

ASX Announcement

27 September 2023

Notice of Annual General Meeting

Please find attached the Notice of Annual General Meeting for Maas Group Holdings Limited for 2023.

As stated in the Notice of Meeting, the meeting will be held on 27 October 2023 commencing at 10.00 am (AEST). The meeting will be held at the offices of Morgans Financial, Level 29/123 Eagle Street, Brisbane, and virtually using an online webcast meeting accessed at <https://meetings.linkgroup.com/MGH23>.

Further details in relation to how to attend and participate in the meeting are contained in the Notice of Meeting. In addition to the Notice of Meeting, the Virtual Meeting Online Guide (released separately) is also available to download at the Annual General Meeting section of our website www.maasgroup.com.au.

Further information can be obtained by contacting Link Market Services Limited on +61 1300 554 474 or via our website at <https://investors.maasgroup.com.au/Investor-Centre/>

This announcement is authorised by Candice O'Neill, Company Secretary of MGH.

About MAAS Group Holdings Limited

MGH is a leading independent Australian construction materials, equipment and service provider with diversified exposures across the civil, infrastructure, mining and real estate markets.

For personal use only

MAAS Group Holdings Limited
ACN 632 994 542

**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY MEMORANDUM**

Place: Morgans Financial Limited, Level 29, 123 Eagle St, Brisbane City QLD 4000 or online via the online meeting platform at <https://meetings.linkgroup.com/MGH23>

Date: 27 October 2023

Time: 10am (AEST)

This Notice of Meeting and Explanatory Memorandum should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The Meeting will be conducted as a hybrid meeting with Shareholders able to attend and participate in person or virtually by using an online meeting platform which can be accessed at <https://meetings.link.com/MGH23> (further instructions are enclosed in this Notice of Meeting). Shareholders will have a reasonable opportunity to participate in the Meeting and ask questions either before or during the Meeting.

For personal use only

Letter from the Chairman

Dear Shareholder

On behalf of the Directors of Maas Group Holdings Limited (**MGH or Company**), I am pleased to invite you to attend the 2023 Annual General Meeting (**Meeting**) of the Company.

The Meeting will be held on 27 October 2023 commencing at 10am (**AEST**). This year's Meeting will be held as a hybrid meeting. Shareholders will have the opportunity to attend the Meeting either in person, at Morgans Financial Limited, Level 29, 123 Eagle St, Brisbane City QLD 4000, or online via an online webcast meeting.

To attend and participate at the Meeting online, you will need to log in to the online meeting platform provided by our share registry, Link Market Services Limited (**Link**): <https://meetings.linkgroup.com/MGH23>. If you decide to attend in person, you will need to register at the registration desk on the day of the AGM. The registration desk will be open from 9.30am (**AEST**).

For those Shareholders who have not registered an email address with the registry, unless you have requested hard copies of all documents, a hard copy letter will be sent to your registered address providing details of how to access the Notice of Meeting from our website: <https://investors.maasgroup.com.au/investor-centre>.

For those Shareholders who have registered an email address with the registry, we will not be sending you a hard copy letter or Proxy Form by post ahead of this Meeting. Instead, a copy of the Notice of Meeting will be sent to your registered email address. Alternatively, you are able to view and download a copy of the Notice of Meeting from our website or via the ASX announcements platform. This approach is consistent with the permanent modifications to the Corporations Act pursuant to the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth).

All the information you need to attend the Meeting will also be available on our website. It will include our Online Guide: <https://meetings.linkgroup.com/MGH23> on how to use the online meeting facility, answers to frequently asked questions and access to the Notice of Meeting. The Online Guide also provides instructions on how to vote and ask a question online ahead of the Meeting.

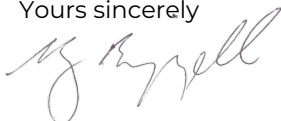
All resolutions considered at the Meeting will be decided on by poll. I encourage you to read the Notice of Meeting (including the Explanatory Memorandum) and consider submitting a Voting Form or directing your proxy how to vote on each resolution by marking either the "for" box, the "against" box or the "abstain" box on the Voting Form or registering to vote online, prior to the Meeting.

I strongly encourage you to lodge your Voting Form no later than 10am on 25 October 2023 (**AEST**) preferably by doing so online, or vote online or in person at the Meeting.

Subject to the abstentions noted in the Explanatory Memorandum, the Directors of the Company unanimously recommend that Shareholders vote in favour of all resolutions.

Thank you for your continued support of the Company. The Board looks forward to engaging with you, whether in person or online, on Friday 27 October 2023.

Yours sincerely



Stephen Bizzell

Chairman

27 September 2023

For personal use only

MAAS Group Holdings Limited

ACN 632 994 542

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of MAAS Group Holdings Limited will be held on 27 October 2023 at 10am (AEST).

Shareholders who wish to attend the meeting, can participate:

- via a live webcast of the Meeting by visiting <https://meetings.linkgroup.com/MGH23> on their smartphone, tablet or computer, or
- in person at Morgans Financial Limited, Level 29, 123 Eagle St, Brisbane City QLD 4000.

Shareholders will have the opportunity to participate, ask questions and cast votes at the appropriate times whilst the Meeting is in progress.

Shareholders who are unable to join or attend the Meeting are encouraged to cast a direct vote prior to the Meeting, or alternatively, to appoint a proxy to participate and vote on your behalf. If you direct your proxy how to vote, your votes will be cast at the Meeting in accordance with your directions.

Shareholders can cast their direct vote or appoint a proxy online at <https://investorcentre.linkgroup.com> or by following the instructions on the Voting Form. The Voting Form must be submitted by no later than **10am (AEST)** on **25 October 2023** to be valid.

Submitting or asking questions at the Meeting

The Company will ensure that all Shareholders have a reasonable opportunity to ask questions via the following means:

- in advance of the Meeting by sending your questions to companysecretary@maasgroup.com.au at least 48 hours before the start of the Meeting;
- submit questions in real time via the webcast meeting platform. Details on how to access the webcast meeting platform are set out in the Online Guide; and
- if you are attending in person, you will have the ability to ask questions during the Meeting.

IMPORTANT INFORMATION

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes the various matters to be addressed at the Meeting. The Explanatory Memorandum should be read in conjunction with this Notice of Meeting.

Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum have the meanings given to them in the Glossary unless the context indicates otherwise.

For personal use only

ITEMS OF BUSINESS

A. ORDINARY BUSINESS

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: There is no requirement for Shareholders to approve the reports.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report as contained in the Company's Annual Report for the year ended 30 June 2023."

Note: The vote on this resolution is advisory only and does not bind the directors or the Company. This resolution is subject to voting exclusions which are set out in the Important Notes section of this Notice of Meeting.

3. Resolution 2 – Re-Election of Director – David Keir

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of clause 9.2(b)(iv) of the Constitution and ASX Listing Rule 14.5, and for all other purposes, David Keir who was appointed as a Director, retires and being eligible offers himself for re-election, be re-elected as a Director of the Company."

B. SPECIAL BUSINESS

4. Resolution 3 – Approval of prior issue or agreement to issue Shares as part consideration for the Dandy Acquisition

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

"That approval be given for the purposes of ASX Listing Rule 7.4 and for all other purposes, for the ratification of the prior issue or agreement to issue up to 1,763,753 fully paid ordinary shares in the Company as part consideration for the Dandy Acquisition, on the terms and conditions set out in the Explanatory Memorandum."

Note: A voting exclusion applies to this Resolution. See the Important Notes section of this Notice of Meeting for details.

