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CountPlus
Quality Partnerships, Leading Advice

Notice of **Annual General Meeting**

Notice is hereby given that the Annual General Meeting of the shareholders of CountPlus Limited ACN 126 990 832 (**Company** or **CountPlus**) will be held on:

DATE AND TIME

Tuesday, 16 November 2021
At 10:00am (Sydney Time)

PLACE

Lumi online platform at
https://web.lumiagm.com/394654132
Meeting ID **394 654 132**

This Notice and the accompanying Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their stock broker, investment advisor, accountant, solicitor or other professional adviser prior to voting.

Items of Business

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Business

Financial Report, Directors' Report and Auditor's Report

To receive and consider the Company's Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2021.

Note: *No resolution is required for this item of business.*

Resolutions

Re-Election of Director

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

1. "That Andrew McGill (who, retires by rotation in accordance with Listing Rule 14.4 and Rule 10.2 of the Company's constitution and, being eligible, offers himself for re-election), be re-elected as a Director of the Company."

Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding **ordinary resolution:**

2. "That the Remuneration Report for the financial year ended 30 June 2021, as set out in the Company's Annual Report for the financial year ended 30 June 2021, be adopted."

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

Grant of Performance Rights to the Managing Director and CEO (Mr Matthew Rowe) and Pro-Rata Vesting

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

3A. "That the grant of up to 470,000 Performance Rights ('Performance Rights') under the CountPlus Employee Incentive Plan ('Plan') to the Managing Director and CEO, Matthew Rowe, in accordance with the terms of the 2021 LTI Award as described in the Explanatory Statement accompanying this Notice of Meeting is approved under and for the purposes of ASX Listing Rule 10.14 and all other purposes."

3B. "That for the purpose of the *Corporations Act 2001* and all other purposes, the pro-rata vesting of the Performance Rights under the Plan in the event of cessation of Mr Rowe's employment as described in the Explanatory Statement accompanying this Notice of Meeting be approved."

Approval of Proportional Takeover Provisions in Constitution

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

4. "That, with effect from the close of the meeting, the proportional takeover provisions set out in Annexure A to the Explanatory Statement accompanying this Notice of Meeting be inserted in the constitution of the Company as new Rule 22."

Information for **Shareholders**

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Virtual Meeting

In accordance with government guidance on health and restrictions on travel and public gatherings at the time of issuing this Notice of Meeting (**Notice** or **Notice of Meeting**), the 2021 Annual General Meeting of the Company (**Meeting** or **AGM**) will be held in virtual format only, through the Lumi online platform.

Shareholders and proxyholders will be able to vote at the Meeting online by visiting https://web.lumiagm.com/394654132 on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox).

The Lumi online platform will allow shareholders to be present virtually, and to listen to the Meeting and to vote and ask questions online in real time. Visitors will be able to listen to the Meeting via the Lumi online platform but will not have access to vote or ask questions.

To log in, shareholders will need their holder identifier (SRN, HIN or employee identification), postcode and meeting ID: 394 654 132.

Further information on how to do this is set out in this Notice of Meeting and the Lumi Online Meeting Guide available on the Company's website, which has also been lodged with the ASX.

The online platform will provide a reasonable opportunity for shareholders to participate, and the Meeting will operate on the basis that such participation will constitute shareholders being present at the Meeting for all purposes.

Voting on all resolutions will occur by way of poll, and the online platform will enable shareholders to lodge a vote in real time during the Meeting.

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

Asking questions at the Meeting

Shareholders are:

- encouraged to submit questions before the Meeting via email to AGM2021@countplus.com.au; and
- welcome to submit questions during the Meeting through the Lumi online platform.

Submitting questions in advance will not stop any shareholder from asking questions at the Meeting through the Lumi online platform should they wish to do so, however, submitting questions in advance will facilitate a considered reply.

Questions submitted before the Meeting should be received by no later than 10:00am (Sydney time) on Monday, 15 November 2021. Please note that individual responses to questions will not be sent.

During the Meeting, you will be able to ask questions at the appropriate time. You can also submit questions when you vote online during the Meeting.

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Voting entitlements

For the purpose of the Meeting, securities will be taken to be held by the persons who are registered as the holders of those securities at 7:00pm (Sydney time) on Sunday, 14 November 2021.

