

For personal use only

# Annual General Meeting 2021



**Ovato Limited**  
ABN 39 050 148 644

## Annual General Meeting 2021

Notice is hereby given of the thirty first Annual General Meeting of members of Ovato Limited ABN 39 050 148 644

### Voting entitlements

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), all ordinary shares in Ovato Limited ACN 050 148 644 (Ovato or the Company) that are quoted securities as at 7.00pm Australian Eastern Daylight Time on Monday 22 November 2021 are taken, for the purposes of the meeting, to be held by the persons who held those shares at that time.

### Annual Report

The 2021 Ovato Annual Report is also available on Ovato's internet site:

[www.ovato.com.au/annualreport2021](http://www.ovato.com.au/annualreport2021)

### Explanatory memorandum

The Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

### The meeting

TIME: 11.00am (AEDT)

DATE: Wednesday, 24 November 2021

PLACE: The meeting will be held virtually via an online platform at <https://web.lumiagm.com> with meeting ID 336-196-543.

### Admission to meeting

Due to the global COVID-19 pandemic, the Company has taken steps to ensure all Shareholders can participate in the Meeting virtually online while maintaining their health and safety, and abiding by Federal and State Government requirements and guidelines regarding COVID-19. Shareholders will not be able to attend the Meeting in person.

Shareholders do not need to attend the Meeting physically in order to cast their votes or to participate in the Meeting. Accordingly, the Company strongly encourages all Shareholders who wish to vote to do so by:

- a) participating in the virtual Meeting and casting a vote online;
- b) appointing the Chair as their proxy (and where desired, direct the Chair how to vote on a Resolution) by completing and returning the proxy form; or
- c) lodging their votes online at [www.investorvote.com.au](http://www.investorvote.com.au).

Further details on the virtual Meeting and appointment of proxies are set out below.

### Virtual meeting

To enable participation by Shareholders in the Meeting without physical attendance, the Company will hold the Meeting virtually online via the Lumi platform at <https://web.lumiagm.com> with meeting ID 336-196-543.

Shareholders can access this platform by navigating to <https://web.lumiagm.com> on any internet browser.

Upon entering the meeting ID into the Lumi platform, Shareholders should then log in to the virtual Meeting using their SRN/HIN and postcode (Australian resident) or their SRN/HIN and three letter country code (overseas resident). Any appointed third party proxies should contact the Company's share registry, Computershare Investor Services, on +61 3 9415 4024 to receive their login information.

Shareholders attending the Meeting virtually will be able to ask questions in writing and vote during the Meeting via the Lumi platform.

All Resolutions will be conducted by poll. More information regarding virtual attendance at the Meeting (including how to vote, comment and ask questions virtually during the Meeting) is available in the virtual meeting guide, which can be accessed at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

Shareholders who do not plan to attend the meeting are encouraged to complete and return the proxy form for each of their holdings of shares.

A replacement proxy form may be obtained from:

#### Computershare Investor Services Pty Limited

Enquiries within Australia: 1300 556 161

Enquiries outside Australia: +61 3 9415 4000

Investor Centre contact details:  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

### Technical difficulties

Technical difficulties may arise during the course of the AGM. The Chairman has discretion as to whether and how the meeting should proceed in the event that technical difficulties arises. In exercising his discretion, the Chairman will have regard to the number of members impacted and the extent to which participation in the business of the AGM is affected.

Where the Chairman considers it appropriate, the Chairman may continue to hold the AGM and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, members are encouraged to lodge a proxy by [11.00am (AEDT) on Monday, 22 November 2021 even if they plan to attend online.



## Ordinary business

### 1. Financial statements and reports

To receive and consider the financial statements, the Directors' Report and the Independent Auditor's Report of Ovato Limited for the financial year ended 30 June 2021.

### 2. To adopt the Remuneration report

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

*That the Remuneration Report for the year ended 30 June 2021 (set out on pages 26 to 30 of the 2021 Ovato Limited Annual Report) be adopted.*

**Note:** the vote on this Resolution is advisory only and does not bind the Directors of OVT.

**The Directors unanimously recommend you vote in favour of this resolution.**

The Chairman intends to vote open proxies in favour of this resolution.