For personal use only

5. Resolution 4 – Approval of the issue of Performance Rights to Wes Maas for the Financial Years Ended on 30 June 2022 and 30 June 2023 under the Long Term Incentive Plan

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

“That approval be given for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the issue of 118,359 Performance Rights to acquire ordinary shares in the Company (and the issue of ordinary shares on the vesting of the Performance Rights) to Wes Maas (or entities associated with him) in accordance with the Company’s Long Term Incentive Plan, for the financial years ended 30 June 2022 and 30 June 2023, on the terms and conditions set out in the Explanatory Memorandum.”

Note: A voting exclusion applies to this Resolution. See the Important Notes section of this Notice of Meeting for details.

6. Resolution 5 – Approval of the issue of Performance Rights to Tanya Gale for the Financial Years Ended 30 June 2022 and 30 June 2023 under the Long Term Incentive Plan

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

“That approval be given for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the issue of 53,263 Performance Rights to acquire ordinary shares in the Company (and the issue of ordinary shares on the vesting of the Performance Rights) to Tanya Gale (or entities associated with her) in accordance with the Company’s Long Term Incentive Plan, for the financial years ended 30 June 2022 and 30 June 2023, on the terms and conditions set out in the Explanatory Memorandum.”

Note: A voting exclusion applies to this Resolution. See the Important Notes section of this Notice of Meeting for details.

7. Resolution 6 - Approval of financial assistance

To consider and, if thought fit, pass the following resolution, with or without amendment, as a special resolution:

“That for the purposes of section 260B(2) of the Corporations Act and for all other purposes, approval is given for financial assistance to be provided by each of the following subsidiaries of the Company, in connection with the Financial Assistance Acquisition of the relevant subsidiary, in each case as described in the Explanatory Memorandum:

- (a) Dandy Premix Quarries Pty Ltd ACN 125 332 989; and
- (b) Casey Concrete Pty Ltd ACN 079 407 757.

C. OTHER BUSINESS

To transact any other business which may be properly brought before this Annual General Meeting.

By order of the Board.



Craig Bellamy
Company Secretary

27 September 2023

IMPORTANT NOTES

VOTING ENTITLEMENTS

For the purposes of ascertaining voting entitlements for the Annual General Meeting, the Board has determined that the shareholding of each member will be as it appears in the Company's register of members at **10am (AEST) on 25 October 2023**.

HOW TO VOTE

To vote at the Meeting you will need to follow these steps:

EITHER 1. DIRECT VOTING – PRIOR TO THE MEETING

You may cast a direct vote prior to the Meeting either online at <https://investorcentre.linkgroup.com> or by completing and following the instructions on the Voting Form. If you cast a direct vote prior to the Meeting, you may still participate in the Meeting. If you participate in the Meeting, the Chairman has determined that your direct vote will not be cancelled unless you cast a vote during the Meeting (either in person or virtually).

OR 2. LIVE VOTING ONLINE – DURING THE MEETING

You will be able to live vote in real-time during the Meeting when invited by the Chairman. You will be able to vote for, against or abstain on each item through the online meeting platform, accessed via <https://investorcentre.linkgroup.com>.

OR 3. LIVE VOTING – IN PERSON AT THE MEETING

You will be able to vote at the AGM in person.

OR 4. APPOINTING A PROXY

You can appoint a proxy to participate and vote on your behalf as an alternative to participating in the Meeting or casting a direct vote in advance of the Meeting.

You may appoint a proxy either online at <https://investorcentre.linkgroup.com> or by completing and submitting a Voting Form in accordance with the instructions, prior to the Meeting.

Your completed Voting Form must be received by no later than **10am (AEST) on 25 October 2023**.

For personal use only

VOTING EXCLUSION STATEMENTS

Resolution 1 – Approval of Remuneration Report

The Company will disregard any votes, in accordance with section 250R(4) of the Corporations Act, by or on behalf of:

- a. a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- b. a Closely Related Party of such member.

However, in accordance with section 250R(5) of the Corporations Act, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described in section 250R(4) and either:

- a. the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or
- b. the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on Resolution 1 and expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.

Resolution 3 – Ratification of prior issue or agreement to issue Shares as part consideration for the Dandy Acquisition

In accordance with ASX Listing Rule 14.11 the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a. a person who participated in the issue of the Shares the subject of the applicable Resolution or a person who is a counterparty to the agreement being approved; or
- b. an associate of any of those persons;

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

- a. a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- b. the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman 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 the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolutions 4 and 5 - Approval of the issue of Performance Rights to Wes Maas and Tanya Gale for the Financial Years Ended 30 June 2022 and 30 June 2023 under the Long Term Incentive Plan

In accordance with section 250BD of the Corporations Act, a vote must not be cast on Resolutions 4 and 5 as a proxy by a member of the Key Management Personnel at the date of the Meeting, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairperson where the proxy appointment expressly authorises the Chairperson of the Meeting to exercise undirected proxies even if the Resolution is connected, directly or indirectly, with the remuneration of the Key Management Personnel.

Further, in accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of each of Resolutions 4 and 5 by or on behalf of:

- a. a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Long Term Incentive Plan, which includes Wes Maas and Tanya Gale); or
- b. any associate of any of those persons.

However, the Company need not disregard a vote cast on any of Resolution 4 and 5 if it is cast by:

- a. a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- b. the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- c. a Shareholder acting solely in a nominee, trustee, custodian or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
 - ii. the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

PROXIES AND COMPANY REPRESENTATIVES

1. A Voting Form is enclosed.
2. A Shareholder entitled to attend and vote at the Meeting may appoint up to two proxies to attend and vote at the Meeting on that Shareholder's behalf. A proxy need not be a Shareholder. If you wish to appoint two proxies, please contact Link on 1300 554 474 (Australia) or +61 1300 554 474 (overseas).
3. The Voting Form must be signed by the Shareholder or his or her attorney in accordance with the instructions on the Voting Form.
4. To be valid, the Voting Form and the power of attorney or other authority (if any) under which it is signed (or any certified copy thereof) must be received by Share Registry at the address or email address below, or submitted online, **no later than 10am (AEST) on 25 October 2023**.

By mail: Locked Bag A14
Sydney South
NSW 1235

By hand delivery: Link Market Services Limited
Parramatta Square,
Level 22, Tower 6,
10 Darcy Street,
Parramatta, NSW 2150

(during business hours Monday to Friday (9am – 5pm))

By QR code: using a mobile device by scanning the QR code on the back of the Voting Form. To scan the QR code you will need a QR code reader application that can be downloaded for free on your mobile device. You will also need your SRN or HIN and postcode for your shareholding.

Online: go to <https://investorcentre.linkgroup.com>, log-in and follow the prompts.

Custodians: Relevant custodians may lodge their Voting Form online by visiting <https://investorcentre.linkgroup.com>.

5. A member which is a body corporate and entitled to attend and vote at the Meeting, or a proxy which is a body corporate and is appointed by a member entitled to attend and vote at the Meeting may appoint an individual to act as its representative at the Meeting in accordance with section 250D of the Corporations Act. The representative must send to Link by no later than **10am on 25 October 2023 (AEST)** prior to the Meeting, a certificate to evidence his or her appointment unless it has previously been provided to Link. The Voting Form contains instructions for obtaining a form of the certificate.

6. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit, subject to any voting restrictions that may apply to the proxy.
7. If the Voting Form is signed but is blank in all other material aspects, it will be taken to mean that it is in favour of the Chair of the Meeting for full voting rights.