Voting methods

How to vote prior to the Meeting

Shareholders may lodge a direct vote or appoint a proxy online at www.investorvote.com.au or by submitting a voting form to the share registry. Please note that your votes need to be received by no later than 10:00am (Sydney time) on Sunday, 14 November 2021. To log in, you will need your holder identifier (SRN, HIN or employee identification) and postcode.

How to be present virtually and vote at the Meeting

Due to current COVID-19 restrictions, physical attendance at the Meeting will not be possible. However, you will have the opportunity to be present virtually via a live webcast and will be able to vote electronically via the Lumi online platform (including lodging a vote in real time and asking questions online).

Shareholders and proxyholders will be able to vote at the Meeting online by visiting https://web.lumiagm.com/394654132 on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox). To log in, shareholders will need their holder identifier (SRN, HIN or employee identification), postcode and meeting ID: 394 654 132.

Voting will be available between the commencement of the Meeting (10:00am, Sydney time, on Tuesday, 16 November 2021) and the closure of voting as announced by the Chair of the AGM (**Chair**) during the Meeting.

Online voting registration for voting during the Meeting will commence one hour prior to the start of the Meeting.

For details on how to log on and vote online, please refer to the Lumi Online Meeting Guide at www.computershare.com.au/virtualmeetingguide.

The Lumi Online Meeting Guide is also available on the Company's website and has been lodged with the ASX.

Proxy voting and proxy holder participation

The Company encourages all shareholders to submit a proxy vote ahead of the Meeting.

A proxy form is enclosed together with a reply paid envelope. For shareholders on the Australian sub-register proxy votes can also be lodged online at www.investorvote.com.au.

Further information on lodging a proxy vote ahead of the Meeting is set out on page 4.

Shareholders who submit a proxy vote can either participate in the Meeting themselves or appoint a proxy to participate for them. To participate in the Meeting, proxyholders will need to contact the Company's share registry: Computershare Investor Services, Australia on +61 3 9415 4024 during the online registration period which will open one hour before the start of the Meeting.

Technical difficulties

As this Meeting is a virtual meeting technical issues may arise. In that event, the Company will have regard to the impact of the technical issue on shareholders and the Chair of the Meeting may, in exercising his powers as the Chair, issue any instructions for resolving the issue and will adjourn the Meeting if it is appropriate to do so.

Proxy vote if appointment specifies way to vote

Section 250BB of the *Corporations Act 2001* (Cth) (**Corporations Act**) provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

(a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

(b) if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

(c) if the proxy is the Chair of the Meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and

(d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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Transfer of non-Chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

(a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and

(b) the appointed proxy is not the Chair of the Meeting; and

(c) at the Meeting, a poll is duly demanded on the resolution; and

(d) either of the following applies:

(i) if a record of attendance is made for the Meeting – the proxy is not recorded as attending;

(ii) the proxy does not vote on the resolution;

the Chair of the Meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution of the Meeting.

Proxies

A shareholder entitled to attend and vote, is entitled to appoint one proxy if the shareholder is entitled to cast one vote, or two proxies if the shareholder is entitled to cast two or more votes to attend and vote instead of that shareholder. If two proxies are appointed, you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 on the Proxy Form.

An instrument appointing a proxy must be signed by the shareholder appointing the proxy or by the shareholder's attorney duly authorised in writing or, if the shareholder is a corporation, in accordance with the Corporations Act and the shareholder's constitution. A proxy need not be a shareholder of the Company.

Where more than one joint shareholder votes, the vote of the shareholder whose name appears first in the register of shareholders shall be accepted to the exclusion of the others.

A proxy form and the power of attorney or authority (if any) under which it is signed or a copy of that power of attorney or authority certified as a true copy, must be lodged not less than 48 hours before the commencement of the Meeting, by 10:00am (Sydney time) on Sunday, 14 November 2021.

If you sign and return a proxy form and do not nominate a person to act as your proxy, the Chair will be appointed as your proxy by default.

Proxy voting on Resolutions 2, 3A and 3B – voting by Chair

Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) (**Key Management Personnel**) and their closely related parties (as defined in the Corporations Act) (**Closely Related Parties**) will not be able to vote your proxy on Resolutions 2, 3A and 3B unless you direct them how to vote by marking the voting boxes for that Resolution. If you intend to appoint a Key Management Personnel (or their Closely Related Party) as your proxy, please ensure that you direct them how to vote on Resolutions 2, 3A and 3B.

