



ASX RELEASE (ASX: SCL)

## Schrole agrees to scheme agreement with TES Global

### Key highlights

- Schrole and TES have entered into a Scheme Implementation Deed under which it is proposed TES will acquire 100% of Schrole for 48.52 cents per share by way of a scheme of arrangement (Scheme).
- The cash consideration of 48.52 cents per Schrole share (Scheme Consideration) represents a 203% premium to the Schrole closing price of 16.0 cents on 14 June 2024.
- TES is a leading education technology platform supported by the world's largest community of teachers, creating intelligent online products and services. TES supports over 19,000 domestic UK, Australian and International schools globally with various digital solutions. TES is wholly owned by Onex Partners, a Canadian private equity firm that is a wholly owned subsidiary of Canadian investment manager Onex Corporation (TSX: ONEX).
- It is anticipated that Schrole shareholders will meet in September to vote on the Scheme.
- Schrole's Board unanimously recommends that Schrole shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to an Independent Expert concluding that the Scheme is in the best interests of Schrole's shareholders.

17 June 2024: Schrole Group Ltd (**ASX: SCL**) ("**Schrole**" or the "**Company**"), is pleased to announce that it has entered into a Scheme Implementation Deed (**SID**) with TES Aus Global Pty Limited, a subsidiary of TES Global Limited (TES) for the acquisition of 100% of Schrole's issued capital by way of a Court-approved scheme of arrangement for a cash price of 48.52 cents per Schrole share. The Scheme values Schrole's equity at \$18.15m<sup>1</sup>.

A cash price of 48.52 cents per Schrole share represents:

- a premium of 203% to the closing price of Schrole shares on 14 June 2024 of 16.0 cents, being the last price prior to the announcement of this Scheme;
- a premium of 160% to the 30-day volume weighted average price of 18.7 cents; and
- a premium of 47% to the highest recorded daily closing share price in the previous 12 months of 33.0 cents on 20 October 2023.

### Details of the Scheme Implementation Deed

Implementation of the Scheme is subject to limited conditions including, amongst other things:

- receipt of required regulatory approvals (including FIRB approval);
- the approval of Schrole shareholders in accordance with the Corporations Act;

<sup>1</sup> This assumes equity value on a fully diluted basis (fully diluted shares of 37,402,687), being including 35,955,048 ordinary shares on issue and 1,447,639 performance shares.

- no material adverse change in respect of Schrole or no Schrole prescribed occurrence, no Schrole regulated event, no breach of undertakings or representations and warranties given by Schrole;
- no breach of undertakings or representations and warranties given by TES;
- Schrole having cash, working capital and Annualised Recurring Revenue above minimum levels immediately prior to the second court date; and
- other customary conditions to a scheme of arrangement such as Australian court approval and an Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Schrole shareholders.

Implementation of the Scheme is not subject to any financing condition nor any due diligence condition. Under the SID, Schrole is bound by customary exclusivity provisions including “no shop”, “no talk” and “no due diligence” restrictions, a notification obligation and a matching right in favour of TES, subject to Schrole Directors’ fiduciary obligations where appropriate.

The SID also details the circumstances under which a break fee may be payable by Schrole to TES under certain customary circumstances.

The Scheme is expected to be implemented in or around September 2024, subject to Schrole shareholder approval, Court approval, and other relevant conditions being satisfied.

Full details of the Scheme are set out in the SID, a copy of which accompanies this announcement.

#### Alliance Agreement

In parallel to signing the SID, Schrole and TES have also entered into an Alliance Agreement, under which both parties will use reasonable endeavors to collaborate on commercial opportunities.

#### Schrole Board Recommendation

The Schrole Board unanimously recommends that Schrole shareholders vote in favour of the Scheme, and each Director intends to vote all of the Schrole shares controlled or held by, or on behalf of, them, representing approximately 11.0% of Schrole’s issued shares, in favour of the Scheme, in the absence of a superior proposal and subject to an Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Schrole shareholders.

The Schrole Board believes the Scheme provides:

- **Significant premium for control:**
  - a premium of 203% to the closing price of Schrole shares on 14 June 2024 of 16.0 cents, being the last price prior to the announcement of this Scheme; and
  - a premium of 160% to the 30-day volume weighted average price of 18.7 cents.
- **Certainty of value:** The Scheme provides certainty of value to Schrole shareholders and the opportunity to sell 100% of their shareholdings for cash.
- **Limited conditionality:** The Scheme is subject to limited customary conditions including Court approval, Schrole shareholder approval, prescribed occurrences and no material adverse change. It is not subject to financing.

Rob Graham, the Managing Director and CEO of Schrole, said today: *“The Board of Schrole believes this transaction represents a compelling opportunity for Schrole shareholders to realise immediate and certain value. We believe our deep expertise and focus on delivering outstanding outcomes for our clients will be enhanced by the breadth of resources and strong market reputation that TES brings. Working with TES will provide excellent outcomes for our clients and our team, and we look forward to partnering with the organisation going forward.”*

### **Indicative Timetable and Next Steps**

Schrole shareholders **do not need to take any action** at this stage.

Subject to Court Approval, a Scheme Booklet is expected to be provided to Schrole shareholders in or around early August 2024.

The Scheme Booklet will contain information relating to the Scheme, the reasons for the Schrole Board’s unanimous recommendation, details of the Scheme meeting as well as an Independent Expert’s Report providing an assessment as to whether the Scheme is in the best interests of Schrole shareholders. Schrole shareholders will then have the opportunity to vote on the Scheme at a Court-convened Scheme meeting, which is currently expected to be held in or around September 2024.

As mentioned above, the Scheme is subject to a number of conditions. Accordingly, the certainty of and timing for the completion of the Scheme cannot be confirmed at this time and any guidance on the timetable should be treated as indicative at this stage.

Schrole will keep shareholders and the market informed in accordance with its continuous disclosure obligations.

### **Advisers**

Schrole is being advised on the proposed Scheme by Latimer Partners as corporate adviser and Hamilton Locke as legal adviser.

TES is being advised by DLA Piper as legal adviser.

ENDS

*This release was authorised by the Board of Directors.*

### **For further information please contact:**

#### **Investors**

#### **Rob Graham**

Managing Director  
Schrole Group Ltd  
[Investors@schrole.edu.au](mailto:Investors@schrole.edu.au)

## About Schrole

Schrole provides global Human Resources Software-as-a-Service (SaaS) targeting teachers and educational organisations. Schrole is scaling globally and targeting new growth markets.

**Schrole HR is a complete Human Resources SaaS solution, combining recruitment, background checks, onboarding, relief teacher management, and professional development.**

- **Schrole Connect** is education's most advanced recruitment and applicant tracking app.
- **Schrole Events**, provides industry-leading online recruitment events.
- **Schrole Cover** is a cloud-based software platform that engages relief staff at the touch of a button.
- **Schrole Verify** provides background screening to the international schools' sector.
- **Schrole Develop** provides accredited professional development solutions contextualised to client needs.
- **Schrole Engage** provides onboarding and contract management software for schools

<https://schrole.com/>

## About TES

TES is a leading education technology platform supported by the world's largest community of teachers. TES powers schools and enables great teaching worldwide, by creating intelligent online products and services to make the greatest difference in education. TES supports over 19,000 domestic UK, Australian and International schools around the world with software to solve some of their biggest and most critical challenges. With millions of educators registered on our platform from around the globe, TES provides a number of high-value services to schools underpinned by a thriving content business aimed at individual teachers, including teaching resources, quality editorial content, job opportunities and teacher training.

## Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of the Company, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

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# Scheme Implementation Deed

TES Aus Global Pty Limited  
Schrole Group Limited

Dated 16 June 2024



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## Parties

### TES

Name TES Aus Global Pty Limited  
ACN 115 129 989  
Address 26 Red Lion Square, London WC1R 4HQ, United Kingdom  
Email kayleigh.wright@tes.com  
Attention Kayleigh Wright

### Schrole

Name Schrole Group Limited  
ACN 164 440 859  
Address Level 1, 142 Hasler Road, Osborne Park, Western Australia 6017 Australia  
Email rob.graham@schrole.edu.au  
Attention Rob Graham

## Background

- A The parties have proposed that TES will acquire all of the ordinary shares in Schrole by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Schrole and the Scheme Shareholders.
- B The parties have agreed to propose and, if approved, implement the scheme of arrangement on the terms of this deed.

## Agreed terms

### 1 Interpretation

#### Definitions

- 1.1 In this deed the following definitions apply:

#### **Accounting Standards** means:

- (a) the accounting standards made by the Australian Accounting Standards Board in accordance with the Corporations Act, and the requirements of that Act relating to the preparation and content of accounts; and
- (b) generally accepted accounting principles that are consistently applied in Australia, except those inconsistent with the standards or requirements referred to in paragraph (a).

**Adverse Decision** means an order of Court where the Court does not make any order sought by Schrole under clause 6.6(o).



**Anti-Corruption Laws** means all applicable anti-bribery and anti-corruption laws and regulations, including the *U.S. Foreign Corrupt Practices Act* of 1977, the *U.K. Bribery Act 2010*, the *Australian Criminal Code Act 1995* (Cth), laws and regulations implementing the Organization for Economic Cooperation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or the rules and regulations promulgated thereunder, or any other applicable law of similar effect in other jurisdictions.

**ARR** means the annual recurring revenue derived from the Schrole Group's subscription based products, excluding premium candidates, calculated on the basis of Schrole's monthly management reporting prepared in accordance with the Accounting Standards and on consistent basis with the spreadsheet titled "00.12.01 #76 - Software subscription revenue by product" in the agreed form as at the date of this deed.

