finances and resources to the Financier, and to provide

representations and warranties to the Financier as may be requested by the Financier or as may be contained in the Financier's security documentation.

### **Other Parties Granting Securities**

Guarantees and Indemnities, and General Security Agreements, are also being granted to the Financier by the Company, and by the Purchaser, and by the Borrower, and by Acrow Holdings Pty Ltd ACN 145 589 797.

### **Effect of the Proposed Financial Assistance**

If the Borrower does not repay the facility in full when due and payable, then each guarantor of the debt under the guarantee and indemnity and each security provider under the security documents, including each Natform Subsidiary, will be jointly and severally obliged to meet the liability.

Entry into the security documents by each Natform Subsidiary will mean that it incurs joint and several liabilities arising out of those documents in connection with the monies guaranteed. This liability may adversely affect the ability of each Natform Subsidiary to obtain additional finance from other sources in future.

Each Natform Subsidiary will also need to comply with all representations and warranties given by it to the Financier.

### **Reasons for Supporting the Resolution**

Provision of the securities to the Financier by the Natform Subsidiaries is a condition of the Facility Agreement and will enable the Company and its subsidiaries to meet their financial obligations and to have continued access to funding. If the securities are not provided to the Financier by the Natform Subsidiaries, there will be an event of default under the Facility Agreement and the funds advanced by the Financier may be required to be repaid, with the result that alternative funding may need to be sought by the Company.

The directors of the Company consider the financing arrangements entered into with the Financier to be reasonable and manageable and have no reason at this time to believe that there will be a risk of default, or that the Natform Subsidiaries will not be able to pay their debts as and when they fall due.

The directors of the Company believe that in all of the circumstances, the entry into of the Security Documents by the Natform Subsidiaries will not materially prejudice their ability to pay their creditors, and is in the best interests of the Natform Subsidiaries.

### **Notice to ASIC**

Copies of the Notice of Annual General Meeting and this Explanatory Statement were lodged with ASIC before being sent to the members, in accordance with section 260B(5) of the Corporations Act.

### **Disclosure**

The Company considers this statement to contain all material information known to it that could reasonably be required by a member in deciding how to vote on the proposed resolution other than information that would be unreasonable to require a company to disclose because the company has previously disclosed that information to the member.

## **Enquiries**

Shareholders are asked to contact the Company's Share Registry on 1300 554 474 if they have any queries in respect of the matters set out in these documents.

# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2018 Annual Report to Shareholders for the period ended 30 June 2018 as lodged by the Company with ASX on 28 September 2018.

**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 KPMG dated 28 September 2018 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 Acrow Formwork and Construction Services Limited ACN 124 893 465.

**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.

**ESOP** means the employee incentive scheme entitled "Employee Share Option Plan" for which Shareholder approval is being sought for the adoption of under Resolution 8 of this Notice of Meeting.

**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 19 October 2018 including the Explanatory Statement.

**Option** means an option to acquire a Share.

**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 Automic Registry Services ABN 27 152 260 814.

**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 2019 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2019 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2019AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2019 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.

# Annexure A – Notice of Nomination of Auditor

To:

Company Secretary  
Acrow Formwork and Construction Services Limited  
ACN 124 893 465  
Level 5, 126 Phillip Street  
Sydney NSW 2000

Date: 3 October 2018

## **Re: Nomination of Auditor**

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Margaret Anna Prokop, being a member of Acrow Formwork and Construction Services Limited ACN 124 893 465 (Company) hereby nominate KPMG of Level 38, Tower Three, International Towers Sydney, Barangaroo Avenue, Sydney NSW 2000 as auditor of the Company at the Annual General Meeting to be held on 20 November 2018.

Yours sincerely



Margaret Anna Prokop

# Annexure B – Employee Share Option Plan



# Acrow Formwork and Construction Services Limited

ACN 124 893 465

## Employee Share Option Plan



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# 1 DEFINITIONS AND INTERPRETATION

## 1.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

**Applicable Law** means any one or more or all, as the context requires of:

- (a) the *Corporations Act* (2001) (Cth);
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1997* (Cth) and the *Taxation Administration Act 1953* (Cth), each as amended from time to time;
- (e) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c) and (d) above; and
- (f) any other legal requirement that applies to the Plan in the jurisdiction in which the Company primarily operates from time to time.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market known as the Australian Securities Exchange operated by it.