APPOINTING THE CHAIR AS YOUR PROXY

The Voting Form accompanying this Notice of Meeting and which can be obtained online at <https://investorcentre.linkgroup.com>, contains detailed instructions on how to complete the Voting Form if a Shareholder wishes to appoint the Chair of the Meeting as his or her proxy. You should read those instructions carefully.

If a Shareholder directs the Chair how to vote on an item of business, the Chair must vote in accordance with the direction.

The Chair intends to exercise all undirected proxies by voting in favour of all Resolutions.

For personal use only

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is to be read in conjunction with the accompanying Notice of Annual General Meeting.

Purpose

The purpose of this Explanatory Memorandum is to provide Shareholders with an explanation of the business of the Meeting and of the resolutions to be proposed and considered at the Meeting of the Company to be held on **27 October 2023 at 10am (AEST)** and to allow Shareholders to determine how they wish to vote on those resolutions.

Shareholders should read the Notice of Meeting and this Explanatory Memorandum in full before deciding how to vote.

Capitalised Terms

Capitalised terms used in this Explanatory Memorandum have the meanings given to them in the Glossary unless otherwise defined.

PART A – ORDINARY BUSINESS

Annual Report

In accordance with section 317(1) of the Corporations Act, the Annual Report must be laid before the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- a. discuss the Annual Report which is available online at: <https://investors.maasgroup.com.au/Investor-Centre/>
- b. ask questions about, or comment on, the management of the Company;
- c. ask the auditor questions about the conduct of the audit and 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 in the Annual Report and the independence of the auditor in relation to the conduct of the audit; and
- d. ask questions about, or make comments on, the Remuneration Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- a. the content of the Auditor's Report; and
- b. the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office or at companysecretary@maasgroup.com.au.

2. Resolution 1 – Approval of Remuneration Report

- 2.1 In accordance with section 250R(2) of the Corporations Act, the Company must put the adoption of the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.
- 2.2 In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.
- 2.3 However, if the Remuneration Report receives a 'no' vote of 25% or more ("**Strike**") at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board (except a managing director). Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than a managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.
- 2.4 The Company notes that its Remuneration Report did not receive a Strike at last year's annual general meeting.
- 2.5 A voting exclusion statement for Resolution 1 is included in the Voting Exclusions in the Important Notes section.

3. Resolution 2 – Re-Election of Director – David Keir

- 3.1 Resolution 2 seeks approval for the re-election of David Keir as a Director with effect from the end of the Annual General Meeting.
- 3.2 Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting. In addition, clause 9.2(b) of the Constitution provides that there must be an election of Directors at each annual general meeting of the Company. If no Director is required to stand for re-election by rotation or otherwise at an annual general meeting of the Company, then any Director may retire and stand for re-election, otherwise, the person who has been a Director the longest without re-election must retire and stand for re-election. As no Director is required to stand for re-election at this year's annual general meeting, David Keir will retire and stand for re-election at the Meeting.
- 3.3 David Keir was appointed as an additional Director on 5 October 2021, re-elected as a director at the Company's annual general meeting on 9 November 2021, and as such, retires from office in accordance with the above requirements, and submits himself for re-election.
- 3.4 David is a highly experienced executive with over 35 years' experience in the property industry having held senior executive positions with Delfin, Lend Lease and Devine. He is currently the Chief Commercial Officer of the Port of Brisbane, overseeing all commercial operations of the Port including the extensive property portfolio and trade activities.
- 3.5 The Directors, with David Keir abstaining, support the re-election of David Keir and recommend that Shareholders vote in favour of this Resolution.

3.6 The Chairman intends to exercise all available proxies in favour of this Resolution.

4. Resolution 3 – Ratification of issue or agreement to issue Shares as part consideration for the Dandy Acquisition

4.1 Background

- 4.1.1 On 16 December 2022, Regional Group Australia, a subsidiary of the Company, acquired all of the issued share capital in Dandy Premix Quarries Pty Ltd ACN 125 332 989 (**DPQ or Dandy**) from Mark Steven Cranny (**Vendor**) pursuant to a share sale and purchase deed dated 24 November 2022 (**Dandy Acquisition**).
- 4.1.2 Prior to this acquisition, DPQ acquired the business and certain of the assets of Cranny Developments Pty Ltd ACN 007 108 009 (formerly known as Dandy Premix Concrete Pty Ltd) (**DPC**) (including among other things, all of the shares in the share capital of Casey Concrete Pty Ltd ACN 079 407 757 held by DPC (**Casey Concrete Acquisition**)) pursuant to a business sale and purchase agreement dated 24 November 2022.
- 4.1.3 Dandy is an integrated construction materials business in south-east Melbourne operating five concrete plants, a sand quarry and a hard rock quarry.
- 4.1.4 The total consideration for the Dandy Acquisition was \$85m, comprised of \$76.5m in cash and the issue of 3,331,553 Shares (**Consideration Shares**). 979,863 Shares were issued on completion of the acquisition on 19 December 2022 (**Tranche 1 Shares**) with the remaining 2,351,670 Consideration Shares to be issued in equal tranches annually over the next three years as follows:
- (a) Tranche 2 – 783,890 Shares to be issued on the 12 month anniversary date of completion of the Dandy Acquisition (i.e. 19 December 2023) (**Tranche 2 Shares**);
 - (b) Tranche 3 – 783,890 Shares to be issued on the 24 month anniversary date of completion of the Dandy Acquisition (i.e. 19 December 2024) (**Tranche 3 Shares**); and
 - (c) Tranche 4 – 783,890 Shares to be issued on the 36 month anniversary date of completion of the Dandy Acquisition (i.e. 19 December 2025) (**Tranche 4 Shares**).
- 4.1.5 Further cash consideration of up to \$22 million may be payable, contingent on a new permit being achieved for the Yarra Valley Quarry to access long-term reserves.
- 4.1.6 The Company is seeking Shareholder approval to ratify the issue of the Tranche 1 Shares and the agreement to issue the Tranche 2 Shares (which will be issued in the coming months on 19 December 2023) for the purpose of ASX Listing Rule 7.4, with further details provided below. For the purpose of this Resolution, the Tranche 1 Shares and Tranche 2 Shares are referred to as the **Dandy Consideration Shares**.
- 4.1.7 The Company is not seeking Shareholder approval of the agreement to issue the Tranche 3 Shares and Tranche 4 Shares at this stage as Shareholder approval under ASX Listing Rule 7.4 is limited to Shares that have already been issued or will be shortly issued within 3 months of the date of the Meeting, which is not the case with the Tranche 3 and Tranche 4 Shares.