If you intend to appoint the Chair of the Meeting as your proxy, you can direct him to vote by marking the relevant boxes on the Proxy Form. If you sign and return your Proxy Form and do not provide any voting directions, you will be deemed to have expressly authorised the Chair of the Meeting (where he is appointed your proxy or becomes your proxy by default) to cast your vote on Resolutions 2, 3A and 3B, even though Resolutions 2, 3A and 3B are connected with the remuneration of the Key Management Personnel or the board of directors of the Company (**Board** or **Directors**).

The Chair intends to vote any undirected proxies held by him in favour of all items of business.

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The Proxy Form may be lodged using the reply-paid envelope or:

By Mail Registered Office:	Computershare Investors Services Pty Limited GPO Box 242, Melbourne VIC 3001
By Fax:	**1800 783 447** *(within Australia)* **+ 61 3 9473 2555** *(outside Australia)*
Electronically:	www.investorvote.com.au

Corporate representatives

A body corporate which is a shareholder or which has been appointed as a proxy may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. Evidence of the appointment, including any authority under which it is signed, must be provided to the Company's share registry prior to the Meeting, unless it has previously been provided to and been accepted by the share registry.

If such evidence is not received prior to the commencement of the Meeting, then the individual will not be permitted to act as the shareholder's representative or representative of the shareholder's proxy.

Voting

Voting on resolutions set out in this Notice of Meeting will be conducted by poll. Upon a poll, every shareholder who is present in person or by proxy, representative or attorney will have one vote for each share held by that shareholder.

By order of the Board



Doug Richardson
Company Secretary

Explanatory **Statement**

This Explanatory Statement forms part of the Notice of Meeting.

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Financial Report, Directors' Report and Auditor's Report

This item of business calls for shareholders to formally receive the Financial Report for the year ended 30 June 2021 (which includes all the financial statements and notes), Directors' Report and the Auditor's Report. The Financial Report, Directors' Report and Auditor's Report are set out in the Company's Annual Report. Shareholders who elected to receive a printed copy of the Annual Report should have received the Annual Report with this Notice of Meeting. The Annual Report is available from the Company website, https://www.countplus.com.au/.

While shareholders are not required to vote on the Financial Report, Directors' Report and Auditor's Report, there will be reasonable opportunity at the Meeting to raise questions on the reports and the management of the Company. The Company's auditor (**Auditor**) will be in attendance at the Meeting and can answer questions on the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Resolution 1

Re-election of Mr Andrew McGill

Background

Shareholder approval is sought for the re-election of Mr Andrew McGill who, retires by rotation in accordance with Listing Rule 14.4 and Rule 10.2 of the constitution of the Company (**Constitution**) and, being eligible, offers himself for re-election as a Director.

Details of the qualifications and experience of Mr McGill are as follows:

- Mr McGill was appointed as an independent Non-Executive Director of CountPlus in December 2017. He is Chair of the Acquisitions Committee, a member of the Remuneration and Nominations Committee and a member of the Technology and Innovation Committee.
- Mr McGill has more than 29 years of financial markets experience including investment and management experience within the alternative asset sector and the funds management industry generally.
- Mr McGill was previously Managing Director and CEO of ASX-listed Pacific Current Group Limited and in this capacity also served on the board of a number of affiliated companies. Prior to joining Pacific Current Group Limited, he was a founding partner of Crescent Capital Partners, an independent mid-market private equity firm where he worked from 2000 to 2010. Earlier in his career, Mr McGill held executive roles within Macquarie Bank's Corporate Finance and Direct Investment teams. He was also a consultant with L.E.K. Consulting, an international firm of business strategy consultants.
- Mr McGill is currently Chairman of the advisory board of Besen Pty Ltd, and Chairman of PM Capital Asian Opportunities Fund Limited (ASX:PAF).
- Mr McGill holds a Bachelor of Commerce and a Bachelor of Laws from the University of New South Wales and a Graduate Diploma in Applied Finance and Investment (FINSIA).

Directors' recommendation

The Board (with Mr McGill absent and not voting) unanimously recommends that shareholders vote in favour of the re-election of Mr McGill.

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Resolution 2

Adoption of Remuneration Report

Background

Section 300A of the Corporations Act requires disclosure, in a dedicated part of the Directors' Report under the heading of 'Remuneration Report' of the remuneration paid to Key Management Personnel (including non-executive and executive directors) of a listed company.

A copy of the Remuneration Report of the Company for the financial year ended 30 June 2021 is set out on pages 20 to 31 of the Company's 2021 Annual Report.