**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.

**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or any person who is provided with delegated authority by the board from time to time in accordance with these Rules.

**Business Day** means a day on which banks are open for general banking business in the state of New South Wales, excluding Saturdays, Sundays or public holidays in the state of New South Wales.

**Change of Control** means:

- (a) the acquisition by any person or entity (together with his, her or its associates, if applicable) of a relevant interest in a majority of the Company's Shares; or
- (b) the merger or consolidation of the Company as a result of which persons or entities who were shareholders of the Company immediately prior to such merger or consolidation do not, immediately thereafter, own, directly or indirectly, a majority of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company; or
- (c) the transfer of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such transfer, members of the Company except as part of a bona fide arrangement, reconstruction, restructuring, reorganisation, recapitalisation or consolidation that ultimately does not result in a Change of Control.

**Company** means Acrow Formwork and Construction Services Limited ACN 124 893 465, or in the event the name of the Company is changed by special resolution, the new name of the company.

**Constitution** means the constitution of the Company, as amended from time to time.

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

**Director** means a director of any Group Company.

**Eligible Participant** means any Director, Employee or contractor determined by the Board in its sole and absolute discretion to be eligible to receive an Invitation.

**Employee** means any permanent full-time or part-time employee of any Group Company.

**Exercise Price** means the price to be paid by the Participant to exercise a vested Option.

**First Exercise Date** means the earliest date any vested Options may be exercised.

**Forfeiture Conditions** means any criteria, requirements or conditions as determined by the Board (as specified in the Invitation) or under these Rules which if met (notwithstanding the satisfaction or waiver of any Vesting Conditions) will result in the lapsing of Options.

**Good Leaver** means a Participant who ceases employment, office or service (as applicable) with any Group Company and is not an Other Leaver, and includes, but is not limited to, where a Participant ceases employment, office or service due to Redundancy, Retirement, Permanent Incapacity, or death.

**Grant Date** or **Date of Acquisition** means the date on which Options are granted to a Participant following the acceptance of an Invitation.

**Group** means the Company and its Related Bodies Corporate and **Group Company** means any one of them.

**Holding Statement** means a statement provided by the Company or the Company's share registry to the Participant recording the acquisition and disposal of any Options issued under the Plan.

**Invitation** means an invitation to an Eligible Participant to apply for a grant of Options under these Rules in a form approved by the Board from time to time.

**Insolvency** means the commencement of the reorganisation, winding up or dissolution of a company, or the appointment of a voluntary administrator, custodian, trustee, receiver, manager or similar insolvency administrator for a company or any substantial part of its assets, under any law in relation to bankruptcy, insolvency or the relief of debtors.

**Last Exercise Date** means the last date any vested Options may be exercised which is, unless otherwise determined by the Board, a date no more than ten (10) years after the Grant Date.

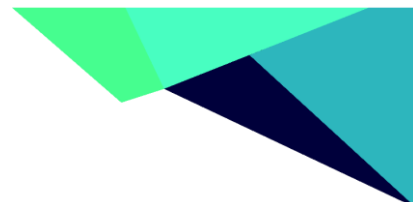
**Notice of Exercise** means the notice of exercise in the form approved by the Board from time to time.

**Nominated Party** means an individual Relative of an Eligible Participant or an entity with which the Eligible Participant has an association acceptable to the Board.

**Option Purchase Price** means the consideration that Participants may be invited to pay to acquire an Option under the Plan (if any).

**Other Leaver** means, unless otherwise determined by the Board in its sole and absolute discretion, a Participant who ceases employment or office with any Group Company in any of the following circumstances:

- (a) the Participant resigns from their employment or office other than where a Director resigns from his or her position as Director for the purpose of allowing a new Director with a different skill set to join the Board;
- (b) the employment or office of the Participant is terminated due to poor performance; or

- 
- (c) the Participant's employment is terminated, or the Participant is dismissed from their office, for any of the following reasons:
- (i) the Participant has committed any serious or persistent breach of the provisions of any employment or services contract entered into by the Participant with any Group Company;
  - (ii) the Participant being guilty of fraudulent or dishonest conduct in the performance of the Participant's duties, which in the reasonable opinion of the relevant Group Company affects the Participant's suitability for employment with that Group Company, or brings the Participant or the Group into disrepute;
  - (iii) the Participant has been convicted of any criminal offence which involves fraud or dishonesty;
  - (iv) the Participant has committed any wrongful or negligent act or omission which has caused any Group Company substantial liability;
  - (v) the Participant has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that may result in the Participant being banned from managing a corporation under the Corporations Act; or
  - (vi) the Participant has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment or office without notice.