### 3. Re-election of Andrew McMaster as a Director

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

*That Andrew McMaster retiring in accordance with the Constitution, and being eligible, be re-elected as a Director of Ovato Limited.*

Information about Andrew McMaster appears in the Explanatory Memorandum to the Notice of Annual General Meeting convening this meeting and in the 2021 Ovato Annual Report.

**The Directors, with Andrew McMaster abstaining, recommend you vote in favour of this resolution.**

The Chairman intends to vote open proxies in favour of this resolution.

## Special business

### 4. Share Consolidation

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

*That for the purposes of section 254H of the Corporations Act 2001 (Cth), and for all other purposes, the issued capital of the Company be consolidated such that every 100 fully paid ordinary shares (**Shares**) be consolidated into 1 Share and, where this consolidation results in a fraction of a Share, the Company be authorised to round that fraction down to the nearest whole Share, with such consolidation to take effect in accordance with the timetable set out in the Explanatory Memorandum.*

**The Directors unanimously recommend you vote in favour of this resolution.**

The Chairman intends to vote open proxies in favour of this resolution.

By Order of the Board



**Alistair Clarkson**  
Company Secretary and General Counsel  
21 October 2021



## Voting exclusion statement: item 2

*The Corporations Act 2001 (Cth)* (Corporations Act) imposes restrictions on:

- Directors and other key management personnel (as defined in the Corporations Act) of the Company; and
- their closely related parties (as defined in the Corporations Act),

voting in any capacity (eg. as a shareholder, proxy or corporate representative) on Item 2. This restriction does not apply if the person has been appointed as a proxy which specifies how the proxy is to vote on Item 2, provided that the person who appointed the proxy is not themselves a person subject to the restriction.

Also the restrictions do not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise the proxy. Additionally, if a member appoints the Chairman of the Meeting as their proxy and the member does not direct him how to vote on Item 2, the member will be expressly authorising the Chairman of the Meeting to vote, even though Item 2 is connected directly or indirectly with the remuneration of a member of the key management personnel for OVT.

Other Directors and other key management personnel of the Company and their closely related parties will not cast any votes in respect of Item 2 that arise from any undirected proxy that they hold.





## Explanatory memorandum

### Item 1 – Reports

While the Corporations Act requires the Annual Financial Report of Ovato and its controlled entities (Ovato Group), including the Directors' Report and the Auditor's Report, to be laid for consideration before the Annual General Meeting, neither the Corporations Act nor Ovato's Constitution requires shareholders to vote on, approve or adopt those reports.

Shareholders will, however, have the opportunity at the Annual General Meeting to raise questions on those reports.

### Item 2 – Remuneration Report

Ovato's Board of Directors is submitting its Remuneration Report to shareholders for consideration and adoption by way of a non-binding advisory ordinary resolution at the Annual General Meeting.

Under sections 250U and 250V of the Corporations Act, if at two consecutive Annual General Meetings of a listed company at least 25% of votes cast on a resolution that the Remuneration Report be adopted are against adoption of the report, at the second of these Annual General Meetings there must be put to the vote a resolution that another meeting be held within 90 days at which all Directors (except the Managing Director) who were Directors at the date the Remuneration Report was considered at the second Annual General Meeting must stand for re-election.

So, in summary, shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the Remuneration Report receives 'two strikes'.

The Remuneration Report did not receive a 'first strike' at the Ovato's 2020 Annual General Meeting.

The Remuneration Report is set out on pages 26 to 30 of Ovato's 2021 Annual Report.

This Remuneration Report outlines the Director and executive remuneration arrangements in accordance with the requirements of the Corporations Act and its Regulations. It covers the Directors of Ovato, including the Chief Executive Officer (CEO), and other key management personnel with the authority and responsibility for planning, directing and controlling the activities of Ovato. The report also contains information about the broader remuneration practices applying to management below the executive level.

A reasonable opportunity will be provided for shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

The Directors unanimously recommend you vote in favour of this resolution.

The Chairman of the Meeting intends to vote undirected proxies in favour of this resolution.

### Item 3 – Re-election of Director: Andrew McMaster

Biography of Andrew McMaster:

Andrew McMaster brings extensive professional financial and accounting experience to the table, including 27 years of experience as an Audit Partner of KPMG. Andrew has worked with a range of clients in the public and private sectors and as Director of Sydney Swans Limited for over 20 years, during one of their most successful periods. He also supported The Bradman Foundation and the Bradman Museum Trust throughout its formative years from 1996 to 2006 as a Director and Treasurer.