The Corporations Act also requires a listed company to put its remuneration report for each financial year to a resolution of members at their annual general meeting. Under section 250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on Resolution 2 are against adoption of the Company's Remuneration Report at two consecutive Annual General Meetings (each an **AGM**) (such votes commonly referred to as the 'first strike' and 'second strike' respectively), the Company will be required to put to shareholders at the second of those AGMs a resolution proposing the calling of an extraordinary general meeting to be held within 90 days of the second AGM. At this extraordinary general meeting, all of the Company's Directors in office at the time of the Directors' resolution to approve the Directors' Report containing that second Remuneration Report (other than the Managing Director) will cease to hold office but may stand for re-election.

At the Company's 2020 AGM, 99.27% of votes were cast in favour of the adoption of the Remuneration Report in the Company's 2020 Annual Report.

Please see the Remuneration Report section of the Company's 2021 Annual Report for further detail.

Directors' recommendation

Noting that each Director has a personal interest in his or her own remuneration from the Company as described in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of the 2021 Remuneration Report.

Resolutions 3A and 3B

Grant of Performance Rights to the Managing Director and CEO (Mr Matthew Rowe) and Pro-Rata Vesting

Background

Shareholder approval is sought for the grant of up to 470,000 Performance Rights ('Performance Rights') to the Managing Director and CEO, Mr Matthew Rowe, under the CountPlus Employee Incentive Plan ('Plan') established in November 2017 and approved by the Board ('2021 LTI Award'), and for the pro-rata vesting of the Performance Rights in certain circumstances and in the event that Mr Rowe ceases employment with the Company.

Why shareholder approval is being sought

ASX Listing Rule 10.14 states that a listed company must not permit a Director to acquire securities under an employee incentive scheme without shareholder approval given by ordinary resolution. Mr Rowe is a Director and so covered by ASX Listing Rule 10.14.1. The purpose of Resolution 3A is to obtain shareholder approval for the proposed grant of the Performance Rights to Mr Rowe under the 2021 LTI Award.

If shareholders approve Resolution 3A up to 470,000 Performance Rights will be granted to Mr Rowe under the 2021 LTI Award. If Resolution 3A is not approved, the Performance Rights will not be granted and the Board will consider other ways to reward and incentivise Mr Rowe.

In addition, the Company seeks shareholder approval under Resolution 3B, pursuant to section 200E of the Corporations Act for the pro-rata vesting of the Performance Rights in limited circumstances and in the event that Mr Rowe ceases to be employed by the Company, as specified in the terms of the 2021 LTI Award. These circumstances include retirement, redundancy, death or permanent incapacity.

Under section 200B of the Corporations Act, the Company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the Company if it is approved by shareholders under section 200E of the Corporations Act or an exemption applies.

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The term 'benefit' may include the pro-rata vesting of the Performance Rights in the limited circumstances outlined above where Mr Rowe ceases to be employed by the Company. This pro-rata vesting of the Performance Rights, in these circumstances, may amount to the giving of a termination benefit requiring shareholder approval, and as such, approval is sought for this purpose.

Based on the 2020 LTI Award approved at the Annual General Meeting in November 2020, the Managing Director and CEO has been granted 361,150 Performance Rights (at no cost). In total, Mr Rowe has been granted 994,968 Performance Rights with a total fair value, at grant date, of $914,000.

Mr Rowe is the only director entitled to participate in the Plan. There is no loan for the Performance Rights granted, given that no consideration is payable for the grant of the Performance Rights or upon exercise should they vest.

Maximum number of Performance Rights to be issued to Mr Rowe

If shareholder approval is granted, the maximum number of Performance Rights that may be granted to Mr Rowe is set at 470,000 (LTI Award).

Current total Remuneration Package

Mr Rowe's current annual remuneration package is as follows:

Base salary	$478,306
Superannuation	$21,694
Maximum STI	$250,000

Mr Rowe's Executive Service Agreement provides that (subject to shareholder approval) he will be awarded an annual long-term incentive calculated based on 75% of his fixed annual remuneration (FAR). His FAR is $500,000, therefore the LTI Award value is $375,000. The number of Performance Rights is determined by dividing the LTI Award value ($375,000) by the 30-day Volume Weighted Average Price (VWAP) of Company shares at the grant date. The 30-day VWAP will be independently calculated. Since the number of rights to be offered to Mr Rowe for the 2021 LTI Award is unknown at the date of this Notice, a limit of no more than 470,000 will be issued.