**Participant** means a person who has been granted Options pursuant to these Rules.

**Permanent Incapacity** means a condition the effect of which is, in the opinion of the Board, to prevent a Participant from continuing to be an Eligible Participant engaged in a similar capacity as they held prior to the condition being acquired or in any occupation with the Company for which he or she is reasonably qualified by education, training and experience.

**Plan** means the Company's Employee Share Option Plan in respect of which these Rules apply.

**Plan Share** means a Share issued or transferred to a Participant upon the exercise of an Option.

**Redundancy** means where a Participant's position is made redundant, there is no acceptable alternative position available within a Group Company and the Participant's employment is terminated by a Group Company by reason of redundancy.

**Related Body Corporate** has the meaning given to that term by section 50 of the Corporations Act.

**Relative of an Eligible Participant** means any spouse, parent, child, brother or sister of that person.

**Retirement** means where a Participant intends to permanently cease all gainful employment permanently in circumstances where the Participant provides, in good faith, a written statutory declaration to the Board to that effect.

**Rules** means these Rules in respect of the operation of the Plan as amended from time to time.

**Secretary** means the company secretary of the Company.

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

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

**Share Trading Policy** means the Company's share trading policy as amended from time to time.

**Shareholder** means a holder of Shares.

**Option** means an option, acquired as a result of the acceptance of an Invitation under the terms of the Plan, to acquire a Share in the Company.

**Vesting Conditions** means the performance, service and/or other criteria, which are determined by the Board and notified to the Eligible Participant in an Invitation and which are required to be met before Options to which such invitation relates may be exercised by the Participant.

**Vesting Notification** means a notice from the Company to a Participant informing the Participant that the Participant's Options have vested.

## 1.2 Interpretation

In these Rules unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) 'includes' means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
- (f) a provision of these Rules which has the effect of requiring anything to be done on or by a date which is not a Business Day is to be interpreted as if it required that thing to be done on or by the immediately following Business Day;
- (g) a reference to:
  - (i) a person includes a reference to the person's executors, administrators and successors;
  - (ii) any legislation includes any modification or replacement of it and any regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
  - (iii) a bill of parliament includes the legislation as enacted, and as modified prior to enactment;
  - (iv) a right includes a benefit, remedy, discretion and power;
  - (v) time is to local time in the capital of the State of New South Wales;
  - (vi) '\$' or 'dollars' is a reference to Australian currency;
  - (vii) this or any other document includes the document as varied or replaced;
  - (viii) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmission and email; and
  - (ix) these Rules means these Rules as amended from time to time and includes all recitals, annexures, addendums and schedules of these Rules.

## 1.3 Applicable Legislation

These Rules, the offering and granting of any Options and/or Plan Shares and the rights attaching to or interests in the Options and/or Plan Shares will at all times be subject to the Constitution, the Corporations Act, any other applicable legislation from time to time, and the Listing Rules (as applicable).

## **1.4 Rounding**

Where any calculation or adjustment to be made pursuant of these Rules produces a fraction of a cent or a fraction of an Option or Share, the fraction will be eliminated by rounding down to the nearest whole number.

## **1.5 Headings**

Headings are inserted in these Rules for convenience only and do not affect the interpretation of these Rules.

## **2 PURPOSE**

- (a) The Plan is established by the Company to provide Eligible Participants with a means of receiving Options to subscribe for Shares in the Company.
- (b) The intention is to give Eligible Participants the opportunity to share in the future growth and profitability of the Company by aligning their interests with that of shareholders, as well as providing a greater incentive for Participants to have a greater involvement with, and to focus on the longer term goals of the Company.

## **3 COMMENCEMENT**

The Plan will commence on the day that Shareholder approval is obtained for its adoption.