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

**ASIC Review Booklet** means the draft of the Scheme Booklet which is provided to ASIC:

- (a) for approval pursuant to section 411(2) of the Corporations Act; and
- (b) for ASIC's review pursuant to the Regulatory Guides.

**Associate** has the meaning given in section 12(2) of the Corporations Act as if subsection 12(1) of the Corporations Act included a reference to this deed and Schrole was the designated body.

**ASX** means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the official listing rules of ASX as modified by any waiver instrument executed by ASX that applies to Schrole.

**Authorisation** means an approval, authorisation, consent, declaration, exemption, notarisation, licence, quota, permit or waiver, however described, and any condition attaching to it; and in the context of anything that could be prohibited or restricted by applicable law if a Government Agency acts in any way within a specified period, the expiry of the period without that action being taken, including any renewal, consolidation, replacement, extension or amendment of any of them.

**BidCo** means a Wholly Owned Subsidiary of TES nominated in accordance with clause 2.4.

**Break Fee** means:

- (a) if clauses 11.3(a) or 11.3(b) apply, \$400,000 plus GST, if applicable; or
- (b) if clause 11.3(c) applies, \$181,000 plus GST, if applicable.

**Break Fee Arrangements** means the amount of the Break Fee or the circumstances in which it is to be paid in accordance with clause 11.

**BSM Schedule** means the tab entitled "Balance Sheet mapping" of the spreadsheet titled "Tes24-Seahawk NWC BS mapping Databook" in agreed form as at the date of this deed.

**Business Day** means any day that is each of the following:

- (a) a Trading Day; and
- (b) a day (other than a Saturday, Sunday or public holiday) on which banks are generally open in Western Australia for normal business.

**Cash** means at any time, without duplication, the value of the assets classified as “cash” on the Schrole trial balance as at 31 March 2024 and labelled as “cash” in the BSM Schedule, excluding restricted cash, that is cash reserved for a specific purpose and therefore not readily available for immediate or general business (including, but not limited to, restricted cash for bank guarantees or lease security deposits, funds deposited with vendors/suppliers, utility companies, and cash deposited under protest), as at the relevant time.

**Certificate** means the certificate of the status of the conditions precedent in the form attached in Appendix 3.

**Claim** means any claim, demand, legal proceedings or cause of action including any claim, demand, legal proceedings or cause of action:

- (a) based in contract (including breach of any warranty);
- (b) based in tort (including misrepresentation or negligence);
- (c) under common law or equity; or
- (d) under statute.

**Competing Proposal** means any proposed offer, proposal, transaction, or arrangement whether by way of takeover bid, scheme of arrangement, reverse takeover, capital reduction, sale or licence of assets, sale of securities, strategic alliance, joint venture, partnership, dual listed companies structure, economic or synthetic merger or combination or other transaction or arrangement which, if completed, would result in a Third Party:

- (a) directly or indirectly acquiring or being entitled to acquire a Relevant Interest or any other direct or indirect interest in more than 20% of the Schrole Shares or more than 20% of the shares in any other Schrole Group Member that contributes 20% or more of the consolidated net profit after tax of Schrole or whose assets represent 20% or more of the total consolidated assets of the Schrole Group;
- (b) directly or indirectly acquiring or being entitled to acquire the whole of the business or assets of the Schrole Group or any part of the business or assets of the Schrole Group that contributes 20% or more of the consolidated net profit after tax of the Schrole Group or that represents 20% or more of the total consolidated assets of the Schrole Group; or
- (c) acquiring Control of Schrole or merging or amalgamating with Schrole or any other Schrole Group Member that contributes 20% or more of the consolidated net profit after tax of the Schrole Group or whose assets represent 20% or more of the total consolidated assets of the Schrole Group,

or which would otherwise require Schrole to abandon, or otherwise fail to proceed with, the Scheme.

**Computer Systems** means the computer and information systems used by any Schrole Group Member at any time including hardware, software, firmware, databases and other infrastructure and any computer processors, associated and peripheral equipment, computer programs, technical and other documentation and data provided to or created by any Schrole Group Member from time to time.

**Condition** means each condition set out in the first column of the table in clause 3.1.

**Confidentiality Deed** means the confidentiality deed dated 22 March 2024 between the parties, as amended from time to time.

**Constitution** means the constitution of Schrole, as amended.

**Contract Renewal** means any existing contract of the business of the Schrole Group that is renewed on or before the end of that contract's term.

**Control** has the meaning given in section 50AA of the Corporations Act disregarding section 50AA(4) of the Corporations Act.

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

**Corporations Regulations** means *Corporations Regulations 2001* (Cth).

**Counterproposal** means TES's offer to amend the terms of the Scheme or make an alternative proposal to Schrole or Schrole Shareholders with a view to providing an equivalent or a superior outcome for Schrole Shareholders than that offered under the relevant Competing Proposal.

**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act as the parties agree in writing.

**D&O Run Off Policy** means the directors' and officers' run-off insurance policy in respect of any members of the Schrole Board and relevant former directors and officers of any Schrole Group Member that applies for no less than a seven year period following the Implementation Date.

**Deed Poll** means the deed poll to be entered into by TES in favour of the Scheme Shareholders in the form attached at Appendix 2 or in such other form as the parties agree in writing.

**Disclosed** means fairly disclosed by the relevant party in writing, in good faith and in such manner that an independent party in the same position as the other party would reasonably be expected to realise and understand the nature, context, substance, importance and materiality of that information.

**Distribution** includes any dividend, capital return, shareholder loan repayment, payment or other distribution of any kind.

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Government Agency and any penalty, fine, interest or additional charge payable in relation to any such duty or charge, but excludes any Tax.

**Effective** means the coming into effect pursuant to section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

**Effective Date** means the date the Scheme becomes Effective.

**Encumbrance** means any security interest (within the meaning of section 9 of the Corporations Act) and any option, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement or other security interest of any kind, and any agreement to create any of the foregoing.

**End Date** means the date that is six months after the date of this deed, or such later date as the parties agree in writing.

**End of Month Report** has the meaning given in clause 7.1(f)(vi).

**Equivalent Insurer** means an insurer that have/has a rating that is the same as, or better than, the rating of the insurer(s) for the Schrole directors and officers' insurance policy in place as at date of this deed.

**Excluded Shares** means any Schrole Shares held by any person on behalf of or for the benefit of any TES Group Member.

**Exclusivity Period** means the period starting on the date of this deed and ending on the first to occur of:

- (a) termination of this deed;
- (b) the Implementation Date; and
- (c) the End Date.

**FATA** means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

**FIRB** means the Australian Foreign Investment Review Board.

**First Court Date** means the first day on which the application is made to the Court for an order under section 411(1) of the Corporations Act approving the convening of the Scheme Meeting is heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Government Agency** means any government, any department, officer or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity whether in Australia or elsewhere and includes any minister, ASIC, FIRB, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

**Government Official** means:

- (a) any employee or person acting for or on behalf of a government official, Government Agency, or other enterprise performing a governmental function;
- (b) any political party, candidate for public office, officer, employee, or person acting for or on behalf of a political party or candidate for public office;
- (c) any member of a military or a royal or ruling family; and
- (d) any employee or person acting for or on behalf of a public international organisation (eg the United Nations).

**GST** has the meaning given in the GST Law.

**GST Exclusive Scheme Consideration** means the amounts payable or consideration to be provided under or in connection with this deed that are exclusive of GST in accordance with clause 16.2.

**GST Law** has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Headcount Test** means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the Scheme Resolution is passed at the Scheme Meeting by a majority in number of Shareholders present and voting, either in person or by proxy.

**Implementation Date** means the date that is five Business Days after the Record Date, or such other date as the parties agree in writing.

**Independent Expert** means the person appointed by Schrole as independent expert to prepare the Independent Expert's Report.

**Independent Expert's Report** means the independent expert's report prepared by the Independent Expert in relation to the Scheme as amended or updated from time to time and including any supplementary or replacement report.

**Insolvency Event** means in respect of any person:

- (a) any indebtedness of the person becoming subject to a moratorium;
- (b) a liquidator, provisional liquidator or administrator has been appointed to the person, a controller (as defined in section 9 of the Corporations Act) has been appointed to any property of the person, or an event which gives any other person a right to seek such an appointment;
- (c) an order has been made, a resolution has been passed or proposed in a notice of meeting or in an announcement to any recognised securities exchange, or an application to a court has been made for the winding up or dissolution of the person or for the entry into of any arrangement, compromise or composition with, or assignment for the benefit of, creditors of the person or any class of them (other than frivolous or vexatious orders or applications);
- (d) a security interest (within the meaning of section 9 of the Corporations Act) becomes enforceable or is enforced over, or a writ of execution, garnishee order, mareva injunction or similar order has been issued over or affecting, all or a substantial part of the assets of the person;
- (e) the person is unable to pay its debts as and when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act or any other applicable law;
- (f) the person is deregistered or otherwise dissolved;
- (g) a deed of company arrangement is in force or has been proposed under Part 5.3A of the Corporations Act in respect of the person;
- (h) a restructuring plan is in force or has been proposed under Part 5.3B of the Corporations Act in respect of the person;
- (i) the person commences or has commenced against them, by any regulator, supervisor or similar official or body with insolvency, rehabilitation or regulatory jurisdiction or oversight in its jurisdiction of incorporation, domicile or operation, any proceeding or action of whatever nature seeking insolvency, protection from creditors, rehabilitation, bail in or bail out, or any similar process or arrangement under any applicable law that affects creditors' rights; or
- (j) the person enters into or takes any steps with a view to entering into, any safe harbour or similar arrangement within the meaning of section 588GA of the Corporations Act or any other similar or equivalent applicable law,

and anything analogous to the above occurs in relation to the person under the applicable law of a foreign jurisdiction.