Price of Performance Rights

The Performance Rights will be granted at no cost to Mr Rowe. Once the Vesting Conditions (described below) are met (or waived), the Performance Rights will vest and can be exercised for nil exercise price.

On exercise, Mr Rowe will be entitled to receive one fully paid ordinary share in the Company for each Performance Right.

Importantly, no value will be received by Mr Rowe if the Performance Rights lapse prior to the vesting dates.

The 'fair value' of the Performance Rights for accounting purposes will be determined at their grant date and the value expensed over the relevant service period after taking account of any market and non-market vesting conditions, in accordance with Australian equivalent of the International Financial Reporting Standards (AIFRS-2).

Grant Date

It is intended that, if this Resolution is approved by shareholders, the Performance Rights will be granted immediately after this Meeting, and in any case no later than 12 months after the date of this Meeting.

Vesting Date

The vesting date for the Performance Rights will be 17 November 2025 (Vesting Date), subject to meeting the Vesting Conditions (described below). Any unvested Performance Rights will expire on 19 December 2025 if they have not lapsed or been forfeited earlier.

Vesting Conditions

The number of Performance Rights which will vest is dependent on and subject to the 2021 LTI Award Service and Performance Conditions (together Vesting Conditions) set out below.

In addition, if, in the Board's opinion, Mr Rowe has acted fraudulently or dishonestly or is in breach of his material obligations to the Company, the Board may determine that any or all of his Performance Rights which have not yet vested, lapse.

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Service Condition

The Service Condition is that Mr Rowe must remain employed with the Company for a continuous period of four years from the grant date of the Performance Rights.

Performance Conditions

In addition to the Service Condition described above, there are two performance hurdles – earnings per share growth (EPS) and return on equity (ROE).

Each performance hurdle has a 50% weighting. The performance hurdles were chosen because the Company believes they:

- align with CountPlus' strategy and the interests of shareholders;
- best reflect the key financial performance metrics of CountPlus; and
- strike an appropriate balance between growth and long-term profitability.

The Company's Remuneration and Nominations Committee reviews the long-term equity-linked performance incentives for the CEO, annually.

The vesting schedule, as depicted in the tables below, will take effect for grants of Performance Rights made under the Plan after the date of the Meeting, including the proposed 2021 LTI Award to be made to Mr Rowe if Resolution 3A is approved. This vesting schedule, amended from that of prior years, will not impact or amend the terms of the Performance Rights previously made (including those approved by shareholders).

1. Diluted EPS Growth Hurdle (50% weighting)

Up to 50% of the Performance Rights (Diluted EPS Tranche) will vest if the Company's earnings per share (EPS) achieves a growth rate of between 10% and 12.5% per annum averaged over four consecutive financial years commencing on 1 July 2021 (Diluted EPS Growth).

The deemed base year diluted EPS of 4.75 cents per share has been determined by normalising the FY2021 net profit after tax (NPAT).

	Diluted EPS Growth	% of Performance Rights Vesting*
Threshold	10%	50%
Target	12.5%	100%

* Straight-line vesting between threshold and target

2. Average ROE Hurdle (50% weighting)

Up to 50% of the Performance Rights (ROE Tranche) will be subject to a Company ROE of between 9% and 15% per annum averaged over four consecutive financial years, commencing on 1 July 2021 (Average ROE).

	Average ROE	% of Performance Rights Vesting*
Threshold	9%	50%
Target	15%	100%

* Straight-line vesting between threshold and target

Other Conditions

Change of control: On a takeover or change in control of the Company, any unvested Performance Rights may vest on a pro-rata basis based on the most current financial reports available at the time the change of control occurs (unless otherwise determined by the Board). The pro-rata period will be calculated from the Performance Rights grant date to the change of control date. If Mr Rowe remains employed with the Company after a change of control has occurred, and assuming the Company remains listed, any unvested Performance Rights will remain available for vesting at their original Vesting Dates.