## **4 HOW THE PLAN WORKS**

### **4.1 Invitation**

The Board may from time to time and in accordance with these Rules invite an Eligible Participant, to participate in the Plan. By accepting that invitation, the Eligible Participant shall become a Participant.

### **4.2 Option Purchase Price**

Subject to Applicable Law, the Board will determine the Option Purchase Price for each Invitation.

### **4.3 Payment of Option Purchase Price**

Eligible Participants who have been invited and elect to pay the Option Purchase Price may, at the discretion of the Company, choose to either:

- (a) pay the Company the Option Purchase Price for all Options accepted by the Participant; or
- (b) instruct the Company to withhold the Option Purchase Price (net of tax) from their remuneration entitlements.

### **4.4 Issue of Options**

- (a) the Company will issue to the Participant the Options subscribed for; and
- (b) Options will be registered to the Participant in the appropriate register of the Company.

### **4.5 Statement**

The Company will provide a Holding Statement to the Participant of Options held on the register for their benefit at least annually, and at any time Options are allocated, exercised, forfeited or lapsed on their behalf.

### **4.6 Vesting**

Once any Vesting Conditions or other terms and conditions as set out in the Invitation have been met and confirmed by the Company, the Company will send the Participant a Vesting Notification advising that the Options will be available for exercise in accordance with clause 8.



#### **4.7 Share Acquisition**

- (a) Subject to clause 7.7, on exercise of the Options under clause 8, the Plan Shares issued are to be registered in the name of the Participant.
- (b) Shares acquired on exercise of Options under the Plan will be for ordinary Shares only.

#### **4.8 Lapse of Options**

The Company will advise the Participant if any Options are to be lapsed, and provide the Participant with an updated Holding Statement.

#### **4.9 Plan Records**

The Company shall keep proper books and records of the Plan and the Options and Shares acquired on exercise of Options issued under the Plan registered and allocated to each Participant.

#### **4.10 Plan Records**

The Company will ensure that the books and records of the Plan are available for inspection by Participants at an office of the Company during normal business hours or such other time as is agreed by the Company with the Participant.

### **5 ISSUE LIMITATIONS**

- (a) Unless increased with Shareholder approval, the number of Options which may be granted under this Plan must not at any time exceed in aggregate 10% of the total fully diluted issued capital of the Company at the Grant Date (assuming all existing options, performance rights and other equity securities of the Company are exercised and/or converted to Shares).
- (b) No Invitation may be made in reliance on ASIC Class Order [CO 14/1000] unless the conditions for relying on that class order are satisfied.

### **6 ELIGIBILITY AND GRANT**

#### **6.1 Participation in the Plan**

The Board may from time to time in its sole and absolute discretion determine that an Eligible Participant may participate in the Plan.

#### **6.2 Selection**

Following determination that an Eligible Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to the Eligible Participant.

#### **6.3 Invitation**

The manner, form, content, timing and frequency of an Invitation will be as determined by the Board in its sole and absolute discretion.

#### **6.4 Nominees**

- (a) An Eligible Participant to whom an Invitation is made may give notice to the Company that they would prefer such Invitation be made to a Nominated Party of the Eligible Participant.
- (b) The Board may in its sole and absolute discretion determine whether it will make the Invitation to the Nominated Party and on what conditions it will agree to do so.

#### **6.5 Multiple Invitations**

Unless otherwise determined by the Board in its sole and absolute discretion, the Board may make any number of Invitations to Eligible Participants in any year.



## **7 INVITATION TERMS**

### **7.1 Board determination**

The terms and conditions of Options offered or granted under these Rules to each Participant will be:

- (a) determined by the Board and include as a minimum:
  - (i) the number of Options;
  - (ii) the First Exercise Date;
  - (iii) the Last Exercise Date;
  - (iv) the Exercise Price;
  - (v) the Option Purchase Price (if applicable);
  - (vi) the Vesting Conditions, if any;
  - (vii) the Forfeiture Conditions (if any);
  - (viii) any disposal restrictions attaching to the Options or any Plan Shares; and
  - (ix) any rights attaching to the Options or any Plan Shares
- (b) set out in an Invitation delivered to the Participant.