4.2 ASX Listing Rule 7.4 and reasons for shareholder approval

- 4.2.1 Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

- 4.2.2 The issue and agreement to issue the Dandy Consideration Shares does not fit within any of these exceptions and, as these have not yet been approved by Shareholders, these effectively use up part of the 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under ASX Listing Rule 7.1 for the 12 month period following the issue date.
- 4.2.3 ASX Listing Rule 7.4 allows the shareholders of a company to approve an issue or agreement to issue of equity securities after it has been made or agreed to be made. If they do, the issue or agreement to issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.
- 4.2.4 The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issue under ASX Listing Rule 7.1.
- 4.2.5 To this end, Resolution 3 seeks Shareholder approval of the issue 1,763,753 Shares under and for the purpose of ASX Listing Rule 7.4.
- 4.2.6 If Resolution 3 is passed, the 1,763,753 Shares will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.
- 4.2.7 If Resolution 3 is not passed, the 1,763,753 Shares will be included in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.
- 4.2.8 Below is set out further information required to be provided to Shareholders under ASX Listing Rule 7.5:
- (a) the Company issued 979,863 Tranche 1 Shares on 19 December 2022 and has agreed to issue 783,890 Tranche 2 Shares on 19 December 2023, to the vendors under the Dandy Acquisition;
 - (b) the Company has already issued the Tranche 1 Shares to the vendors and will issue the Tranche 2 Shares to the vendors on 19 December 2023 and in any event, will issue the Tranche 2 Shares to the vendors within 3 months of this Meeting;
 - (c) the value of the Dandy Consideration Shares was calculated as the 5-day VWAP of the Company's Shares prior to the date of completion of the Dandy Acquisition, being \$2.5513 per Dandy Acquisition Share;
 - (d) the Dandy Consideration Shares are being issued as part consideration for the Dandy Acquisition and as such, the Company will not receive any cash for the issue of the Dandy Consideration Shares;
 - (e) the Dandy Consideration Shares were issued or agreed to be issued under the terms of the share sale deed for the Dandy Acquisition which was announced previously to ASX on 19 December 2022. A summary of the material terms of the Dandy Acquisition are set out at Schedule 2 of this Notice of Meeting; and
 - (f) a voting exclusion statement for this Resolution is found in the Voting Exclusions in the Important Notes section of this Notice of Meeting.

4.3 **Recommendation**

- 4.3.1 The Directors recommend that Shareholders vote in favour of Resolution 3.

4.3.2 The Chairman intends to vote all undirected proxies in favour of this Resolution 3.

5. Resolutions 4 & 5 – Approval of the issue of Performance Rights to Wes Maas and Tanya Gale for the Financial Years Ended on 30 June 2022 and 30 June 2023 under the Long Term Incentive Plan

5.1 Background

5.1.1 The Company's Long Term Incentive Plan was approved by Shareholders at the Company's Annual General Meeting on 9 November 2021 (**LTIP**).

5.1.2 Under the LTIP, the Board may invite eligible participants, including Directors, senior management and any other employees of the Company or its subsidiaries, to participate in the award of options, performance rights, shares and loan funded shares to:

- (a) enable the Company to incentivise and retain existing Key Management Personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company; and
- (c) align the financial interest of participants of the LTIP with those of Shareholders.

5.1.3 The Company is proposing to issue performance rights to Wes Maas (CEO and Managing Director) and Tanya Gale (Executive Director).

5.1.4 The below table provides information on the shareholdings of Wes Mass and Tanya Gale (and their associated entities) as at the date of this Notice of Meeting and following conversion of the Performance Rights assuming approval of Resolutions 4 and 5:

Director	Current number of Shares	Current % Shareholding (fully diluted)	% Shareholding post issue of the FY22 and FY23 Performance Rights (fully diluted)
Wes Maas	173,381,789	52.99%	52.95%
Tanya Gale	158,182	0.01%	0.01%

Note: The table above does not include any Shares that may be issued under the Company's dividend reinvestment plan, LTIP, or any other issues after the date of this Notice of Meeting.

5.1.5 The Performance Rights for executives are based on a profit share allocation of Earnings Before Interest and Tax (**EBIT**) for the preceding financial year. The initial allocation (**Award**) is based on a percentage of the participant's base salary and is designed to grow over time as the Company's earnings grow.

5.1.6 The annual Award is based on the Company's actual EBIT against a target EBIT (100%) with adjustments for Threshold (75%) and Maximum (130%).

5.1.7 The Board sets the target EBIT annually as part of the Company budget process.

5.2 Listing Rule 10.14

- 5.2.1 Listing Rule (LR) 10.14 provides, that a company must not permit any of the following persons to acquire securities under an employee incentive scheme without Shareholder approval:
- (a) a director of the company (LR 10.14.1);
 - (b) an associate of a person referred to above (LR 10.14.2); or
 - (c) a person whose relationship with the company or a person referred to above is such that, in ASX's opinion, the issue or agreement should be approved by shareholders (LR 10.14.3).
- 5.2.2 Each of Wes Maas and Tanya Gale are Directors of the Company and fall within the category of person noted in Listing Rule 10.14.1. As such the issue of Performance Rights under the LTIP to each of Wes Maas and Tanya Gale requires Shareholder approval under Listing Rule 10.14.

6. Resolution 4 - Approval of the issue of 118,359 Performance Rights to Wes Maas under the Long Term Incentive Plan for the Financial Years Ended 30 June 2022 and 30 June 2023

- 6.1 Resolution 4 seeks the required Shareholder approval to the issue of 118,359 Performance Rights to Mr Wes Maas for the purposes of Listing Rule 10.14.
- 6.2 If Resolution 4 is passed, the Company will be able to proceed with the issue of 118,359 Performance Rights to Mr Wes Maas under the LTIP for the financial years ended 30 June 2022 and 30 June 2023 and enable the Company to incentivise and promote the retention of Mr Maas.
- 6.3 If Resolution 4 is not passed, the Company will not be able to proceed with the issue of Performance Rights for the financial years ended 30 June 2022 and 30 June 2023 to Mr Wes Maas which may impact the Company's ability to incentivise and promote the retention of Mr Wes Maas. The Company may then be required to consider other options available to incentive and promote the retention of Mr Wes Maas, including the issue of options, Shares, loan funded shares, an increase in remuneration or cash bonuses.
- 6.4 In accordance with Listing Rule 10.15, information is provided to Shareholders for the purposes of obtaining shareholder approval under Resolution 4 as follows:
- 6.4.1 45,000 Performance Rights will be issued to Mr Wes Maas under the LTIP for the financial year ended 30 June 2022;
 - 6.4.2 73,359 Performance Rights will be issued to Mr Wes Maas under the LTIP for the financial year ended 30 June 2023;
 - 6.4.3 Wes Maas falls into the category of persons referred to in Listing Rule 10.14.1 on the basis that Wes Maas is a Director of the Company;
 - 6.4.4 Wes Maas is currently entitled to receive fixed remuneration of \$360,000 (exclusive of superannuation) per annum and is entitled to participate in the Company's short term incentive plan and LTIP;
 - 6.4.5 no securities have previously been issued to Mr Wes Maas under the LTIP;
 - 6.4.6 the Performance Rights to be issued to Mr Wes Maas will be issued on the terms of the LTIP approved by Shareholders on 9 November 2021 and will otherwise have the following key terms:

Key Terms	FY22 Performance Rights	FY23 Performance Rights
Allocation	45,000	73,359
Issue price	Nil cash consideration	Nil cash consideration
Performance Hurdles	Earnings Per Share Compound Annual Growth Rate: 7.5% - 12.5% (50% weighting) Average Annual Return on Equity (ROE): 15% - 20.0% (50% weighting)	Earnings Per Share Compound Annual Growth Rate: 7.5% - 12.5% (50% weighting) Average Annual Return on Equity (ROE): 15% - 20.0% (50% weighting)
Performance Hurdles Test Period	1 July 2022 - 30 June 2026	1 July 2023 - 30 June 2027
Vesting date	30 August 2026	30 August 2027
Vesting period	Grant Date – Vesting Date	Grant Date – Vesting Date
Vesting conditions	<ul style="list-style-type: none"> Achievement of Performance Hurdles; and Continuing Employment as at 30 August 2026 	<ul style="list-style-type: none"> Achievement of Performance Hurdles; and Continuing Employment as at 30 August 2027
Settlement in Shares or cash	Vested performance rights may be settled, at the discretion of the Board, in Plan Shares or cash	Vested performance rights may be settled, at the discretion of the Board, in Plan Shares or cash