Cessation of employment: If Mr Rowe ceases employment before the Vesting Conditions are satisfied, the Performance Rights will automatically lapse (unless the Board determines otherwise). In the case of cessation of employment because of retirement, redundancy, death or permanent incapacity, the Board may approve a pro-rata vesting of the Performance Rights. The number of Performance Rights that may vest on cessation of Mr Rowe's employment in these circumstances will be calculated as follows:

$$\frac{\text{(Date of Grant to Date of termination) (in days)}}{\text{(Date of Grant to Intended Vesting Date) (in days)}} \times \text{No. of Performance Rights held on cessation}$$

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Other information

- Shares issued pursuant to the exercise of vested Performance Rights will rank equally with fully paid ordinary shares then on issue in the Company.
- The Performance Rights are not transferable.
- Mr Rowe will be prohibited from mortgaging or granting any security over his interests in the Performance Rights, or entering into any hedging arrangements in respect of the Performance Rights.
- Performance rights are used to align the remuneration of Mr Rowe with shareholder value, whilst retaining his services.
- If shareholder approval is obtained, details of the Performance Rights granted to Mr Rowe under the 2021 LTI Award will be provided in the Remuneration Reports for each relevant subsequent year along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- Any additional person covered by ASX Listing Rule 10.14 who becomes entitled to participate under the LTI scheme after Resolution 3A is approved and who was not named in the Notice of Meeting will not participate until approval is obtained under that rule.
- For the purposes of exception 14 of ASX Listing Rule 7.2, it is noted that if approval is given by shareholders under ASX Listing Rule 10.14 for the grant of the Performance Rights to Mr Rowe, approval for such grant is not required under ASX Listing Rule 7.1.
- For the purposes of section 200E of the Corporations Act, the value of any termination benefits that may be given to Mr Rowe by reason of pro-rata vesting of the Performance Rights (if his employment ceases in certain circumstances) as described above cannot be determined in advance. This is because, in addition to the circumstances referred to above, the value of such benefits at the date of cessation of employment may also depend on:
  - the market price of Company's shares at the time the employment ceases;
  - the performance against the performance conditions at the time the employment ceases;
  - the part of the service period has elapsed at the time the employment ceases; and
  - the number of Performance Rights that lapse on cessation of employment.

Directors' recommendation

The Board (with Mr Rowe absent and not voting) considers the grant of Performance Rights to Mr Rowe to be appropriate in all circumstances and unanimously recommends that shareholders vote in favour of the grant of the Performance Rights to Mr Rowe and Resolution 3A.

The Board (with Mr Rowe absent and not voting) considers the pro-rata vesting of the Performance Rights in the event of cessation of Mr Rowe's employment with the Company to be appropriate and unanimously recommends that shareholders vote in favour of Resolution 3B.

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Resolution 4

Approval of proportional takeover provisions in Constitution

Background

A takeover bid involves a bidder making a purchase offer at a specified price to each holder of a particular class of securities. These offers are made either as an on-market bid or an off-market bid.

An on-market bid must be for all the securities in the bid class, while an off-market bid may specify a proportion of the securities in the bid class to which the offer relates. A proportional takeover bid is one under which the offer is made to each shareholder only for a proportion of that shareholder's securities.

The Corporations Act permits a company to include in its constitution proportional takeover provisions prohibiting the registration of a transfer of securities resulting under a proportional takeover bid, unless and until a resolution to approve the bid is passed in accordance with the provisions.

The Constitution submitted to the ASX on its admission to the official list on 22 December 2010 included certain provisions dealing with proportional takeover bids, designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company.

These proportional takeover provisions do not prohibit a proportional takeover, rather they provide shareholders the opportunity to meet, consider and vote on whether the bid should be allowed to proceed.

The proportional takeover provisions contained in Rule 22 of the Constitution are no longer operative as it has been more than three years since they were last approved by shareholders. If Resolution 4 is passed, new provisions equivalent to the previous Rule 22 will be inserted into the Constitution and will take effect from the close of the Meeting until 3 years from the date of the Meeting. They will then cease to apply unless approved by a special resolution of the Company.

It is proposed that new Rule 22 (set out in Annexure A) be inserted into the Constitution (to replace the previous Rule 22). New Rule 22 contains identical proportional takeover approval provisions to those set out in the previous Rule 22 of the Constitution.

The Directors consider that it is in the best interests of shareholders to insert the new proportional takeover provisions in the Constitution. Accordingly, a special resolution is being put to shareholders under section 648G of the Corporations Act.

The Corporations Act requires that the following information be provided to shareholders when they are considering the insertion or renewal of proportional takeover provisions in a constitution.

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Reasons for proposing the resolution

The Board considers that shareholders should continue to have the opportunity to vote on a proposed proportional takeover bid.