The Directors, with Andrew McMaster abstaining, recommend you vote in favour of this resolution.

The Chairman of the Meeting intends to vote undirected proxies in favour of this resolution.

### Item 4 – Share Consolidation

Item 4 seeks shareholder approval for the consolidation of the Company's issued capital through the consolidation of 100 Shares into one Share (the Consolidation).

Section 254H of the Corporations Act provides that the Company may convert all or any of its shares into a larger or smaller number of shares subject to approval of shareholders at a general meeting.

The Company is currently in the process of undertaking various capital management initiatives, including in respect of the Consolidation and the minimum holding buy-back announced to ASX on 21 October 2021 in respect of unmarketable parcels held in the Company (Minimum Holding Buy-Back).

As set out in the announcement to ASX dated 21 October 2021, the Company intends to buy back unmarketable parcels held by shareholders of the Company pursuant to the Minimum Holding Buy-Back. Under the Minimum Holding Buy-Back, it is proposed that the Company would buy back

## Explanatory memorandum (continued)

approximately 79 million Shares from shareholders that hold less than a marketable parcel of Shares, unless such shareholder notifies the Company of its wish to retain their Shares by 3 December 2021. Following completion of the Minimum Holding Buy-Back, the Company intends to undertake the Consolidation (subject to shareholders approving the Consolidation).

For the purposes of ASX Listing Rule 7.20, the Company advises as follows:

### **Purpose of the Proposed Resolution**

The Company currently has 12,212,812,252 Shares on issue. Having such a large number of shares on issue may create some perceived disadvantages for the Company and shareholders, including a perception of the Company's performance due to a low share price and a share price being less responsive due to the Company having a high number of shares on issue.

The Company is proposing to undertake the Consolidation to reduce its total issued capital to a more appropriate and effective capital structure for the Company.

### **Effect of the Consolidation**

#### **Shares**

The Company currently has 12,212,812,252 Shares on issue. If the Consolidation is approved by shareholders, the issued capital will reduce to approximately 122,128,123 Shares (subject to rounding and fractional share entitlements). Should all eligible shareholders participate in the Minimum Holding Buy-Back, the Company will have 12,133,711,545 Shares on issue, and if the Consolidation is approved by shareholders, such issued capital will reduce to approximately 121,337,115 Shares (subject to rounding and fractional share entitlements).

Individual shareholdings will be reduced in the same ratio as the total number of shares (subject to rounding and fractional entitlements). In the absence of any other market movements or changes to the issued capital (other than the Minimum Holding Buy-Back), the Consolidation will not affect the percentage interest in the Company held by each shareholder and will not result in a change to the rights and obligations of shareholders.

While the Consolidation will not have an effect on the underlying value of the Company, upon consolidation, the Shares should trade at a higher price than what they currently trade at on the basis that each Share following the Consolidation will represent 100 times the underlying value of a Share prior to the Consolidation.

#### **Fractional Entitlements**

Where the Consolidation results in an entitlement to a fraction of a Share, that fraction will be rounded down to the nearest whole number of Shares or zero, as applicable.

#### **Holding Statements**

With effect from the effective date of the Consolidation, all existing holding statements will cease to have effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. New holding statements will be issued to shareholders on completion of the Consolidation.

#### **Taxation**

The Consolidation should not result in a capital gains tax event for Australian tax residents. The cost base of the shares held after the Consolidation will be the sum of the cost bases of the shares held pre-Consolidation. The acquisition date of Shares held after the Consolidation will be the same as the date on which the Shares were originally acquired.

However, this Explanatory Memorandum does not consider the tax implications in respect of Shares or other securities held on revenue account, as trading stock or by non-resident shareholders. Shareholders should consider their own circumstances and seek their own professional advice in relation to their tax position.

Neither the Company nor any of its officers or employees assumes any liability or responsibility for advising shareholder of the tax consequences of the proposed Consolidation.

## Indicative Timetable

Subject to shareholder approval of the Consolidation, the proposed timetable for the Consolidation is set out below. The dates are indicative only and are subject to possible change.