- 6.4.7 a summary of the material terms of the LTIP are set in the Schedule to this Notice of Meeting;
- 6.4.8 the Company has chosen to issue Performance Rights as these securities are considered by the Board to be an appropriate equity security under the Company's LTIP as the vesting of those Performance Rights link directly to vesting conditions (described above) which relate to the performance of the Company, to be satisfied before fully paid ordinary shares are issued;
- 6.4.9 the value attributed to each Performance Right was calculated at the VWAP of Shares over the 20 trading days subsequent to the release of the Company's applicable full year financial results on the ASX, such that the value attributed to the FY22 Performance Rights is \$180,000 (\$4.00 per unit) and the FY23 Performance Rights is \$234,750 (\$3.20 per unit);
- 6.4.10 the Performance Rights will be issued to Mr Wes Maas no later than 3 years after the date of this Meeting;
- 6.4.11 the Company will not provide a loan to Mr Wes Maas in connection with the grant of his Performance Rights or vesting of his Performance Rights;
- 6.4.12 the Company notes:

- (a) details of any securities issued under the LTIP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (b) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTIP after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule;

6.4.13 a voting exclusion statement is set out in the Important Notes in this Notice of Meeting.

6.5 Recommendation

6.5.1 The Directors, with Wes Maas abstaining, recommend that Shareholders vote in favour of Resolution 4.

6.5.2 The Chair intends to vote all undirected proxies in favour of this Resolution 4.

7. **Resolution 5 - Approval of the issue of 53,263 Performance Rights to Tanya Gale under the Long Term Incentive Plan for the Financial Years Ended on 30 June 2022 and 30 June 2023**

7.1 Resolution 5 seeks the required Shareholder approval to the issue of 53,263 Performance Rights to Ms Tanya Gale for the purposes of Listing Rule 10.14.

7.2 If Resolution 5 is passed, the Company will be able to proceed with the issue of 53,263 Performance Rights to Ms Tanya Gale under the LTIP for the financial years ended 30 June 2022 and 30 June 2023 and enable the Company to incentivise and promote the retention of Ms Tanya Gale.

7.3 If Resolution 5 is not passed, the Company will not be able to proceed with the issue of Performance Rights for the financial years ending 30 June 2022 and 30 June 2023 to Ms Gale which may impact the Company's ability to incentivise and promote the retention of Ms Tanya Gale. The Company may then be required to consider other options available to incentive and promote the retention of Ms Tanya Gale, including the issue of options, Shares, loan funded shares, an increase in remuneration or cash bonuses.

7.4 In accordance with Listing Rule 10.15, information is provided to Shareholders for the purposes of obtaining Shareholder approval under Resolution 6 as follows:

7.4.1 20,250 Performance Rights will be issued to Ms Tanya Gale under the LTIP for the financial year ended 30 June 2022;

7.4.2 33,013 Performance Rights will be issued to Ms Tanya Gale under the LTIP for the financial year ended 30 June 2023;

7.4.3 Tanya Gale falls into a category of persons referred to in Listing Rule 10.14.1 on the basis that Tanya Gale is a Director of the Company;

7.4.4 Tanya Gale is currently entitled to receive fixed remuneration of \$270,000 (exclusive of superannuation) per annum and is entitled to participate in the Company's short term incentive plan and LTIP and received an amount of \$43,200 under the short term incentive plan for the year ended 30 June 2023;

7.4.5 no securities have previously been issued to Tanya Gale under the LTIP;

7.4.6 the Performance Rights to be issued to Tanya Gale will be issued on the terms of the LTIP approved by Shareholders on 9 November 2021 and will otherwise have the following key terms:

Key Terms	FY22 Performance Rights	FY23 Performance Rights
Allocation	20,250	33,013
Issue price	Nil cash consideration	Nil cash consideration
Performance Hurdles	Earnings Per Share Compound Annual Growth Rate: 7.5% - 12.5% (50% weighting) Average Annual Return on Equity (ROE): 15% - 20.0% (50% weighting)	Earnings Per Share Compound Annual Growth Rate: 7.5% - 12.5% (50% weighting) Average Annual Return on Equity (ROE): 15% - 20.0% (50% weighting)
Performance Hurdles Test Period	1 July 2022 - 30 June 2026	1 July 2023 - 30 June 2027
Vesting date	30 August 2026	30 August 2027
Vesting period	Grant Date – Vesting Date	Grant Date – Vesting Date
Vesting conditions	<ul style="list-style-type: none"> • Achievement of Performance Hurdles; and • Continuing Employment as at 30 August 2026 	<ul style="list-style-type: none"> • Achievement of Performance Hurdles; and • Continuing Employment as at 30 August 2027
Settlement in Shares or cash	Vested performance rights may be settled, at the discretion of the Board, in Plan Shares or cash	Vested performance rights may be settled, at the discretion of the Board, in Plan Shares or cash

- 7.4.1 a summary of the material terms of the LTIP are set in the Schedule to this Notice of Meeting;
- 7.4.2 the Company has chosen to issue Performance Rights as these securities are considered by the Board to be an appropriate equity security under the Company's LTIP as the vesting of those Performance Rights link directly to vesting conditions (described above) which relate to the performance of the Company, to be satisfied before fully paid ordinary shares are issued;
- 7.4.3 the value attributed to each Performance Right was calculated at the VWAP of Shares over the 20 trading days prior to the release of the Company's applicable full year financial results on the ASX, such that the value attributed to the FY22 Performance Rights is \$81,000 (\$4.00 per unit) and the FY23 Performance Rights is \$105,640 (\$3.20 per unit);
- 7.4.4 the Performance Rights will be issued to Tanya Gale no later than 3 years after the date of this Meeting;
- 7.4.5 the Company will not provide a loan to Ms Tanya Gale in connection with the grant of her Performance Rights or vesting of her Performance Rights;
- 7.4.6 the Company notes:

- (a) details of any securities issued under the LTIP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
 - (b) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTIP after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule;
 - 7.4.7 a voting exclusion statement is set out in the Important Notes section in this Notice of Meeting.
 - 7.5 Recommendation
 - 7.5.1 The Directors, with Tanya Gale abstaining, recommend that Shareholders vote in favour of Resolution 5.
 - 7.5.2 The Chair intends to vote all undirected proxies in favour of this Resolution 5.
-

8. Resolution 6 - Approval of Financial Assistance

8.1 Restrictions on companies giving financial assistance

- 8.1.1 Pursuant to section 260A(1) of the Corporations Act a company may financially assist a person to acquire shares (or units of 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 (with a notice of the proposed meeting of shareholders or the proposed shareholders' resolution being lodged with ASIC in advance); or
 - (c) the assistance is exempted under section 260C of the Corporations Act.
- 8.1.2 A company may be regarded as providing financial assistance if it furnishes something which is needed in order for a transaction to be carried out or something in the nature of aid or help. Common examples of financial assistance include paying a dividend, debt forgiveness, issuing a debenture, giving a guarantee or granting security over a company's assets to secure another person's liability.
- 8.1.3 The requirements for shareholder approval of financial assistance are described in section 8.2 below.