### **7.2 Options entitlements**

Participants who hold Options are not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the members of the Company; or
- (b) receive any dividends declared by the Company, as a result of solely holding Options, until the Options are exercised and the Participant receives Plan Shares.

### **7.3 Conditions for vesting**

- (a) The Board will determine prior to an Invitation being made, the Vesting Conditions attaching to the Options.
- (b) Options will only vest if the applicable Vesting Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules.

### **7.4 Non-transferable without consent**

Options granted under this Plan may not be assigned, transferred, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:

- (a) prior consent of the Board is obtained, which consent may impose such terms and conditions on such transfer, encumbrance or disposal as the Board sees fit; or
- (b) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

### **7.5 Hedging unvested Options**

Participants must not enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Options.

### **7.6 Options to be registered**

Options will be registered in the appropriate register of the Company.

## **7.7 Employee Share Trust**

The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Options and/or Plan Shares for Participants under the Plan and delivering Plan Shares on behalf of Participants upon exercise of Options.

## **8 EXERCISE**

### **8.1 Method of exercise**

Following the issue of a Vesting Notification to a Participant, a vested Option may be exercised before the Last Exercise Date by the Participant by:

- (a) delivering to the Company the Holding Statement in relation to the Options being exercised, or other evidence that the Participant is the holder of the Options;
- (b) delivering to the registered office of the Company a signed Notice of Exercise;
- (c) paying to the Company the Exercise Price.

### **8.2 Cashless exercise**

Notwithstanding clause 8.1, the Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the Exercise Price by cash, cheque or some other method acceptable to the Company, but that on exercise of the Options the Company will only allot and issue or transfer that number of Plan Shares to the Participant that are equal in value to the difference between the Exercise Price otherwise payable in relation to the Options and the then market value of the Plan Shares as at the time of the exercise (which is to be determined by reference to the volume weighted average market price (as that term is defined in the Listing Rules) of the Company's Share price during the five trading days (rounded down to the nearest whole Share)) immediately before the day on which:

- (a) the Participant has delivered to the registered office of the Company a signed Notice of Exercise; and
- (b) the Board has exercised its discretion pursuant to this clause 8.2 that the Participant will be permitted to undertake a cashless exercise of the Options.

### **8.3 Actions on exercise**

On completion of the exercise of Options:

- (a) the Options that are exercised will automatically lapse;
- (b) the Company will, at the absolute discretion of the Board, either purchase, transfer or issue Shares to the Participant in settlement of the exercise of Options; and
- (c) the Company will issue to the Participant a revised Holding Statement in relation to the Participant's remaining Options (if any).

### **8.4 Exercise Information for the Participant**

If requested by a Participant, the Company shall provide information to the Participant about the exercise of Options granted under the Plan.

## **9 LEAVERS**

### **9.1 Good Leaver**

- (a) Subject to the terms of an Invitation, where a Participant who holds Options becomes a Good Leaver, unless the Board determines in its sole and absolute discretion:

- (i) any and all vested Options held by the Participant which have not been exercised will continue in force and remain exercisable until the Last Exercise Date or such lesser period as determined by the Board; and
- (ii) any and all unvested Options held by the Participant will automatically lapse.
- (b) If any Options are lapsed, the Board in its sole and absolute discretion, may direct the Company to pay the Participant nominal consideration for the cancellation of the Options.

## **9.2 Other Leaver**

- (a) Subject to the terms of an Invitation, where a Participant who holds Options becomes an Other Leaver, all vested and unvested Options will automatically lapse unless determined otherwise by the Board in its sole and absolute discretion.
- (b) If any Options are lapsed, the Board in its sole and absolute discretion, may direct the Company to pay the Participant a nominal consideration for the cancellation of the Options.

## **10 LAPSE OF OPTIONS**

### **10.1 Lapse Date**

Unless the Board otherwise determines in their sole and absolute discretion, unvested Options will lapse on the earlier of:

- (a) in accordance with clause 9;
- (b) in accordance with clause 16;
- (c) if the Vesting Conditions are not achieved by the Participant;
- (d) if the Board determines in its reasonable opinion that the Vesting Conditions have not been met and cannot be met prior to the Last Exercise Date;
- (e) the Last Exercise Date;
- (f) a change in control of the Participant which is a Nominated Party of the Eligible Participant without the Company's prior written consent; and
- (g) Insolvency by the Company, the Participant, or the Nominated Party of the Eligible Participant.