In the absence of new Rule 22 of the Constitution, a proportional takeover bid for the Company may enable a bidder to obtain control of the Company without shareholders having the opportunity to sell all their shares.

Shareholders may then be exposed to the risk of being left as a minority in the Company by a bidder being able to acquire control of the Company without payment of an adequate premium for all of their shares.

If new Rule 22 of the Constitution is adopted, the Board considers that this risk will be minimised, as shareholders will be given the opportunity to decide whether a proportional takeover bid should be permitted to proceed.

Potential advantages and disadvantages

The proposed proportional takeover provisions will enable the Directors to ascertain the views of the shareholders on a proportional takeover bid. The Directors consider that the proposed proportional takeover provisions have no potential advantages or disadvantages for them as they remain free to make a recommendation on whether a proportional takeover bid should be approved.

For shareholders, the Directors consider the insertion of the new proportional takeover provisions will provide all relevant shareholders with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a proportional takeover bid should be approved. This affords the relevant shareholders an opportunity to have a say in the future ownership and control of the Company and help the shareholders to avoid being locked into a minority or having less opportunity in the future to sell their shares in the Company at a price that is considered attractive to the shareholder (because of the presence of a majority shareholder).

The Directors believe this will encourage any proportional takeover bid to be structured to be attractive to at least a majority of the relevant shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic.

Finally, knowing the view of a majority of the relevant shareholders may help each individual holder to assess the likely outcome of the proportional takeover bid and decide whether or not to accept an offer under the bid.

A potential disadvantage for shareholders arising from the new proportional takeover provisions is that proportional takeover bids may be discouraged by the procedural steps that the rule will entail and, accordingly, this may reduce any takeover speculation element in the price of the Company's securities.

Shareholders may be denied an opportunity to sell a portion of their securities at an attractive price where the majority rejects an offer from persons seeking control of the Company.

These advantages and disadvantages of the new proportional takeover provisions have been applicable during the period that the prior rule had been in effect. It should be noted that during that period, no takeover bid for securities in the Company (whether proportional or otherwise) had been announced or made. While it may be argued that during that period, they had the disadvantage of discouraging proportional takeover bids, the Board is not aware of any potential takeover bid that was discouraged by those provisions during that period.

The Board does not believe the potential disadvantages outweigh the potential advantages of inserting the proportional takeover provisions in the Constitution.

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The effect of the proposed provisions

The effect of new Rule 22 of the Constitution will be that where a proportional takeover bid is made for securities in the Company, the Directors must ensure that a resolution to approve the proportional takeover bid is voted on at least 14 days before the last day of the bid period.

To be passed, the resolution must be approved by a majority of votes at the meeting and each person, excluding the bidder and its associates, who as at the end of the day on which the first offer under the bid was made held bid class securities, is entitled to vote, on the basis of one vote for each bid class security held at that time.

If the resolution to approve the bid is not passed, transfers resulting from acceptances for the proportional takeover bid will not be registered and the bid will be taken to have been withdrawn. However, the Corporations Act also provides that, if the meeting is not held within the time required, then a resolution to approve the proportional takeover bid will be deemed to have been passed.

If the resolution to approve the proportional takeover bid is passed or deemed to have been passed, the transfer of securities resulting from acceptance of an offer under that bid will be permitted, and the transfers registered, subject to the Corporations Act and the Constitution.

The proportional takeover provisions do not apply to full takeover bids and will only apply until 3 years after the date of their adoption under Resolution 4. The provisions may be renewed for a further term, but only by a special resolution of the Company's shareholders.

On 7 August 2019, the Commonwealth Bank of Australia (**CBA**) stated, in an ASX announcement, that *"CBA intends to sell its 35.9% shareholding in CountPlus in an orderly manner subject to market conditions."* On 12 August 2020, the CBA announced that it was "exploring alternatives" for its shareholding in CountPlus as part of its divestment program. The Directors are aware that third parties have expressed an interest in potentially acquiring all or some of CBA's shareholding in the Company. However, none of the Directors are aware of any formal proposals from any third party to acquire all or some of CBA's shareholding in the Company and, further, are not aware of any such proposals by any other person to acquire, or to increase the extent of, a substantial interest in the Company. In any event, the foregoing has had no influence on the Directors' decision to propose Resolution 4.

Directors' recommendation

The Board unanimously recommend that shareholders vote in favour of Resolution 4.