**Intellectual Property** means all intellectual and industrial propriety rights of whatever nature throughout the world conferred under statute, common law or equity, whether existing now or at any time in the future, and includes rights in respect of or in connection with trade marks, service marks (including good will in those marks), business names, trade names, domain names, designs, inventions (including patents), business processes or methods, circuit layouts, copyright and analogous rights, rights to have confidential information, know-how and similar intellectual property and industrial rights, whether or not registered or registrable, and includes pending applications for such rights and the right to apply for or renew the registration of such rights.

**Key Executive** means:

- (a) in respect of TES, each of Mohit Khandelwal, Jon Romer-Lee and Kayleigh Wright; and
- (b) in respect of Schrole, each of Robert Graham and Diana Shepherd.

**Leased Properties** has the meaning given in item 30.2 of Part 1 of Schedule 2.

**Loss** means all losses, damages, costs, expenses, charges and other liabilities whether present or future, fixed or unascertained, actual or contingent.

**March ARR** means the annual recurring revenue derived from the Schrole Group's subscription based products, excluding premium candidates, calculated for the end of March 2024 based on Schrole's monthly management report for the period ending March 2024 and as detailed in the spreadsheet titled "00.12.01 #76 - Software subscription revenue by product" in the agreed form as at the date of this deed.

**Matching Period** means the five Business Day period commencing on the date Schrole gives notice to TES under clause 10.9(b) in respect of a Competing Proposal.

**Merged Group** means the TES Group and the Schrole Group following implementation of the Scheme.

**Moral Rights** means moral rights within the meaning of Part IX of the *Copyright Act 1968* (Cth) and any analogous rights arising under statute that exist, or may come to exist, anywhere in the world.

**Net Working Capital** means, at any time, an amount equal to Working Capital Assets less Working Capital Liabilities calculated on a consistent basis with the BSM Schedule, at that time.

**Permitted Encumbrance** means any Encumbrance in relation to any property of a Schrole Group Member that is:

- (a) registered against a Schrole Group Member and recorded in the public records maintained by the Registrar (as defined in section 10 of the PPSA), three Business Days before the date of this deed;
- (b) a lien arising by operation of applicable law and in the ordinary course of trading;
- (c) a retention of title arrangement provided that such arrangement was entered into in the ordinary course of business;
- (d) a purchase money security interest (as defined in section 14 of the PPSA) which relates to the deferred purchase price of any asset or service provided in the ordinary course of trading;

- (e) a netting, set-off or similar arrangement or any combination of them entered into in the ordinary course for the purpose of netting debit and credit balances; or
- (f) an interest in personal property that would not be an Encumbrance but for section 12(3) of the PPSA.

**Personal Information** means:

- (a) personal information, sensitive information or health information as defined in the *Privacy Act 1988* (Cth); and
- (b) any other information in which an individual is identified or reasonably identifiable.

**Policy Requirements** means the requirements detailed in clause 9.5(a).

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Property Leases** has the meaning given in item 30.2 of Part 1 of Schedule 2.

**Recommendation** means the recommendation referred to in clause 5.1(a).

**Record Date** means 7.00pm on the date which is two Business Days after the Effective Date or such other time and date agreed to in writing between TES and Schrole.

**Reference Rate** means in relation to interest payable on any payment due under this deed, the average bid rate displayed on the Reuters Screen BBSY for a three month term at or about 10.30am on the first date on which interest accrues on that payment.

**Register** means the register of Schrole Shares maintained by Automic Pty Ltd (ACN 152 260 814) on behalf of Schrole.

**Regulatory Approval** means an Authorisation provided in satisfaction of any of the Conditions set out in clause 3.1.

**Regulatory Guide** means the regulatory guides published by ASIC from time to time relevant to the Transaction.

**Related Entity** means:

- (a) in respect of TES, an entity that:
- (i) Controls TES;
  - (ii) is under the Control of TES; or
  - (iii) is under the Control of another entity that also Controls TES; and
- (b) in respect of Schrole, an entity that is under the Control of Schrole.

**Relevant Interest** has the meaning given in the Corporations Act as modified by any class order or other instrument executed by ASIC that applies to Schrole.

**Report** means an End of Month Report, a Scheme Meeting Report or a Second Court Date Report (as applicable).

**Representative** means in relation to a person, any director, officer or employee or agent of, and any accountant, auditor, financier, financial adviser, legal adviser, technical adviser or other expert adviser or consultant to, that person.

**Required Consultation Period** is:

- (a) if:
  - (i) the Condition in item 3.1(c) of the table in clause 3.1 is not satisfied only because of a failure to satisfy the Headcount Test;
  - (ii) Schrole applies to the Court for the order under clause 6.6(o); and
  - (iii) the Condition in item 3.1(a) of the table in clause 3.1 is not satisfied, five Business Days after the Second Court Date; and
- (b) in all other circumstances, the shorter of:
  - (i) the period starting at the time a notice is delivered under clause 3.12 and ending five Business Days later; and
  - (ii) the period starting at the time a notice is delivered under clause 3.12 and ending at 8.00am on the Second Court Date.

**Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act under which all of the Scheme Shares held by Scheme Shareholders will be transferred to TES and the Scheme Shareholders will be entitled to receive the Scheme Consideration, in the form attached at Appendix 1 or in such other form as the parties approve in writing and the Court approves under section 411(6) of the Corporations Act.

**Scheme Booklet** means the explanatory memorandum to be approved by the Court and sent to Shareholders in advance of the Scheme Meeting and which must include:

- (a) the Scheme;
- (b) explanatory statements under section 412(1) of the Corporations Act;
- (c) the Independent Expert's Report;
- (d) the Deed Poll; and
- (e) the notice of Scheme Meeting and proxy form for the Scheme Meeting.

**Scheme Consideration** means, in respect of each Scheme Share, an amount in cash of \$0.4852.

**Scheme Meeting** means the meeting of Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act in respect of the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

**Scheme Meeting Report** has the meaning given in clause 7.1(f)(vii).

**Scheme Performance Right** means a Schrole Performance Right on issue as at the date of this deed as detailed in Schedule 4.

**Scheme Resolution** means the resolution to be put to Shareholders at the Scheme Meeting to approve the Scheme.

**Scheme Shareholder** means a person who is registered in the Register as the holder of one or more Scheme Shares as at the Record Date.



**Scheme Shares** means all of the Schrole Shares on issue at the Record Date other than Excluded Shares.

**Schrole Authorisation** means an Authorisation held by or for the benefit of the Schrole Group or a Schrole Group Member for the purposes of conducting its business.

**Schrole Board** means the board of directors of Schrole.

**Schrole Data Room** means the online electronic data room entitled 'Project Nova' administered by Ansarada in connection with the Transaction established and maintained by or on behalf of Schrole as at 11.59pm on 14 June 2024 and the contents of which are set out in an electronic index sent by or on behalf of Schrole to TES or its Representatives on or before the date of this deed.

**Schrole Director** means each director of Schrole from time to time.

**Schrole Disclosure Materials** means:

- (a) the Schrole Due Diligence Information;
- (b) an announcement by Schrole to ASX within two years prior to the date of this deed; and
- (c) a publicly available document in relation to Schrole or a Schrole Group Member which would be disclosed in a search of the following:
  - (i) ASIC records on the date immediately before the date of this deed;
  - (ii) the PPSR on the date immediately before the date of this deed;
  - (iii) the land titles register maintained by the land titles offices of Western Australia, Landgate, as at 2 May 2024;
  - (iv) the publicly available databases or registers of IP Australia as at 8 May 2024; and
  - (v) the public records maintained by the High Court of Australia, the Federal Court of Australia, the Federal Circuit Court of Australia, the Fair Work Commission, the Administrative Appeals Tribunal and the Supreme Courts of all Australian states and territories, in each case as at 2 May 2024.

**Schrole Due Diligence Information** means:

- (a) the written information and information made available to TES and its Representatives by or on behalf of the Schrole Group or its Representatives in the Schrole Data Room; and
- (b) any documentation and information made available to TES and its Representatives by or on behalf of the Schrole Group or its Representatives that has been agreed in writing (including by email) between TES and Schrole to form part of the Schrole Due Diligence Information.

**Schrole Group** means Schrole and its Related Entities.

**Schrole Group Member** means any member of the Schrole Group.

**Schrole Incentive Plan** means any incentive plan operated by Schrole for the benefit of executives or employees of members of the Schrole Group including the 'Employee Incentive

Plan' approved by shareholders at the 2021 annual general meeting of Schrole on 31 May 2021 and the 'Schrole Group Limited Employee Securities Incentive Plan' approved by shareholders at the 2024 annual general meeting of Schrole on 31 May 2024.

**Schrole Indemnified Persons** means each Schrole Group Member and each of their respective Representatives.

**Schrole Information** means all information included in the Scheme Booklet other than the TES Information and the Independent Expert's Report.

**Schrole Material Adverse Change** has the meaning given in Part 1 of Schedule 1.

**Schrole Material Contract** means any agreement, contract, or other arrangement or instrument to which any Schrole Group Member is a party or bound by or to which any of the assets of any Schrole Group Member is subject, and which:

- (a) imposes obligations or liabilities on any party of at least \$25,000 per annum or \$25,000 over the life of the agreement, contract, or other arrangement or instrument;
- (b) delivers a contribution to consolidated net profit after tax of the Schrole Group (taken as a whole) of at least \$25,000 any financial year of Schrole;
- (c) restricts the ability of any Schrole Group Member or any person who Controls Schrole from engaging in or competing with any business in any place; or
- (d) is otherwise of material importance to the Schrole Group.