Key Event	Indicative Date
Company announces Consolidation and sends out Notice of Meeting	Thursday, 21 October 2021
Annual General Meeting	Wednesday, 24 November 2021
Notification to ASX of the outcome of this resolution	Wednesday, 24 November 2021
Effective date for Consolidation	Tuesday, 7 December 2021
Last date for trading in pre-consolidation securities	Wednesday, 8 December 2021
Trading in consolidated securities commences on a deferred settlement basis	Thursday, 9 December 2021
Record Date (Last day to register transfers on a pre-consolidation basis)	Friday, 10 December 2021
First day for the Company to update its register	Monday, 13 December 2021
Last day for the Company to update its register and send holding statements to reflect change in number of securities held and notify ASX this has occurred	Friday, 17 December 2021
Deferred settlement trading ends	Friday, 17 December 2021
Commencement of normal settlement trading of securities on a consolidated basis	Monday, 20 December 2021

The Directors unanimously recommend you vote in favour of this resolution.

The Chairman of the Meeting intends to vote undirected proxies in favour of this resolution.

## Questions and comments by shareholders at the meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders to ask questions about, or make comments on, the management of Ovato at the meeting.

A reasonable opportunity will be also be given to shareholders to ask Ovato's external auditor, RSM Australia, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent auditor's report;
- (c) the accounting policies adopted by Ovato in relation to the preparation of its financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to RSM Australia if the question is relevant to the content of RSM Australia's audit report or the conduct of its audit of Ovato's financial report for the year ended 30 June 2021.

Relevant written questions for RSM Australia must be received at least five business days prior to the Annual General Meeting (i.e. by no later than 11.00am (AEDT) Wednesday 17 November 2021).

Relevant written questions will be read to shareholders attending the Annual General Meeting. RSM Australia will either answer the questions at the Annual General Meeting or table written answers to them at the Annual General Meeting. If written answers are tabled at the Annual General Meeting, they will be made available to shareholders as soon as practicable after the Annual General Meeting.

Please send any written questions for RSM Australia:

- to Computershare Investor Services Pty Limited at the address in the enclosed reply-paid envelope; or
- by facsimile to 02 9413 3942; or
- to Ovato at our registered office: Ovato Limited, Level 4, 60 Union Street, Pyrmont, NSW 2009

in sufficient time to be received by no later than 11.00am (AEDT) Wednesday 17 November 2021.





# Proxies

## Can I appoint a proxy?

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of Ovato and can be an individual or a body corporate.

If you want to appoint one proxy, please use the form provided. If you want to appoint two proxies, please follow the instructions on the front page of the proxy form.

Ovato's Constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder your directions will be effective on a poll and your proxy votes.

A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the annual general meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to Ovato.

## How should a proxy vote?

A proxy may vote or abstain from voting as he or she chooses except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution.

If an appointment directs the way the proxy is to vote on a particular resolution:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- 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;
- if the proxy is the chair – the proxy must vote on a poll and must vote that way; and
- if the proxy is not the chair – the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

## What is the final date for appointing a proxy?

To record a valid vote, a shareholder will need to take the following steps:

1. cast the shareholder's vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the shareholder's Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed proxy form; or
2. complete and lodge the manual proxy form at the share registry of the Company, Computershare Investor Services Pty Limited:
  - (a) by post at the following address using the enclosed business reply paid envelope:  
Computershare Investor Services Pty Limited GPO Box 242, Melbourne VIC 3001  
OR
  - (b) by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
3. for Intermediary Online subscribers only (custodians), cast the shareholder's vote online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com), so that it is received no later than 11.00am (AEDT) Monday 22 November 2021.

For personal use only



ABN 39 050 148 644

Level 4, 60 Union Street,  
Pyrmont NSW 2009

+ 61 2 9412 6111

[ovato.com.au](http://ovato.com.au)

## Need assistance?



**Phone:**

1300 556 161 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Monday, 22 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/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://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: 185960**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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



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

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Ovato 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 Ovato Limited to be held as a virtual meeting on Wednesday, 24 November 2021 at 11:00am (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 Item 2 (except where I/we have indicated a different voting intention in step 2) even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 2 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.

#### ORDINARY BUSINESS

Item 2 To adopt the Remuneration report

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Item 3 Re-Election of Andrew McMaster as a Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

#### SPECIAL BUSINESS

Item 4 Share Consolidation

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

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