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Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by or on behalf of any of the following persons:

(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2021; or

(b) a Closely Related Party of such a person, in any capacity (including as proxy).

However, votes on Resolution 2 will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 2:

(a) in accordance with a written direction as to how to vote in the Proxy Form; or

(b) by the Chair of the Meeting where the proxy does not specify the way the proxy is to vote and the proxy appointment expressly authorises the Chair to exercise an undirected proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 3A:

(a) in favour of the resolution by or on behalf of Mr Rowe or any of his associates, regardless of the capacity in which the vote is cast; or

(b) as a proxy by a person who is a member of the Key Management Personnel at the date of the meeting or their closely related parties.

However, this does not apply to a vote cast in favour of Resolution 3A by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3A, in accordance with the directions given to the proxy or attorney to vote on Resolution 3A in that way;

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 3A, in accordance with a direction given to the Chair to vote on Resolution 3A as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting, on Resolution 3A; and

  (ii) the holder votes on Resolution 3A in accordance with the directions given by the beneficiary to the holder to vote in that way.

In addition, in accordance with the Corporations Act, Mr Rowe and any of his associates must not cast a vote on Resolution 3B unless:

(a) the person votes as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and

(b) the vote is not cast by Mr Rowe or an associate of Mr Rowe.

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Annexure A
22 Proportional takeover approval provisions

22.1 Refusal to register transfers

(a) The Company must refuse to register a transfer of Shares giving effect to a takeover contract resulting from acceptance of an offer made under a proportional takeover bid in respect of a class of Shares unless and until a resolution to approve the proportional takeover bid is passed in accordance with clause 22.2.

(b) This clause 22.1 and clause 22.2 cease to have effect on the day which is three (3) years after the later of their adoption or last renewal in accordance with the Corporations Act.

22.2 Approval procedure

(a) Where offers are made under a proportional takeover bid, the Board must, subject to the Corporations Act and the Listing Rules of the ASX, call and arrange to hold a meeting of persons entitled to vote on a resolution to approve the proportional takeover bid.

(b) Subject to this Constitution, in the case of a proportional takeover bid, each person (other than the bidder under a proportional takeover bid or an associate of that bidder) who, as at the end of the day on which the first offer under that bid was made, held bid class securities for that bid:

  (i) is entitled to vote on the resolution referred to in clause 22.2(a); and

  (ii) has one (1) vote for each Share in the bid class securities that the person holds.

(c) The provisions of this Constitution concerning meetings of Shareholders apply to a meeting held pursuant to clause 22.2(a) with any modifications that Board resolves are required in the circumstances.

(d) A resolution referred to in clause 22.2(a) that has been voted on is passed if more than 50% of votes cast on the resolution are in favour of the resolution, and otherwise is taken to have been rejected.

(e) If a resolution referred to in clause 22.2(a) has not been voted on as at the end of the day before the 14th day before the last day of the takeover bid period under the proportional takeover bid, then that resolution is taken to have been passed.

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Notice of **Annual General Meeting**

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CountPlus Limited
ABN 11 126 990 832

Need assistance?

Phone:
1300 035 243 (within Australia)
+61 3 9938 4383 (outside Australia)

Online:
www.investorcentre.com/contact

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

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AEDT) on Sunday, 14 November 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

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

Lodge your Proxy Form: XX

Online:

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

Your secure access information is

Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

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

By Mail:

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

By Fax:

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

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

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

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 I N D

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Countplus Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Countplus Limited to be held as a virtual meeting on Tuesday, 16 November 2021 at 10:00am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 and 3 (except where I/we have indicated a different voting intention in step 2) even though Items 2 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 and 3 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
1	Re-election of Mr Andrew McGill as a Director	☐	☐	☐
2	Adoption of Remuneration Report	☐	☐	☐
3(a)	Grant of up to 470,000 Performance Rights ('Performance Rights') under the CountPlus Employee Incentive Plan ('Plan') to the Managing Director and CEO, Mr Matthew Rowe, in accordance with the terms of the 2021 LTI Award	☐	☐	☐
3(b)	Pro-rata vesting of the Performance Rights under the Plan in the event of cessation of Mr Rowe's employment	☐	☐	☐
4	Approval of Proportional Takeover Provisions in Constitution	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**	
			/ /
Sole Director & Sole Company Secretary	**Director**	**Director/Company Secretary**	**Date**

Update your communication details *(Optional)*

Mobile Number _____

Email Address _____

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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