**Schrole Performance Right** means a performance right issued under the Schrole Incentive Plan as detailed in Schedule 4.

**Schrole Prescribed Occurrence** means each of the occurrences listed in Part 2 of Schedule 1.

**Schrole Regulated Event** has the meaning given in Part 3 of Schedule 1, other than an event:

- (a) other than in respect of an event described in paragraphs 4 to 10 (inclusive) in Part 3 of Schedule 1, Disclosed in the Schrole Disclosure Materials;
- (b) agreed to by TES in writing;
- (c) resulting from the exercise by any party of its express rights, or the discharge by any party of its express obligations, under this deed, the Scheme, the Deed Poll or the transactions contemplated under any of them;
- (d) resulting, directly or indirectly, from the actions (or omissions to act) of TES or a TES Group Member, other than in circumstances where Schrole is in material breach of this deed unless such material breach resulted, directly or indirectly, from the actions (or omissions to act) of TES or a TES Group Member; or
- (e) as reasonably required by an applicable law or by any Government Agency.

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

**Schrole Undertakings** means the undertakings set out in Part 2 of Schedule 2.

**Schrole Warranties** means the statements set out in Part 1 of Schedule 2.

**Second Court Date** means the first day on which the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Second Court Date Report** has the meaning given in clause 7.1(f)(viii).

**Shareholder** means a person who is registered in the Register as the holder of one or more Schrole Shares from time to time.

**Standard Tax Conditions** means the tax conditions published by or on behalf of FIRB as set out in section D of version 3 of FIRB's guidance note 12 on 'Tax Conditions' in the form last updated on 10 August 2023 (as amended from time to time).

**Subsidiary** has the meaning given in the Corporations Act.

**Superior Proposal** means a written bona fide Competing Proposal (received after the date of this deed) that:

- (a) does not result from a breach by Schrole of any of its obligations under clause 10 or from any act by a Schrole Group Member which, if done by, would constitute a breach of clause 10 by Schrole; and
- (b) the Schrole Board determines, acting in good faith and after having taken advice from its external financial and legal advisers:
  - (i) is reasonably capable of being valued and implemented, taking into account all aspects of the Competing Proposal, including its conditions precedent; and
  - (ii) would, if completed substantially in accordance with its terms, be more favourable to Shareholders (as a whole) than the Scheme, taking into account all the terms and conditions of the Competing Proposal and the Scheme.

**Supplementary Disclosure** means any supplementary disclosure prepared by Schrole in the circumstances set out in clause 6.6(k).

**Surviving Clauses** means clause 1 (*Interpretation*), clause 11 (*Break Fee*), clause 13 (*Announcements*), clause 14 (*Confidentiality*), clause 16 (*Goods and Services Tax*), clause 17 (*Notices*), clause 18 (*General*) (other than clause 18.11 (*Further Assurance*)) and clause 19 (*Governing Law and Jurisdiction*).

**Tax** means a tax, levy, charge, impost, fee, or withholding any nature, including, without limitation, any goods and services tax, value added tax or consumption tax, payroll tax, fringe benefits tax, superannuation guarantee charge, pay as you go withholding which is assessed, levied, imposed or collected by a Government Agency, except where the context requires otherwise. This includes, but is not limited to, any interest, fine, penalty, charge, fee or other amount imposed in addition to those amounts, but excludes Duty.

**TES Authorisation** means an Authorisation held by or for the benefit of the TES Group or a TES Group Member for the purposes of conducting its business.

**TES Group** means TES and its Related Entities.

**TES Group Member** means any member of the TES Group.

**TES Indemnified Persons** means each TES Group Member and each of their respective Representatives.

**TES Information** means the information regarding:

- (a) the TES Group;
- (b) the Scheme Consideration, including the arrangements TES has in place to fund the Scheme Consideration; and
- (c) TES's intentions in relation to the assets, business and employees of Schrole if the Scheme is approved and implemented,

required to be included in Scheme Booklet by the Corporations Act, the Regulatory Guides, the ASX Listing Rules and any other applicable law, but does not include:

- (d) the Schrole Information;
- (e) any other information about the Schrole Group (except to the extent it relates to any statement of intention relating to the TES Group following the Effective Date); and
- (f) any information provided by Schrole to TES (or otherwise obtained from Schrole's public filings on ASX and ASIC) contained in, or used for the preparation of, the information regarding the Merged Group or the Independent Expert's Report.

**TES Undertakings** means the undertakings set out in Part 2 of Schedule 3.

**TES Warranties** means the statements set out in Part 1 of Schedule 3.

**Third Party** means any of the following:

- (a) a person other than a TES Group Member or a Schrole Group Member; or
- (b) a consortium, partnership, limited partnership, syndicate or other group in which no TES Group Member has agreed to be a participant.

**Timetable** means the timetable set out in Schedule 5, or such other timetable as the parties agree in writing.

**Trading Day** has the meaning given in the ASX Listing Rules.

**Transaction** means the acquisition by a TES Group Member of all the Schrole Shares through implementation of the Scheme in accordance with the terms of this deed.

**Transaction Announcement** means a public announcement concerning the Transaction substantially in the form initialled or identified by the parties prior to the execution of this deed, to be made by Schrole in accordance with clause 13.1.

**Transaction Costs** means those costs and expenses incurred and expected to be incurred by the Schrole Group in connection with the Transaction including, but not limited to, as detailed in the spreadsheet titled "Transaction Costs" in the agreed form as at the date of this deed.

**Transaction Costs Cap** means that amount described as the "Transaction Costs Cap" in the spreadsheet titled "Transaction Costs" in the agreed form as at the date of this deed.

**Voting Intention** means the undertaking referred to in clause 5.1(b).

**Wholly Owned Subsidiary** means a Subsidiary in which a person owns all of the issued capital.

**Working Capital Assets** means the sum, without duplication, of the assets as specified on the Schrole trial balance as at 31 March 2024 and labelled as "Working Capital Assets" in the BSM Schedule, but does not include any cash or deferred tax.

**Working Capital Liabilities** means the sum, without duplication, of the liabilities, as specified on the Schrole trial balance as at 31 March 2024 and labelled as "Working Capital Liabilities" in the BSM Schedule including all deferred revenue liabilities, but does not include any liabilities for employee bonuses and excessive portion of the PAYG liability or income tax as reflected in the tab entitled "NWC" of the spreadsheet titled "Tes24-Seahawk NWC BS mapping Databook" in agreed form as at the date of this deed.

### **Awareness of TES and Schrole**

1.2 In this deed, unless otherwise specified, a reference to the knowledge, belief or awareness of Schrole or a Schrole Group Member is limited to the actual knowledge, belief or awareness of the Key Executives of Schrole in each case as at the date of this deed having made reasonable enquiries of each other and of their direct reports, provided:

- (a) except to the extent referred to in this clause 1.2, the knowledge, belief or awareness of any other person will not be imputed to Schrole nor any other Schrole Group Member; and
- (b) none of the Key Executives of Schrole will bear any personal liability in respect of any Schrole Warranty or otherwise under this deed, except where such person has engaged in wilful misconduct, wilful concealment or fraud.

1.3 In this deed, unless otherwise specified, a reference to the knowledge, belief or awareness of TES or a TES Group Member is limited to the actual knowledge, belief or awareness of the Key Executives of TES in each case as at the date of this deed having made reasonable enquiries of each other and of their direct reports, provided:

- (a) except to the extent referred to in this clause 1.3, the knowledge, belief or awareness of any other person will not be imputed to TES nor any other TES Group Member; and
- (b) none of the Key Executives of TES will bear any personal liability in respect of any TES Warranty or otherwise under this deed, except where such person has engaged in wilful misconduct, wilful concealment or fraud.

### **Reasonable endeavours**

1.4 Except as otherwise expressly provided in this deed, any provision of this deed which requires a party to use reasonable endeavours or all reasonable endeavours, or to take all steps reasonably necessary, to procure that something is performed or occurs, does not impose any obligation to:

- (a) commence any legal action or proceeding against any person;
- (b) procure absolutely that that thing is done or happens;
- (c) incur a material expense, except where that provision expressly specifies otherwise; or
- (d) accept any undertakings or conditions required by any Third Party if those undertakings or conditions, in the reasonable opinion of the party required to give

such undertakings or satisfy such conditions, are materially adverse to its commercial interests or fundamentally or materially alter the basis on which it originally agreed to the Transaction.

### **Things required to be done other than on a Business Day**

- 1.5 Unless otherwise indicated, if the day on which any act, matter or thing is to be done is a day other than a Business Day, that act, matter or thing must be done on or by the next Business Day.

### **Non-Wholly Owned Subsidiaries**

- 1.6 Where this deed imposes an obligation on a party to procure that a Related Entity do or not do anything, that obligation is subject to any applicable shareholders agreement, constituent document or similar obligations to third parties where the relevant Related Entity is not a Wholly Owned Subsidiary of the party.