8.2 Shareholder approval of financial assistance

- 8.2.1 Under section 260B(1) of the Corporations Act, for a company to financially assist a person to acquire shares (or units of shares) in itself or a company of which it is a subsidiary, the financial assistance must be approved by its shareholders by:
 - (a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or

(b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

8.2.2 If, immediately after the acquisition, the company will be a subsidiary of another:

(a) domestic corporation that is listed in Australia (**Listed Australian Holding Company**); or

(b) domestic corporation that is not listed in Australia and is not itself a subsidiary of another domestic corporation (**Ultimate Australian Holding Company**),

then the financial assistance must also be approved by a special resolution passed under section 260B(2) (in the case of a Listed Australian Holding Company) or 260B(3) (in the case of an Ultimate Australian Holding Company) of the Corporations Act at a general meeting of that corporation.

8.3 **Approval by Shareholders of the Company under section 260B(2)**

The purpose of this section 8 is to explain in further detail the proposed Resolution 6 set out in the Notice of Meeting which must be passed under section 260B(2) of the Corporations Act to enable each Acquired Entity to financially assist the relevant Purchasers in connection with each Acquisition (as described in section 8.4 below) (such resolutions being referred to in this Section 8 as the **Financial Assistance Resolutions**).

8.4 **The Acquisition**

Casey Concrete Acquisition

On 16 December 2022 Dandy Premix Quarries Pty Ltd ACN 125 332 989 (**DPQ**) acquired the business and certain of the assets of Cranny Developments Pty Ltd ACN 007 108 009 (formerly known as Dandy Premix Concrete Pty Ltd) (**DPC**) (including among other things, all of the shares in the share capital of Casey Concrete Pty Ltd ACN 079 407 757 held by DPC (**Casey Concrete Acquisition**)) pursuant to a business sale and purchase agreement dated 24 November 2022.

DPQ Acquisition

On 16 December 2022, Regional Group Australia, a subsidiary of the Company, acquired all of the issued share capital in DPQ from Mark Steven Cranny (as Vendor) pursuant to, a share sale and purchase deed dated 24 November 2022 (**DPQ Acquisition**).

Each of the Casey Concrete Acquisition and the DPQ Acquisition are referred to in this Explanatory Memorandum as a **Financial Assistance Acquisition**, and together, the **Financial Assistance Acquisitions**.

Each of Casey Concrete and DPQ are referred to in this Explanatory Memorandum as an **Acquired Entity**, and together, the **Acquired Entities**.

Each of DPQ and Regional Group Australia are referred to in this Explanatory Memorandum as a **Purchaser** and together, the **Purchasers**.

8.5 **Funding arrangements and financial assistance**

8.5.1 *Overview*

It is proposed that each Acquired Entity:

(a) execute a guarantor assumption deed (**Guarantor Assumption Deed**) in order to accede to, and become an 'Additional Guarantor' under, a common terms deed poll entered into by the Company and certain of its subsidiaries on or around 14 May 2020 (**Common Terms Deed Poll**);

- (b) execute an obligor accession deed (**Obligor Accession Deed**) in order to accede to, and become a 'New Obligor' under, a security trust deed dated on or around 14 May 2020, entered into between, among others, Westpac Administration Pty Ltd ABN 67 008 617 203 (as **Security Trustee**), the Company and certain of its subsidiaries (**Security Trust Deed**); and
- (c) enter into a general security deed with the Security Trustee (**General Security Deed**), pursuant to which each Acquired Entity will grant security over all of its assets.

8.5.2 *Facilities*

- (a) The Company has two secured debt facilities, one with the Commonwealth Bank of Australia ABN 48 123 123 124 (**CBA**) and one with Westpac Banking Corporation ABN 33 007 457 141 (**Westpac**) (together, the **Financiers**). The debt facilities are provided under a common terms structure with total facilities provided being \$600 million (**Facilities**).
- (b) The facilities provided by CBA comprise the following:
 - (i) a revolving term cash advance facility of approximately \$230 million in multiple tranches with varying maturity dates of an approximately 15 to 19 months maturity term;
 - (ii) an uncommitted revolving asset finance facility of approximately \$95 million with no fixed term, but made available at CBA's sole and absolute discretion; and
 - (iii) a revolving multi-option facility (cash and contingent instruments) of approximately \$35 million with an approximately 15 months maturity term.
- (c) The facilities provided by Westpac comprise the following:
 - (i) a revolving term cash advance facility of approximately \$135 million in multiple tranches with varying maturity dates of an approximately 9 month maturity term;
 - (ii) an uncommitted revolving asset finance facility of approximately \$70 million with no fixed term, but made available at Westpac's sole and absolute discretion; and
 - (iii) a revolving multi-option facility (cash and contingent instruments) of approximately \$35 million in multiple tranches with varying maturity dates of an approximately 15 to 19 months maturity term.
- (d) The common terms structure for the Facilities is governed by the Common Terms Deed Poll that was executed by the Company, each of the persons listed in Schedule 1 of the Common Terms Deed Poll as 'Original Guarantors' and each of the Company's subsidiaries that have subsequently acceded to the Common Terms Deed Poll (each an **Obligor** and together, the **Obligors**).
- (e) The Common Terms Deed Poll includes a guarantee and indemnity which is provided by each Obligor pursuant to which each Obligor guarantees for the benefit of each 'Finance Party' punctual performance by each other Obligor of all of the Obligors' obligations under the Finance Documents (which includes the obligation to repay all amounts outstanding under the Facilities when due).
- (f) The Common Terms Deed Poll also includes events of default, undertakings and representations and warranties from the Obligors which are customary for a common terms structure and for facilities of this nature. The undertakings include:

- (i) a negative pledge;
 - (ii) undertakings not to dispose of assets unless in the ordinary course of business;
 - (iii) undertakings not to incur financial indebtedness or provide guarantees or other financial accommodation;
 - (iv) undertakings not to make distributions to shareholders; and
 - (v) undertakings not to acquire any assets, businesses or shares,
- in each case subject to agreed exceptions.

8.5.3 *Common Terms Deed Poll and Guarantee*

Each Acquired Entity intends to accede to the Common Terms Deed Poll as an 'Additional Guarantor', following which it will:

- (a) give the guarantee and indemnities set out in that document; and
- (b) be bound by the representations, warranties and undertakings and be subject to the events of default set out in that document.

8.5.4 *Security*

Each Acquired Entity intends to:

- (a) accede to the Security Trust Deed as a 'New Obligor'; and
- (b) enter into the General Security Deed pursuant to which it will provide security over all of its assets to the Security Trustee to hold on trust for the 'Beneficiaries' under and as defined in the Security Trust Deed.

8.6 **Financial Assistance**

8.6.1 *Entry into the Finance Documents*

- (a) It is proposed that each Acquired Entity accede to both the Common Terms Deed Poll and the Security Trust Deed, enter into the General Security Deed and enter any other Finance Documents or any other documents in connection with the provision of the Facilities.
- (b) Upon execution of each of the above, each Acquired Entity will (among other things) become bound by the guarantees, indemnities and undertakings and give the representations and warranties referred to above.

8.6.2 *Other support*

In addition, each Acquired Entity may be required to:

- (a) transfer assets to, or assume other liabilities of other subsidiaries or related parties of the Company;
- (b) make available directly or indirectly its cash flows (whether through dividends, capital distributions, intercompany loans or otherwise) or other resources in order to enable related parties of the Company to comply with their payment and other obligations in respect of the financing arrangements provided under the Finance Documents;

- (c) consent or agree to amendments to the Finance Documents, including amendments that make its obligations more onerous;
- (d) provide additional support which may include incurring additional obligations and/or providing additional guarantees, mortgages and/or charges on the same or different terms to the Security; and
- (e) provide other financial assistance in connection with the Financial Assistance Acquisitions including, without limitation, if required in future, in connection with any refinancing of, or amendments to, a Facility.