## **11 CANCELLATION OF OPTIONS**

- (a) Notwithstanding any other provisions of the Plan, and subject to Applicable Laws, if a Participant and the Board have agreed in writing that some or all of the Options granted to that Participant may be cancelled on a specified date or on the occurrence of a particular event, then the Board may cancel those Options on the relevant date or on the occurrence of the particular event (as the case may be).
- (b) Where Options are to be cancelled by the Company, the Company may do such things and enter such arrangements with the Company's share registry or otherwise as it considers necessary to enforce any cancellation and the relevant Participant will be bound by any action by the Company under this clause 11.

## **12 CHANGE OF CONTROL**

- (a) At least 10 Business Days before that date which the Company proposes that a Change of Control will occur, the Company must notify each Participant advising them of such event and any relevant details of the Change of Control including the date on which it is likely to occur.

- (b) If a Change of Control is proposed to be made or undertaken after the date the Plan is established, the Board in its absolute discretion may determine either or both of the following:
  - (i) all then outstanding Options that are not yet able to be exercised will become exercisable at the time or upon the occurrence of an event determined by the Board; and
  - (ii) notwithstanding clause 10 and the invitation terms specified under clause 7, all Options that are not exercised prior to the time or occurrence of an event determined by the Board will lapse at that time or upon the occurrence of that event.

## **13 QUOTATION**

### **13.1 Options**

Unless determined otherwise by the Board in its sole and absolute discretion, Options issued under the Plan will not be quoted on the ASX.

### **13.2 Shares issued on exercise of Options**

Subject to Applicable Law, the Shares issued on exercise of Options will be quoted on the ASX.

## **14 DISPOSAL RESTRICTIONS**

### **14.1 Board determines**

The Board may determine prior to an Invitation being made whether there will be any restrictions on the disposal or otherwise on dealing with Options or Plan Shares.

### **14.2 No transfer**

Subject to clause 14.1, Options may not be transferred, encumbered or otherwise disposed of by a Participant unless all restrictions on transfer, encumbrance or disposal of the Options and Plan Shares have been met or the Board has waived any such restrictions.

### **14.3 Board actions**

The Company may do such things and enter such arrangements with the Company's share registry or otherwise as it considers necessary to enforce the restrictions set out in this clause 14. Participants will be bound by any action by the Company under this clause 14.

### **14.4 Subject to law**

Options and Plan Shares must not be dealt with if to do so would contravene Applicable Law or the Share Trading Policy.

## **15 CAPITAL RECONSTRUCTIONS**

If the capital of the Company is reconstructed, the Options will be treated in accordance with the Listing Rules of the ASX.

## **16 FORFEITURE CONDITION**

### **16.1 Forfeiture Conditions**

An Invitation may contain a term to the effect that the Participant's Options are subject to Forfeiture Conditions.

### **16.2 Default forfeiture events**

In addition to the Forfeiture Conditions set out in an Invitation (if any), if the Board reasonably determines that a Participant:

- (a) has wilfully breached his or her duties to the Group;
- (b) has committed an act of fraud;
- (c) is ineligible to hold their office for the purposes of Part 2D.6 of the Corporations Act; or
- (d) is found to have acted in a manner that the Board considers to be gross misconduct or negligence,

then the Participant's Options will be treated in accordance with clause 16.3.

### **16.3 Effect of forfeiture**

- (a) If a Forfeiture Conditions is met or clause 16.2 applies, unless otherwise determined by the Board in its sole and absolute discretion all unvested and vested Options held by the Participant will automatically lapse.
- (b) Where a Participant's rights and interests in all or a specified number of Options are required to be forfeited under this clause 16, the Company may pay to the Participant nominal consideration in consideration of the forfeiture of all of the Participant's rights and interests in the relevant number of Options.
- (c) For the avoidance of doubt, no consideration or compensation (other than the nominal consideration referred to in paragraph (b) above) is payable to a Participant for or in relation to the forfeiture by the Participant of his or her rights to, and interests, in Options.