### **Other rules of interpretation**

- 1.7 In this deed:
- (a) any reference, express or implied, to any legislation in any jurisdiction includes:
    - (i) that legislation as amended, extended or applied by or under any other legislation made before or after signature of this deed;
    - (ii) any legislation which that legislation re-enacts with or without modification; and
    - (iii) any subordinate legislation made before or after signature of this deed under that legislation, including (where applicable) that legislation as amended, extended or applied as described in clause 1.7(a)(i), or under any legislation which it re-enacts as described in clause 1.7(a)(ii);
  - (b) references to persons or entities include natural persons, bodies corporate, partnerships, trusts and unincorporated associations of persons;
  - (c) references to an individual or a natural person include his or her estate and personal representatives;
  - (d) a reference to a clause, schedule or appendix is a reference to a clause, schedule or appendix of or to this deed (and the schedules and appendices form part of this deed);
  - (e) subject to clause 18.2, references to a party to this deed include the successors or assigns (immediate or otherwise) of that party;
  - (f) a reference to any instrument or document includes any variation or replacement of it;
  - (g) unless otherwise indicated, a reference to any time is, a reference to that time in Perth, Australia;
  - (h) a reference to \$, A\$ or dollars is to Australian currency;
  - (i) singular words include the plural and vice versa;
  - (j) a word of any gender includes the corresponding words of any other gender;

- (k) if a word or phrase is defined, other grammatical forms of that word have a corresponding meaning;
- (l) general words must not be given a restrictive meaning just because they are followed by particular examples intended to be embraced by the general words;
- (m) references to 'applicable law' include all laws of jurisdictions applicable to the Transaction, TES or Schrole within or outside Australia, including the ASX Listing Rules and orders, judgments, award, injunctions, decrees, rules, regulations, policies, guidelines, directives or requests of, or by, any Government Agency (including any court of competent jurisdiction), except to the extent compliance is duly modified, waived or exempted in favour of a person in the relevant circumstances;
- (n) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1, has the same meaning when used in this deed;
- (o) a reference to the ASX Listing Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party;
- (p) nothing is to be construed adversely to a party just because that party put forward this deed or the relevant part of this deed; and
- (q) the headings do not affect interpretation.

## **2 Scheme of Arrangement**

### **Agreement to propose Scheme**

- 2.1 Schrole must propose the Scheme on and subject to the terms and conditions of this deed.
- 2.2 TES agrees to assist Schrole to propose the Scheme on and subject to the terms and conditions of this deed.
- 2.3 TES and Schrole agree to implement the Scheme on and subject to the terms and conditions of this deed.

### **Nomination of alternative acquirer**

- 2.4 No later than 10 Business Days after the date of this deed, TES may nominate BidCo to acquire the Scheme Shares under the Scheme by giving written notice which sets out the details of BidCo to Schrole.
- 2.5 If TES nominates BidCo to perform its obligations, on and from the date of that nomination:
- (a) references in this deed to TES acquiring the Scheme Shares are to be read as references to BidCo doing so;
- (b) the parties must procure that the Scheme Shares are transferred to BidCo rather than TES;
- (c) TES and BidCo will both enter into the Deed Poll;
- (d) TES must procure that BidCo complies with all of the relevant obligations of TES under this deed and the Deed Poll; and

- (e) any such nomination will not relieve TES of its obligations under this deed, including the obligation to pay or procure the payment of the Scheme Consideration in accordance with the terms of the Scheme provided that TES will not be in breach of this deed for failing to perform an obligation of BidCo if that obligation is fully discharged by BidCo.

**No amendment to Scheme without TES's consent**

- 2.6 Schrole must not consent to any modification of, or amendment to, the Scheme, or the making or imposition by the Court or any Government Agency of any condition to the Scheme, without TES's prior written consent.

**3 Conditions Precedent**

**Conditions**

- 3.1 The Scheme will not become Effective and the obligations of TES under clauses 2.2 and 2.3 do not become binding unless and until each of the Conditions set out in the first column of the following table has been satisfied or waived in the manner set out in this clause:

Condition	Responsibility	Waiver
<p>(a) <b>FIRB approval:</b> before 8.00am on the Second Court Date the Treasurer of the Commonwealth of Australia (or the Treasurer's delegate) has either:</p> <p>(i) provided written notice that there is no objection under the FATA to the Transaction, with the notice of no objection being either unconditional or subject only to the Taxation Conditions and/or other conditions which are reasonably acceptable to TES; or</p> <p>(ii) become precluded from exercising any power to make an order under the FATA in relation to the Scheme,</p> <p>and in the case of 3.1(a)(i), the written notice has not been varied on terms not acceptable to TES or withdrawn on or before 8.00am on the Second Court Date;</p>	TES	TES
<p>(b) <b>Court approval:</b> the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act (either unconditionally and without modification or with modifications or conditions consented to by TES in accordance with clause 2.6);</p>	TES and Schrole	None
<p>(c) <b>Shareholder approval:</b> Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities as may be modified by the Court in accordance with section 411(4)(a)(ii)(A) of the Corporations Act (either unconditionally and without modification or with modifications or conditions consented to by TES in accordance with clause 2.6);</p>	Schrole	None
<p>(d) <b>Independent Expert:</b> the Independent Expert issues a report which concludes that the Scheme is in the best interests of Shareholders before the Scheme Booklet is registered with ASIC and the Independent Expert does not change its conclusion in any written</p>	TES and Schrole	None



Condition	Responsibility	Waiver
update to its Independent Expert's Report prior to 8.00am on the Second Court Date;		
(e) <b>no Government Agency intervening action:</b> no Government Agency has issued an order, temporary restraining order, preliminary or permanent injunction, decree, or ruling or has taken any action, or imposes any legal restraint or prohibition, to prevent implementation of the Scheme which remains in force at 8.00am on the Second Court Date;	TES and Schrole	TES
(f) <b>no Schrole Material Adverse Change:</b> no Schrole Material Adverse Change occurs between the date of this deed and 8.00am on the Second Court Date;	Schrole	TES
(g) <b>no Schrole Prescribed Occurrence:</b> no Schrole Prescribed Occurrence occurs between the date of this deed and 8.00am on the Second Court Date;	Schrole	TES
(h) <b>no Schrole Regulated Event:</b> no Schrole Regulated Event occurs between the date of this deed and 8.00am on the Second Court Date;	Schrole	TES
(i) <b>no breach of Schrole Undertakings:</b> no material breach of the Schrole Undertakings occurs between the date of this deed and 8.00am on the Second Court Date;	Schrole	TES
(j) <b>no breach of TES Undertakings:</b> no material breach of the TES Undertakings occurs between the date of this deed and 8.00am on the Second Court Date;	TES	Schrole
(k) <b>no breach of Schrole Warranties:</b> the Schrole Warranties are true and correct in all material respects on the date of this deed and each date up to including the Second Court Date; and	Schrole	TES
(l) <b>no breach of TES Warranties:</b> the TES Warranties are true and correct in all material respects on the date of this deed and each date up to including the Second Court Date.	TES	Schrole

### Satisfaction of Conditions

#### 3.2 In respect of each Condition:

- (a) each party specified in the second column of the table in clause 3.1 opposite that Condition must use all reasonable endeavours to procure that the Condition is satisfied as soon as practicable after the date of this deed and continues to be satisfied at all times until the last time that the relevant Condition provides that it is to be satisfied;
- (b) if it is not specified in the second column, the other party, must promptly provide all information and other assistance reasonably required by the party referred to in clause 3.1 for the purposes of procuring the satisfaction of the Condition; and
- (c) each party must not take any action that will or is reasonably likely to hinder or prevent the satisfaction of the Condition.

- 3.3 For the avoidance of doubt, Schrole will not be in breach of its obligations under clause 3.2 to the extent that it takes an action or omits to take an action:
- (a) as required or expressly permitted or permitted not to be done, by this deed (including without limitation taking an action or omitting to take an action in connection with an actual, proposed or potential Competing Proposal as permitted or contemplated by clause 10) provided Schrole continues to use all reasonable endeavours to procure no Schrole Regulated Event described in paragraphs 4 to 10 (inclusive) in Part 3 of Schedule 1 occurs; or
  - (b) which has been consented to in writing by TES (such consent not to be unreasonably withheld, conditioned or delayed).

**Information in relation to status of Conditions**

- 3.4 Each party specified in the second column of the table in clause 3.1 opposite a Condition must:
- (a) promptly provide to the other party on request reasonable information about the steps it has taken towards satisfaction of the Condition;
  - (b) promptly after becoming aware that the Condition is satisfied, give notice to the other party that the Condition is satisfied including reasonable evidence of how it was satisfied; and
  - (c) promptly after becoming aware of any matter or circumstance that may result in the Condition not being satisfied give notice to the other party of that matter or circumstance.