8.7 Financial Assistance Resolutions

8.7.1 Financial assistance approvals

- (a) The entry by each Acquired Entity into, and the performance by each such entity of its rights and obligations under the Finance Documents and the Security, including, if required in future, under any documentation in connection with a Facility, and the participation in the funding arrangements and other transactions, all as described above, constitutes the giving of financial assistance in connection with the Financial Assistance Acquisitions, within the meaning of Part 2J.3 of the Corporations Act.
- (b) It is proposed that the giving by each Acquired Entity of the financial assistance be approved by financial assistance resolutions pursuant to section 260B(1) of the Corporations Act. This approval will be sought from the shareholders of each Acquired Entity in accordance with section 260B(1) of the Corporations Act in due course.
- (c) It is also proposed that the giving of financial assistance by each Acquired Entity, be approved by a special resolution of the Shareholders of the Company pursuant to section 260B(2) of the Corporations Act.

8.7.2 Reasons for giving financial assistance

- (a) Pursuant to the terms of the Common Terms Deed Poll, each Obligor is required to ensure that certain members of the Group are 'Guarantors' under and for the purposes of the Common Terms Deed Poll (the **Guarantor Group Undertaking**). The Guarantors under the Common Terms Deed Poll must account for not less than 90% of EBITDA of the Group, and not less than 90% of Total Assets of the Group. In addition each entity which is a 'Material Subsidiary' (being a subsidiary in the Group which accounts for more than 10% of EBITDA or 10% of Total Assets) must also be a Guarantor under the Common Terms Deed Poll.
- (b) The reason for the giving of the financial assistance described above is to enable the Obligors to comply with the Guarantor Group Undertaking and thereby avoid the occurrence of an 'Event of Default' under the Finance Documents.

8.7.3 Effect of financial assistance

- (a) The substantial effect of the giving of the financial assistance on each Acquired Entity is that each such entity will have guaranteed all amounts payable under the Finance Documents and will have granted security for such obligations over all of its present and after acquired property. The operations of each Acquired Entity will also be restricted by the representations and warranties and by the undertakings given by it under the Finance Documents.
- (b) The directors of the Company do not currently believe that the Company or any other Obligor or any of the other parties to the Finance Documents would be likely to default on their respective obligations under the Finance Documents.

8.7.4 *Advantages of the proposed resolutions*

- (a) The advantage to each Acquired Entity and to the Company and each other Obligor of the proposed resolutions is that each Acquired Entity will be able to accede to the Finance Documents enabling the Obligors (including the Company) to comply with the Guarantor Group Undertaking and avoid an Event of Default occurring under the Finance Documents.
- (b) The directors of the Company also believe that the purchase by the Purchasers of each Acquired Entity will benefit the Company, each Acquired Entity and the wider Group due to synergies, cost savings and the greater growth potential for the integrated and enlarged Group.
- (c) The directors of the Company believe that approving the transactions contemplated by this Explanatory Memorandum is in the best interests of the Company.

8.7.5 *Disadvantages of the proposed resolution*

The disadvantages of the proposed resolution for each Acquired Entity include the following:

- (a) they will become liable for the amounts due under the Finance Documents;
- (b) their assets will be subject to the Security and their operations will be restricted by the representations and undertakings given by them under the Finance Documents;
- (c) the Company and/or any of the other Obligors may default under the Common Terms Deed Poll or any other Finance Document;
- (d) a Financier may make a demand under the guarantees provided by each Acquired Entity requiring immediate repayment of the amounts due under the Finance Documents;
- (e) the Security Trustee may enforce the guarantee and/or Security granted by each Acquired Entity to recover the amounts due; and/or
- (f) a demand made under the guarantees may result in the winding up of an Acquired Entity and a sale of its assets by the Security Trustee upon an enforcement of the Security and this may result in a return to any such entity (and ultimately its shareholders, including the Company) significantly lower than could have been achieved by that entity had those assets been sold in the ordinary course of business or had any of those entities continued trading

8.7.6 *Passing the Financial Assistance Resolution*

- (a) The Financial Assistance Resolution is set out in the Notice that accompanies this Explanatory Memorandum.
- (b) The Financial Assistance Resolution will be passed if 75% of the votes cast by Shareholders entitled to vote on the Financial Assistance Resolution vote in favour of the resolution.
- (c) The Shareholders may vote either for or against the Financial Assistance Resolution.

8.8 **Directors recommendation**

- 8.8.1 The Directors recommend the Shareholders vote in favour of Resolution 6.

8.8.2 Resolution 6 is a special resolution and as such must be approved by 75% of the votes cast by Shareholders entitled to vote on Resolution 6.

8.8.3 The Chair intends to exercise all available proxies in favour of Resolution 6.

8.9 **Prior notice to Australian Securities & Investments Commission**

As required by section 260B(5) of the Corporations Act, copies of the Notice of Meeting and this Explanatory Memorandum as sent to the Shareholders were lodged with the Australian Securities & Investments Commission prior to their dispatch to the Shareholders.

8.10 **Disclosure**

8.11 The directors consider that this Explanatory Memorandum contains all information known to the Company that would be material to the Shareholders in deciding how to vote on the proposed Financial Assistance Resolution other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

For personal use only

GLOSSARY

Acquired Entity means each of Casey Concrete and DPQ.

ASX means ASX Limited or the Australian Securities Exchange, as appropriate.

Board means the Board of Directors.

Casey Concrete has the meaning given to that term in section 8.4 of the Explanatory Memorandum.

Casey Concrete Acquisition has the meaning given to that term in section 8.4 of the Explanatory Memorandum.

CBA means the Commonwealth Bank of Australia ABN 48 123 123 124.

Closely related party has the meaning given to that term in the Corporations Act.

Common Terms Deed Poll has the meaning given in section 8.5.1(a) of the Explanatory Memorandum.

Company means Maas Group Holdings Limited ACN 632 994 542.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

DPC has the meaning given to that term in section 8.4 of the Explanatory Memorandum.

DPQ has the meaning given to that term in section 8.4 of the Explanatory Memorandum.

DPQ Acquisition has the meaning given to that term in section 8.4 of the Explanatory Memorandum.

Director means a director of the Company.

Explanatory Memorandum means this explanatory memorandum which accompanies and forms part of the Notice of Meeting.

Facility has the meaning given in section 8.5.2 of the Explanatory Memorandum.

Finance Document means the Common Terms Deed Poll, the Security Trust Deed, the General Security Deed and any other documents which are 'Finance Documents' under and for the purposes of the Common Terms Deed Poll.

Financial Assistance Acquisition has the meaning given in section 8.4 of the Explanatory Memorandum.

Financial Assistance Resolution has the meaning given in section 8.3 of the Explanatory Memorandum.

Financier means each of CBA and Westpac.

General Security Deed has the meaning given in section 8.5.1(c) of the Explanatory Memorandum.

Group means the Company and each of its subsidiaries.

Guarantor Assumption Deed has the meaning given in section 8.5.1(a) of the Explanatory Memorandum.

Guarantor Group Undertaking has the meaning given in section 8.7.2(a) of the Explanatory Memorandum.

HIN means Holder Identification Number.

Key Management Personnel has the meaning given to that term in the Corporations Act.

Link means Link Market Services Limited.

Listed Australian Holding Company has the meaning given in section 8.2.2(a) of the Explanatory Memorandum.

Listing Rules means the listing rules of the ASX.