## **17 CONTRAVENTION OF LAWS**

No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of Options and Plan Shares.

## **18 ADMINISTRATION**

### **18.1 Rules**

The Plan will be administered by the Board in accordance with these Rules.

### **18.2 Regulations**

The Board may form policy and make regulations for the operation of the Plan which are consistent with these Rules and may delegate necessary functions to an appropriate service provider capable of performing those functions and implementing those policies.

### **18.3 Decisions Final**

- (a) Where the Rules provide for or require a determination, decision, approval or opinion, such determination, decision, approval or opinion will be made by the Board.
- (b) The determination, decision, approval or opinion of the Board as to the interpretation, effect or application of these Rules in accordance with clause 18.3(a) will be final conclusive and binding.

### **18.4 Delegation**

- (a) The Board may delegate any of their powers or discretions conferred on them by these Rules to a committee of the Board or any one or more persons selected by them.
- (b) Any delegation will be for such period and upon such terms and conditions as determined by the Board from time to time.

## **18.5 Independent Advice**

The Board may take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under these Rules.

## **18.6 Attorney and Agent**

- (a) Each Participant hereby authorises and appoints each of the Directors and the Secretary holding office at the relevant time (or their delegate) as their agent or attorney with power to do all things necessary in the name of and on behalf of the Participant to give effect of these Rules.
- (b) Each Participant agrees to indemnify and hold harmless any person acting as their agent or attorney in accordance with these Rules in respect of all costs, damages or losses of whatever nature arising from so acting other than costs, damages or losses arising out of the agent's or the attorney's gross negligence, dishonesty, fraud or wilful breach of their duties.

## **18.7 Notice**

- (a) Address for Service
  - (i) Any notice required to be given under the Plan or the terms of the Options granted, to a Participant will be sent to the address of the Participant as entered in the register unless delivered in person.
  - (ii) Any notice required to be given under the Plan or the terms of an Option or Plan Shares, to the Company will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.
- (b) Delivery of Notices
  - (i) Any notice to be given to Participants may be delivered by hand to the Participant or by any other means specified in the Constitution for delivery of notices to members.
  - (ii) Any notice to be given to the Company may be delivered by hand or by prepaid post.
  - (iii) Notices may also be given to the Company by means of facsimile, e-mail or other mode of electronic delivery to such address as is notified by the Company to the Participant.
- (c) Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia. Notices delivered by facsimile, e-mail or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

## **19 PLAN AMENDMENT**

### **19.1 Amendment of Plan**

- (a) Subject to the Listing Rules and the Constitution, the Board may at any time amend these Rules or the terms and conditions upon which any Options and Plan Shares have been issued under the Plan.

- (b) No amendment of these Rules or to Options and Plan Shares granted under the Plan may be made if the amendment materially reduces the rights of any Participant (unless agreed by the Participant) in respect of Options and Plan Shares granted to them prior to the date of the amendment other than an amendment introduced primarily:
  - (i) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
  - (ii) to correct any manifest error or mistake;
  - (iii) for the purpose of complying with the Listing Rules or the Corporations Act; or
  - (iv) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.
- (c) Subject to Applicable Law, the Board may determine that any amendment of these Rules or the terms of Options or Plan Shares granted under the Plan be given retrospective effect.
- (d) Amendment of these Rules or the terms and conditions upon which Options and Plan Shares are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (e) As soon as reasonably practicable after making any amendment of these Rules or the terms and conditions of Options and Plan Shares granted under the Plan the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

## **19.2 Amendment by Addendum**

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum of these Rules.

## **19.3 Termination or Suspension**

The Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.

## **20 RIGHTS OF PARTICIPANTS AND ELIGIBLE PARTICIPANTS**

Nothing in these Rules or the terms of any Options:

- (a) confers upon a Participant or an Eligible Participant a right to a grant or offer of a grant of Options;
- (b) confers on a Participant or an Eligible Participant the right to continue as an employee, contractor or officer of a Group Company (as the case may be);
- (c) affects the rights of a Group Company to terminate the employment, contract or office of a Participant or an Eligible Participant (as the case may be);
- (d) affects the rights and obligations of any Participant or an Eligible Participant under the terms of their office, employment or contract with any Group Company;
- (e) confers any legal or equitable right on a Participant or an Eligible Participant whatsoever to take action against any Group Company in respect of their office, employment or contract; or



- (f) confers on a Participant or an Eligible Participant any rights to compensation or damages in consequence of the termination of their office, employment or contract by a Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

## **21 ASIC RELIEF**

Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this clause to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

## **22 NON-EXCLUSIVITY**

### **22.1 Non-exclusivity**

This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Participants, nor will it preclude any Group Company from authorising or approving other forms of incentive compensation for employees of a Group Company.