**Regulatory Approvals**

- 3.5 Without limiting the other provisions of this clause 3 and to the extent permitted by applicable law or a Government Agency:
- (a) subject to clause 3.5(e) (to the extent required to enable TES to apply for any Regulatory Condition), TES must promptly, and in any event within seven Business Days after the date of this deed, apply for all relevant Regulatory Approvals (as applicable and to the extent not applied for before the date of this deed) and provide to Schrole a copy of all those applications;
  - (b) TES must take all reasonable steps it is responsible for as part of the Regulatory Approval process, including responding to requests for information from the relevant Government Agencies at the earliest practicable time;
  - (c) TES must keep Schrole reasonably informed of progress in relation to each Regulatory Approval (including in relation to any material matters raised by, or conditions or other arrangements proposed by, or to, any Government Agency in relation to a Regulatory Approval) and provide Schrole with all information reasonably requested in connection with the applications for, or progress of, the Regulatory Approvals;
  - (d) TES must keep Schrole reasonably informed of all material communications with Government Agencies regarding any of the Regulatory Approvals and, without limitation:
    - (i) Schrole must promptly provide TES with such information, inputs and assistance required to complete any material communications to be sent to a Government Agency as TES reasonably requires;

- (ii) TES must provide Schrole with drafts of any material written material communications to be sent to a Government Agency (including applications) and provide Schrole and its Representatives a reasonable opportunity to comment and propose amendments and must, to the extent Schrole provides comments or proposes amendments to TES promptly in relation to any draft written material communications to be sent to a Government Agency (including applications), correct any factual inaccuracy notified to it relating to Schrole and consider any other reasonable comments from Schrole in good faith;
  - (iii) TES must provide copies of the final applications and any material communications sent to or received from a Government Agency to Schrole promptly upon despatch or receipt; and
  - (iv) TES must consult with Schrole as to whether its Representatives should have the opportunity to be present at any meetings with such Government Agency in respect of the Transaction to the extent reasonably necessary to support any application for a Regulatory Approval (only if and to the extent permitted by the relevant Government Agency); and
- (e) Schrole must provide TES with all assistance and information in relation to the Schrole Group and its businesses, operations and affairs as may be reasonably requested by TES in connection with obtaining each Regulatory Approval and must promptly complete all filings with any Government Agency (in each case, to the extent reasonably necessary to support any application for a Regulatory Approval and to enable TES to respond promptly to any requests for further information),

provided that:

- (f) TES may withhold or redact information or documents from Schrole if and to the extent that they are confidential to a third party or commercially sensitive and confidential to TES;
- (g) neither party is required to disclose materially commercially sensitive information to the other party (except that each party must provide that information directly to FIRB if it is requested to do so);
- (h) TES is not prevented from submitting any Regulatory Approval application or communicating with a Government Agency in respect of a Regulatory Approval if Schrole has not promptly responded, provided comments or proposed amendments under clause 3.5(d); and
- (i) in relation to any Regulatory Approval, TES must offer, agree or accept the Standard Tax Conditions issued by FIRB from time to time (or any terms, conditions or undertakings that are consistent in all material respects with the Standard Tax Conditions) and TES acknowledges and agrees that these are reasonable and acceptable to it if they are included in any "no objections" notification contemplated by clause 3.1(a) and must respond to the relevant Government Agency promptly and as soon as is possible, and in any event within the time required by the relevant Government Agency.

#### **Government Agency intervening action**

- 3.6 In respect of the Condition Precedent in clause 3.1(e) (*No Government Agency intervening action*):
- (a) TES and Schrole must each use their best endeavours to challenge or otherwise seek to release or overturn the applicable law, rule, regulation, restraining order, or

permanent injunction or other decision, order or decree prior to 8.00am on the Second Court Date; and

- (b) if any restraint contemplated in the Condition Precedent in clause 3.1(e) (*No Government Agency intervening action*) is in effect at 5.00pm on the Business Day prior to the Second Court Date, TES and Schrole shall consult with each other (each acting reasonably and in good faith) to consider delaying the Second Court Date and, if applicable, extend the End Date in order to facilitate the satisfaction of the Condition Precedent in clause 3.1(e) (*No Government Agency intervening action*).

#### **Waiver of Conditions**

- 3.7 Where the third column of the table in clause 3.1 opposite a Condition states 'none', any the breach or non-satisfaction of the Condition may not be waived.
- 3.8 Each other Condition is only for the benefit of, and any breach or non-satisfaction of the Condition may only be waived by:
  - (a) if one party is specified in the third column of the table in clause 3.1 opposite that Condition, that party; or
  - (b) if both parties are specified in the third column of the table in clause 3.1 opposite that Condition, the parties jointly.
- 3.9 A party entitled to waive, or to join in the waiver of, a breach or non-satisfaction of a Condition may do so in its absolute discretion.
- 3.10 Where a breach or non-satisfaction of a Condition may:
  - (a) be waived by one party, that party may only waive the breach or non-satisfaction by giving notice in writing to the other party; and
  - (b) only be waived by both parties jointly, the parties may only waive the breach or non-satisfaction by agreeing in writing to do so.
- 3.11 If a party waives or joins in the waiver of a breach or non-satisfaction of a Condition in accordance with this clause 3 that waiver does not:
  - (a) preclude that party from bringing a Claim against the other party for any breach of this deed;
  - (b) constitute a waiver of a breach or non-satisfaction of any other Condition resulting from the same fact, matter or circumstance; or
  - (c) a waiver of a breach or non-satisfaction of that Condition resulting from any other fact, matter or circumstance.

#### **Termination on failure of a Condition**

- 3.12 If:
  - (a) the Scheme has not become Effective by the End Date; or
  - (b) any fact, matter or circumstance arises which would, or does in fact, prevent a Condition being satisfied and that Condition is not waived by Schrole or TES or both (as applicable) in accordance with clauses 3.8,

and in respect of the non-satisfaction of the Condition in clause 3.1(b) or 3.1(c) the required notice period and processes in clause 6.14 or 6.15 respectively have concluded, then either party may serve a written notice on the other party to commence a period of consultation, and the parties must consult in good faith with a view to determining whether:

- (c) the Scheme or a transaction which results in the TES Group having beneficial ownership of all the Schrole Shares may proceed by way of alternative means or methods;
- (d) to extend the End Date or the relevant time or date for satisfaction of the Condition; or
- (e) to change the date of the application to be made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties and, if required, approved by the Court.

3.13 If TES and Schrole are unable to reach agreement under clause 3.12 within the Required Consultation Period then, unless:

- (a) the relevant Condition has been waived in accordance with clause 3.8; or
- (b) each party entitled to waive the relevant Condition in accordance with clause 3.8 confirms in writing to the other party that it will not rely on the fact, matter or circumstance that would or does prevent the relevant Condition from being satisfied,

this deed may be terminated subject to and in accordance with clause 12.3.

#### **Termination**

3.14 Notwithstanding anything in this clause 3 or any rights of termination implied by applicable law, this deed may only be terminated in accordance with clause 12.

## **4 Scheme Consideration**

### **Scheme Consideration**

4.1 Subject to and in accordance with this deed and the Scheme, each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by the Scheme Shareholder.

4.2 Subject to this deed and the Scheme, TES undertakes to Schrole (in its own right and separately as trustee or nominee of each Scheme Shareholder) that, in consideration of the transfer to TES of each Scheme Share held by a Scheme Shareholder, TES will on the Implementation Date procure acceptance of that transfer and procure the provision to each Scheme Shareholder of the Scheme Consideration for each Scheme Share in accordance with the terms of this deed and the Scheme.

### **Fractional entitlements**

4.3 Where the calculation of the aggregate Scheme Consideration to be provided to a Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded as follows:

- (a) if the fractional entitlement is less than 0.5, it will be rounded down to the nearest cent; and

- (b) if the fractional entitlement is equal to or more than 0.5, it will be rounded up to the nearest cent.

### **Schrole Performance Rights**

- 4.4 Schrole must take such action as is necessary to ensure that subject to the Scheme becoming Effective, prior to the Record Date, all Scheme Performance Rights will vest in accordance with their terms and be exercised (if applicable), and the resulting Schrole Shares are issued, which action will include:
- (a) the Schrole Board accelerating the vesting of, or waiving any vesting conditions or vesting periods applying to, any or all Scheme Performance Rights (subject to the proper exercise of the Schrole Board's discretion);
  - (b) the Schrole Board taking all reasonable steps and actions as are necessary to ensure the Scheme Performance Rights are exercised immediately:
    - (i) for the vested Performance Rights that have not been exercised prior to the Effective Date, upon the Effective Date; and
    - (ii) for all other Scheme Performance Rights, upon those Scheme Performance Rights vesting;
  - (c) Schrole making all necessary applications to the ASX for waivers under the ASX Listing Rules (if required) in a form approved by TES acting reasonably; and
  - (d) Schrole issuing or procuring the issue or transfer of such number of Schrole Shares as required by the terms of the Scheme Performance Rights before the Record Date so that the holders of the Scheme Performance Rights can participate as Scheme Shareholders in the Scheme and receive the Scheme Consideration.
- 4.5 Schrole covenants that on or before the Record Date, Schrole will issue not more than 1,447,639 Schrole Shares in satisfaction of the Schrole Performance Rights.

## **5 Schrole Board Support**

### **Recommendation and Voting Intention**

- 5.1 Subject to clause 5.3, Schrole must use all reasonable endeavours to ensure that each Schrole Director:
- (a) **Recommendation:** recommends that Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert's Report concluding that the Scheme is in the best interests of Shareholders; and
  - (b) **Voting Intention:** states that he or she intends to vote, or procure the voting of, all Schrole Shares held or Controlled by him or her in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert's Report concluding that the Scheme is in the best interests of Shareholders.
- 5.2 Schrole represents and warrants to TES that, as at the date of this deed, each Schrole Director has confirmed to Schrole that he or she will make the Recommendation and consents to the public disclosure of the Voting Intention.

### **Change to Recommendation or Voting Intention**

- 5.3 Schrole must use all reasonable endeavours to ensure that no Schrole Director:

- (a) changes, qualifies or withdraws the Recommendation or Voting Intention; or
- (b) makes any statement or takes or omits to take any action inconsistent with the Recommendation or Voting Intention,

unless:

- (c) the Independent Expert's Report concludes that the Scheme is not in the best interests of Shareholders; or
- (d) Schrole has received a Superior Proposal, where Schrole has complied with its exclusivity obligations under clause 10 and the Matching Period for that Superior Proposal has expired.

### **Promoting the Scheme**

5.4 Except where clauses 5.3(c) or 5.3(d) apply, during the Exclusivity Period, Schrole use all reasonable endeavours to procure that each Schrole Director provides all reasonable co-operation to TES in promoting the merits of the Scheme and the Scheme Consideration to Shareholders, including:

- (a) using reasonable endeavours to procure that the Schrole Board and senior executives of the Schrole Group as may be reasonably available, meet with key Shareholders if reasonably requested to do so by TES; and
- (b) where requested by TES, undertaking reasonable shareholder engagement and proxy solicitation actions and reasonable media engagement (such as media interviews) consistent with agreed messaging to encourage Shareholders to vote on the Scheme in accordance with the recommendation of the Schrole Board, subject to applicable law,

and Schrole must keep TES up-to-date on, and reasonably consider TES's views in relation to, any significant discussions and correspondence with Shareholders.