LTIP means the Long Term Incentive Plan as approved by Shareholders on 9 November 2021.

Meeting means the 2022 Annual General Meeting of the Company to be held on 25 November 2022 at 11:00 AM AEDT.

Notice of Meeting means the notice of the Meeting referred to in, and which accompanies this, Explanatory Memorandum.

Obligor has the meaning given in section 8.5.2(d) of the Explanatory Memorandum.

Obligor Accession Deed has the meaning given in section 8.5.1(b) of the Explanatory Memorandum.

Regional Group Australia means Regional Group Australia Pty Ltd ACN 634 578 699.

Resolution means a resolution referred to in the Notice of Meeting.

Security means the security to be provided by each Acquired Entity as described in section 8.5.4 of the Explanatory Memorandum and includes the guarantees and indemnities being provided under the Common Terms Deed Poll, the Security Trust Deed and the security interests being provided under the General Security Deed.

Security Trust Deed has the meaning given in section 8.5.1(b) of the Explanatory Memorandum.

Security Trustee means Westpac Administration Pty Ltd ABN 67 008 617 203.

Share means a fully paid ordinary share in the Company.

Share Registry means Link Market Services Pty Limited ACN 083 214 537.

Shareholder means a holder of at least one Share.

SRN means Securityholder Reference Number.

Ultimate Australian Holding Company has the meaning given in section 8.2.2(b) of the Explanatory Memorandum.

Westpac means Westpac Banking Corporation ABN 33 007 457 141.

VWAP has the meaning given to that term in Chapter 19 of the Listing Rules.

Schedule 1 Summary of Long Term Incentive Plan

The terms and conditions of the LTIP are set out in comprehensive rules. A summary of the rules of the LTIP is set out below:

- 1.1 The Board may, at its discretion, invite Participants to participate in the LTIP. Participants may be Directors, senior management, and any other employees of the Company or its subsidiaries, and any other person providing services to the Group and is eligible to participate in the LTIP as determined by the Board. Participation is voluntary.
- 1.2 Types of awards under the LTIP include (each an **Award**):
- 1.2.1 Options;
 - 1.2.2 performance rights;
 - 1.2.3 Shares; and
 - 1.2.4 loan funded shares.
- 1.3 The Board may determine the type and number of Awards to be issued under the LTIP to each participant and other terms of issue of the Awards, including:
- 1.3.1 what service-based conditions and/or performance hurdles must be met by a participant in order for an Award to vest (if any);
 - 1.3.2 the fee payable (if any) to be paid by a participant on the grant of Awards;
 - 1.3.3 the exercise price of any Option granted to a participant;
 - 1.3.4 the period during which a vested option can be exercised; and
 - 1.3.5 any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or performance rights.
- 1.4 The Board may, in its discretion, also determine that the Company will issue limited recourse loans to participants to use for the purchase of Shares as part of an Award of Shares under the LTIP (loan funded Shares).
- 1.5 When any service-based conditions and/or performance hurdles have been satisfied, participants will receive fully vested Shares or their options/performance rights will become vested and will be exercisable over Shares (as applicable).
- 1.6 Each vested Option and performance right enables the participant to be issued or to be transferred one Share upon exercise, subject to the rules governing the LTIP and the terms of any particular offer.
- 1.7 Participants holding Options or performance rights are not permitted, to the extent of their holding in Options or performance rights, to participate in a new issue of securities by the Company without first exercising the Options or having the performance rights vest.
- 1.8 Adjustments may be made to the number of Shares over which the options or performance rights are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the LTIP and the ASX Listing Rules.
- 1.9 The LTIP limits the number of Awards that the Company may grant without Shareholder approval, such that the sum of all Awards on issue (assuming all options and performance rights were exercised) do not at any time exceed in aggregate 10% of the total issued capital of the Company as at the date of any proposed new Awards.

For personal use only

- 1.10 The LTIP defines the circumstances where a participant may be considered a good leaver. In these circumstances the Board has sole and absolute discretion in determining the manner in which any unvested Awards may be dealt with.
- 1.11 In the event of a change of control event, unless the Board in its sole and absolute discretion deems otherwise, Awards granted will vest on a pro rata basis where the Board considers vesting conditions and performance hurdles applicable to those Awards to have been satisfied.
- 1.12 The Board may at any time amend the LTIP, or the terms and conditions upon which Awards have been issued under the LTIP, subject to the requirements of the Constitution, the Listing Rules and requirement to not materially reduce the rights of any participants (as set out in clause 22 of the LTIP).

The Board may delegate management and administration of the LTIP, together with any of their powers or discretions under the LTIP, to a committee of the Board or to any one or more persons selected by them as the Board thinks fit.

Schedule 2 Summary of the DPQ Acquisition

On 16 December 2022, the following transactions completed:

- Dandy Premix Quarries Pty Ltd ACN 125 332 989 (**DPQ or Dandy**) acquired the business and certain of the assets of Cranny Developments Pty Ltd ACN 007 108 009 (formerly known as Dandy Premix Concrete Pty Ltd) (**DPC**) (including among other things, all of the shares in the share capital of Casey Concrete Pty Ltd ACN 079 407 757 held by DPC (**Casey Concrete Acquisition**)) pursuant to a business sale and purchase agreement dated 24 November 2022; and
- Regional Group Australia Pty Ltd ACN 634 578 699 (**RGA**), a subsidiary of the Company, acquired the entire issued share capital in DPQ from Mark Steven Cranny (**Vendor**) pursuant to a share sale and purchase deed dated 24 November 2022 (**Dandy Acquisition**).

In summary, RGA purchased the shares in DPQ from the Vendor after the business and assets of DPC (including the employees) and the shares in Casey Concrete Pty Ltd, were transferred to DPQ.

DPQ and DPC are an integrated construction materials businesses located in south-east Melbourne, operating concrete plants, a sand quarry and a hard rock quarry.

A summary of the material terms of the Dandy Acquisition are set out below:

2.1 Consideration

2.1.1 the total purchase price payable was \$85 million (**Purchase Price**), comprised of:

- (a) cash payable on completion (\$71.5 million less any adjustments);
- (b) retention payable in cash (\$5 million, subject to the completion of cultural heritage surveys and approval of cultural heritage management plans);
- (c) issue of shares in the Company (\$2.5 million) (**Consideration Shares**); and
- (d) deferred issue of Shares in the Company (\$2 million) (**Deferred Consideration Shares**).

2.1.2 On 19 December 2022, the Company issued the Consideration Shares at an issue price of \$2.55 (calculated as the 5-day volume weighted adjusted price prior to Completion).

2.1.3 The Deferred Consideration Shares will be issued at the same price as the Consideration shares, in equal tranches, on 16 December 2023, 2024 and 2025. The Company has the right of set-off against these future share issues for any warranty or indemnity claims.

2.1.4 Further cash consideration of up to \$22 million may be payable, contingent on a new permit being achieved for the Yarra Valley Quarry to access long-term reserves.

2.2 Condition Precedents

2.2.1 The Dandy Acquisition Agreement included a number of conditions precedent including:

- (a) entry into long-term lease agreements for land related to the concrete plants;
- (b) repayment of bank facilities;
- (c) receipt of various third party consents; and
- (d) certain customer contracts novated or assigned to DPQ.

2.3 Warranties and indemnities

The Vendor provided a standard set of representations and warranties to the buyer in the Dandy Acquisition Agreement.

The Vendor also provided a number of general and specific indemnities in the Dandy Acquisition Agreement.

For personal use only