### **22.2 Relationship to other Share Plans**

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by any Group Company, except as specifically provided in the terms of that other plan.

## **23 GENERAL**

### **23.1 Enforcement**

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Options granted under the Plan, will be deemed to form a contract between the Company and the Participant.

### **23.2 No fiduciary capacity**

The Board may exercise any power or discretion conferred on them by these Rules in the interest or for the benefit of the Group, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

### **23.3 ASX Listing Rules**

While the Company remains admitted to the ASX, the provisions of the ASX Listing Rules will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the Listing Rules will apply.

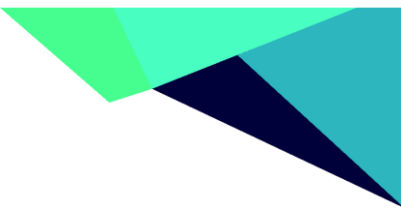
### **23.4 Governing Law**

This Plan and, any Options and Plan Shares granted under it, will be governed by, and must be construed according to, the laws of the state of New South Wales and the Commonwealth of Australia.

## **24 RIGHTS OF PARTICIPANT**

Each Option does not grant a Participant any right to participate in a new issue of Shares. Each Participant is only entitled to participate in a new issue of Shares to the extent that the Participant





is a Shareholder on the record date to determine entitlements to participate in the new issue of Shares.

**25 CHANGE OF AN OPTION'S EXERCISE PRICE OR THE NUMBER OF UNDERLYING SHARES**

Unless to the extent required by the Listing Rules, an Option does not grant any rights to a Participant to change the Exercise Price of an Option or change the number of Shares over which the Option can be exercised.

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

## Vote by Proxy: ACF

Your proxy voting instruction must be received by **10:00am (AEDT) on Sunday, 18 November 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



### SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you are an Issuer Sponsored holding, you can update your address through the Investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting. It is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

#### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

#### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

#### CORPORATE REPRESENTATIVES






If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

<b>Contact</b>	<b>Return your completed form</b>  <b>BY MAIL:</b> Automic GPO Box 5193 Sydney NSW 2001	 <b>IN PERSON:</b> Automic Level 5, 126 Phillip Street Sydney NSW 2000	<b>Contact us – All enquiries to Automic</b>  <b>WEBCHAT:</b> <a href="https://automic.com.au/">https://automic.com.au/</a>  <b>EMAIL:</b> <a href="mailto:hello@automic.com.au">hello@automic.com.au</a>  <b>PHONE:</b> 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)
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<b>STEP 1: Appoint Your Proxy</b>	<b>Complete and return this form as instructed only if you do not vote online</b> I/We being a Shareholder entitled to attend and vote at the <b>Annual General Meeting of Acrow Formwork and Construction Services Limited to be held at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 on 20 November 2018 commencing at 10:00am (AEDT)</b> hereby:
	<b>Appoint the Chairman of the Meeting (Chair)</b> OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**  
 Unless indicated otherwise by ticking the "for," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**  
 Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 8 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

<b>STEP 2: Your Voting Direction</b>	Resolutions	For	Against	Abstain
	1. Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. Resolution 2 – Re-election of Michael Hill as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. Resolution 3 – Re-election of Gregg Taylor as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. Resolution 4 – Re-election of Margaret Prokop as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5. Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6. Resolution 6 – Ratification of Prior Issue of Equity Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7. Resolution 7 – Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8. Resolution 8 – Adoption of ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	9. Resolution 9 – Financial Assistance to Natform Pty Ltd and Natform (QLD) Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

<b>STEP 3: Sign Here + Contact Details</b>	<b>SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED</b>		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name:		
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
	Email Address:		
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
	Contact Daytime Telephone		
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		

Date (DD/MM/YY)  
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By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).