## **6 Transaction Steps**

### **General obligations**

6.1 Each party must do everything reasonably necessary, including by procuring that its Representatives work in good faith and in a timely and co-operative manner with the other party and its Representatives, to implement the Scheme in accordance with this deed and all applicable law to the Scheme.

### **Timetable**

6.2 Each party must use all reasonable endeavours to ensure that the Scheme is implemented in accordance with the Timetable.

6.3 Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 6.2 to the extent that such failure is due to circumstances and matters outside of the party's control, including any action or omission by a Government Agency.

6.4 Schrole must keep TES informed of its progress against the Timetable and consult with TES on a regular basis about its progress and each party must notify the other immediately if it believes or it becomes apparent to it that any of the dates in the Timetable are not achievable.

- 6.5 If any date in the Timetable is not able to be achieved due to events outside the control of the parties, the parties must consult in good faith with a view to amending the Timetable to the extent required to permit the Scheme to be implemented as soon as practicable and in any event before the End Date.

### Schrole's obligations

- 6.6 Without limiting clause 2, Schrole must:

- (a) **publicly announce Recommendation and Voting Intention:** following execution of this deed, announce, through the release of the Transaction Announcement, each Schrole Director's Recommendation and Voting Intention;
- (b) **prepare the Scheme Booklet:** as soon as practicable after the date of this deed, prepare the Scheme Booklet so that it:
  - (i) contains all information required by the Corporations Act, the Regulatory Guides, the ASX Listing Rules and any other applicable law;
  - (ii) contains the responsibility statements referred to in clause 6.10;
  - (iii) contains a statement by the Schrole Board reflecting the Recommendation and Voting Intention; and
  - (iv) is not misleading or deceptive in any material respect (whether by omission or otherwise);
- (c) **appoint the Independent Expert:** appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report as soon as reasonably practicable in accordance with the Timetable;
- (d) **consultation regarding the Scheme Booklet:** consult with TES regarding the content and presentation of:
  - (i) the Scheme Booklet including:
    - (A) giving TES successive drafts of the Scheme Booklet in a timely manner and a reasonable opportunity to review those drafts;
    - (B) considering in good faith the reasonable comments of TES and its Representatives when preparing revised drafts of the Scheme Booklet;
    - (C) keeping TES promptly informed of any matters raised by ASIC, ASX or the Court in relation to the Scheme Booklet and use reasonable endeavours, in co-operation with TES, to resolve any such matters;
    - (D) obtaining TES's consent to the inclusion of the TES Information (including in respect of the form and context in which the TES Information appears in the Scheme Booklet (such consent must not be unreasonably withheld, delayed or conditioned)); and
    - (E) giving TES reasonable notice to the extent reasonably practicable of all meetings and telephone calls with ASIC or ASX in relation to the Scheme Booklet and where reasonably practicable giving TES and its Representatives a reasonable opportunity to participate in them or, if TES and its Representatives do not attend for whatever reason,



provide a written summary of the meeting or telephone call (as applicable) to TES promptly after such meeting or telephone call;

- (e) **consultation regarding the Court documents:** consult with TES regarding the content and presentation of documents required for the purposes of the Court hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating processes, affidavits, submissions and draft minutes of Court orders), and consider in good faith, for the purpose of amending drafts of those documents, any comments on, or suggested amendments to, those documents from TES prior to filing those documents with the Court;
- (f) **verification:** undertake reasonable verification processes (including approval of Schrole Board) in relation to the Schrole Information included in the Scheme Booklet so as to ensure that such information is not misleading or deceptive in any material respect (whether by omission or otherwise) and, once those processes have been completed, provide written confirmation to TES of the completion of such processes;
- (g) **lodge ASIC Review Booklet and section 411(17)(b) statement:** as soon as practicable after the approval of the Schrole Board referred to in clause 6.6(f) and receipt of the confirmation from TES referred to in clause 6.7(f):
  - (i) give ASIC the ASIC Review Booklet as required by section 411(2) of the Corporations Act;
  - (ii) apply to ASIC for the production of a letter that it does not intend to appear before the Court at the hearing held on the First Court Date; and
  - (iii) if clause 8305 of Schedule 8 of the Corporations Regulations applies, apply to ASIC for its consent in writing to the Independent Expert's Report being included in the Scheme Booklet;
- (h) **Schrole Board approval:** as soon as practicable after the end of ASIC's review of the ASIC Review Booklet, procure that a meeting of the Schrole Board is convened to approve the Scheme Booklet for lodgement with the Court and for dispatch to Shareholders;
- (i) **Court direction:** apply to the Court for orders under section 411(1) of the Corporations Act directing Schrole to convene the Scheme Meeting, and obtain the prior consent of TES as to the content of all relevant originating processes, affidavits, submissions and draft minutes of Court orders;
- (j) **Scheme Meeting:** if the Court makes an order under section 411(1) of the Corporations Act convening the Scheme Meeting:
  - (i) request ASIC to register the Scheme Booklet (in the form to be sent to Shareholders) in accordance with section 412(6) of the Corporations Act; and
  - (ii) dispatch the Scheme Booklet to Shareholders and hold the Scheme Meeting in accordance with that order;
- (k) **Supplementary Disclosure:** if at any time before the Second Court Date Schrole becomes aware:
  - (i) of new information which, were it known at the time the Scheme Booklet was prepared, should have been included in the Scheme Booklet; or
  - (ii) that any part of the Scheme Booklet is misleading or deceptive in a material respect (whether by omission or otherwise),

and Schrole considers that additional, retracting or clarifying disclosure to Shareholders is required in the circumstances in clauses 6.6(k)(i) or 6.6(k)(ii), provide such disclosure to Shareholders in an appropriate and timely manner and must:

- (iii) ensure the disclosure:
    - (A) contains all information required by the Corporations Act, the Regulatory Guides, the ASX Listing Rules and any other applicable law;
    - (B) contains the responsibility statements referred to in clause 6.10;
    - (C) contains a statement by the Schrole Board reflecting the Recommendation and Voting Intention; and
    - (D) is not misleading or deceptive in any material respect (whether by omission or otherwise);
  - (iv) consult with TES as to the form and content of the Supplementary Disclosure before it is provided to Schrole Shareholders, and, to the extent reasonably practicable, must provide TES with a reasonable opportunity to review and comment on such disclosure before it is made and must consider in good faith any comments provided by or on behalf of TES; and
  - (v) to the extent the Supplementary Disclosure relates to (or constitutes) TES Information, it may only be made with TES's prior written consent (not to be unreasonably withheld or delayed);
- (l) **Share registry and Register:**
- (i) comply with any reasonable request of TES to give directions to Scheme Shareholders in accordance with Part 6C.2 of the Corporations Act and give TES the information obtained as a result of giving such directions;
  - (ii) procure that its share registry report to Schrole and TES on the status of proxy forms received by the share registry for the Scheme Meeting:
    - (A) on the day that is 15 Business Days before the Scheme Meeting;
    - (B) on each Business Day following the day that is 15 Business Days before the Scheme Meeting, up to the deadline for receipt of proxy forms; and
    - (C) immediately following the deadline for receipt of proxy forms,
 and provide such other information as it may receive concerning the voting intentions of Shareholders to TES;
  - (iii) procure that its share registry provides to TES, in the form reasonably requested by TES, details of the Register and all other information about the Shareholders which TES reasonably requires in order to facilitate the provision by TES of the Scheme Consideration in accordance with this deed, the Scheme and the Deed Poll;
- (m) **tracing notices:** issue such disclosure notices under section 672A of the Corporations Act as TES may reasonably request and provide TES with copies of all responses it receives;

- (n) **Shareholder support:** Schrole must use all reasonable endeavours to procure, within 15 Business Days of execution of this deed, the delivery of statements from holders of Schrole Shares to the effect that they intend to vote in favour of the Scheme in the absence of a Superior Proposal from one or more of Schrole's substantial shareholders not associated with any Schrole Director, collectively holding not less than 15% of the Schrole Shares on issue at the date of this deed;
- (o) **apply for Court approval and 411(17) statement:** if the Scheme Resolution is passed by the requisite majorities of Shareholders (as may be modified by the Court in accordance with section 411(4)(a)(ii)(A) of the Corporations Act), promptly:
- (i) apply to the Court for an order approving the Scheme; and
  - (ii) apply to ASIC for a statement pursuant to section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme;
- (p) **Certificate:** provide:
- (i) to TES by 12.00pm on the Business Day before the Second Court Date a draft Certificate confirming (in respect of matters within its knowledge) whether or not the Conditions (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with this deed; and
  - (ii) the final signed version of that Certificate to the Court at the hearing on the Second Court Date;
- (q) **implementation steps:**
- (i) if the Court approves the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act, as soon as practicable after such time lodge with ASIC an office copy of the Court order approving the Scheme in accordance with section 411(10) of the Corporations Act;
  - (ii) use its reasonable endeavours to procure ASX to suspend trading in the Schrole Shares from the close of trading on the Effective Date;
  - (iii) take all reasonable steps to maintain Schrole's listing on the ASX, notwithstanding any suspension of the quotation of the Schrole Shares, up to and including one Business Day after the Implementation Date, including making all appropriate applications to ASX and ASIC and take all steps reasonably requested by TES to obtain the approval of ASX to the de-listing of Schrole following implementation of the Scheme;
  - (iv) close the Register as at the Record Date to determine the identity of the Scheme Shareholders and their entitlements to the Scheme Consideration; and
  - (v) on the Implementation Date:
    - (A) execute proper instruments of transfer of and effect transfer of the Scheme Shares to TES in accordance with the Scheme; and
    - (B) register all transfers of Scheme Shares held by Scheme Shareholders to TES;
- (r) **general implementation:** do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court; and

- (s) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws and regulations.

### TES's obligations

6.7 Without limiting clause 2, TES must:

- (a) **TES Information:** prepare and give to Schrole for inclusion in the Scheme Booklet or Supplementary Disclosure drafts of the TES Information in a timely manner, giving Schrole a reasonable opportunity to review drafts of the TES Information and considering in good faith the reasonable comments of Schrole and its Representatives when preparing revised drafts of that information;
- (b) **review Scheme documents:** as soon as practicable after receipt of any draft of the Scheme Booklet, Supplementary Disclosure or any Court documents from Schrole review and provide comments on that draft;
- (c) **assist Independent Expert:** subject to the Independent Expert entering into confidentiality arrangements with TES reasonably acceptable to TES promptly provide all assistance and information reasonably requested by the Independent Expert in relation to the TES Group and its assets, liabilities, business and operations to enable it to prepare the Independent Expert's Report and any technical expert's report and any updates to those reports;
- (d) **verification:** undertake reasonable verification processes (including approval of the board of directors of TES) in relation to the TES Information included in the Scheme Booklet or Supplementary Disclosure so as to ensure that such information is not misleading or deceptive in any material respect (whether by omission or otherwise) and, once those processes have been completed, provide written confirmation to Schrole of the completion of such processes;
- (e) **representation:** procure that, if requested by Schrole, TES is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act;
- (f) **approve and confirm TES Information:** subject to clause 6.9:
- (i) confirm to Schrole in writing the accuracy of the TES Information in the form and context in which it appears in the Scheme Booklet or Supplementary Disclosure; and
  - (ii) prior to Schrole providing the Scheme Booklet or Supplementary Disclosure deliver to Schrole consent from TES to the inclusion of the TES Information in the Scheme Booklet in the form and context it appears;
- (g) **new information:** advise Schrole if at any time before the Second Court Date, TES becomes aware either:
- (i) of new information which, were it known at the time the Scheme Booklet was prepared, should have been included in the TES Information; or
  - (ii) that any part of the TES Information is misleading or deceptive in a material respect (whether by omission or otherwise),

together with such additional information as Schrole reasonably requires to determine whether Supplementary Disclosure to Shareholders is required;

- (h) **Deed Poll:** no later than the Business Day before the First Court Date deliver to Schrole an executed copy of the Deed Poll and if requested by the Court, undertake to the Court to do all such things within its power as are reasonably necessary to ensure that it fulfils its obligations under this deed and the Deed Poll;
- (i) **Certificate:** provide:
  - (i) to Schrole by 12.00pm on the Business Day before the Second Court Date a Certificate confirming (in respect of matters within its knowledge) whether or not the Conditions (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with this deed; and
  - (ii) the final signed version of that Certificate to the Court at the hearing on the Second Court Date;
- (j) **accept transfer and Scheme Consideration:** if the Scheme becomes Effective accept a transfer of the Scheme Shares and provide the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme;
- (k) **general implementation:** if the Scheme becomes effective, do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme; and
- (l) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws and regulations.

**Disagreement on content of Scheme Booklet or any Supplementary Disclosure**

- 6.8 If, after a reasonable period of consultation and compliance by the parties with their respective obligations under clause 6.1, the parties, acting reasonably and in good faith, are unable to agree on the form or content of the Scheme Booklet or Supplementary Disclosure in respect of the Scheme Booklet, then:
- (a) if the disagreement relates to the form or content of the TES Information (or any information solely derived from, or prepared solely in reliance on, the TES Information), Schrole will, acting in good faith, make such amendments to that information in the Scheme Booklet or Supplementary Disclosure (as applicable) as TES may reasonably require; and
  - (b) if the disagreement relates to the form or content of the Schrole Information, Schrole will, acting in good faith, decide the final form of that information in the Scheme Booklet or Supplementary Disclosure (as applicable).
- 6.9 If TES requires any change to be made to the form or content of the TES Information as a condition of doing any of the things referred to in clause 6.7(f) then:
- (a) if Schrole disagrees with the change the parties must consult in good faith about the change and the reasons for it with a view to agreeing an alternative change that satisfies both parties; and
  - (b) if the parties are unable to reach agreement, Schrole must make such changes to the TES Information as TES reasonably requires.
- 6.10 The Scheme Booklet and each Supplementary Disclosure must contain responsibility statements, in a form to be agreed between the parties, to the effect that:
- (a) Schrole has provided, and is responsible for, the Schrole Information in the Scheme Booklet or Supplementary Disclosure (as applicable), and that none of TES and its

officers and employees assumes any responsibility for the accuracy or completeness of the Schrole Information;

- (b) TES has provided, and is responsible for, the TES Information, and that none of Schrole and its officers and employees assumes any responsibility for the accuracy or completeness of the TES Information; and
- (c) the Independent Expert has provided and is responsible for the Independent Expert's Report, and that none of TES, Schrole and their respective officers and employees assumes any responsibility for the accuracy or completeness of the Independent Expert's Report.

#### **Conduct of Court proceedings**

- 6.11 In relation to each Court hearing held in relation to the Scheme, including any appeal:
- (a) Schrole must engage counsel with appropriate qualifications and experience to represent it at the hearing and must, if required, consent to the separate representation of TES by counsel; and
  - (b) TES must engage counsel to represent it at the hearing.
- 6.12 Nothing in this deed will be taken to give a party any right or power to give undertakings to the Court for or on behalf of the other party without that party's consent.
- 6.13 Each party must give all reasonable undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme.
- 6.14 In the event of an Adverse Decision:
- (a) the parties must consult in good faith as to whether to appeal the Adverse Decision; and
  - (b) if within 10 Business Days after the Adverse Decision the parties agree to appeal the Adverse Decision or either party obtains an opinion from independent Senior Counsel, practising in Perth in the field of corporate law to the effect that there are reasonable prospects of successfully appealing the Adverse Decision:
    - (i) Schrole must appeal the Court's decision;
    - (ii) the cost of any such appeal is to be borne equally between the parties;
    - (iii) if the End Date would otherwise occur before the appeal is finally determined, the End Date is deferred to the date that is five Business Days after the appeal from the Adverse Decision is finally determined; and
    - (iv) if the appeal is successful and the relevant order is made, the End Date is further deferred to the date which is D days after the original End Date (disregarding the effect of clause 6.14(b)(iii)) where D is equal to the number of days between the date of the Adverse Decision and the date on which the appeal from the Court's decision is finally determined, or to such other date as the parties agree in writing.

#### **Non-satisfaction of Headcount Test**

- 6.15 If the Scheme Resolution is not passed by reason only of the non-satisfaction of the Headcount Test, and it appears to either party, acting reasonably, that there are grounds on which an application could be made to the Court under section 411(4)(a)(ii)(A) of the

Corporations Act to obtain an order to disregard the Headcount Test, that party may give notice to the other within three Business Days after the Scheme Meeting setting out those grounds and if such notice is given:

- (a) Schrole must promptly after the notice is given apply to Court for the order and make such submissions to the Court and file such evidence as counsel engaged by Schrole to represent it in Court proceedings related to the Scheme, in consultation with TES, considers is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test; and
- (b) the cost of the application for the order is to be borne by TES.

## 7 Conduct of Business

### Access and information

7.1 From the date of this deed until and including the Implementation Date, Schrole must:

- (a) **access:** procure that TES and its Representatives are given access to information, documents, properties, books, records, agents, customers, partners and management of any Schrole Group Member during normal business hours and on reasonable notice from TES to Schrole requesting such information or access for the purposes of:
  - (i) enabling TES and its Representatives to understand the Schrole Group's business and operations and its financial position (including trading performance, cash flow, Net Working Capital position, trade payables aging profile, trade receivables aging profile, renewals and management control systems of the Schrole Group), financial performance, assets and prospects, in order to allow TES to develop, finalise and implement its plans for the Schrole Group following implementation of the Scheme;
  - (ii) enabling TES and its Representatives to understand the full terms and conditions of the Schrole Material Contracts;
  - (iii) implementing the Scheme and enabling TES to prepare for the transition of ownership of the Schrole Group to TES;
  - (iv) keeping TES informed of monthly operational and financial performance of the Schrole Group;
  - (v) finalisation of TES's structuring arrangements for the Scheme;
  - (vi) keeping TES informed of material correspondence, notices it receives and other developments relating to the Schrole Group (including any material correspondence received from or provided to a Government Agency and any correspondence received from the counterparty to a Schrole Material Contract); and
  - (vii) any other purpose agreed between the parties in writing;
- (b) **Schrole Board papers:** give TES and its Representatives copies of papers provided to the Schrole Board (including monthly management accounts for the Schrole Group) within three Business Days after they are provided to Key Executives;

- (c) **regular meetings:** procure that one or more members of the Schrole Board meets with TES and its Representatives on a regular basis as TES reasonably requests for the purposes of discussing and resolving any matter referred to in clause 7.1(a) that has not been resolved to the reasonable satisfaction of TES through the exercise of its rights under that clause;
- (d) **notification:** promptly notify TES and its Representatives in writing of any events, facts, matters or circumstances which would or would be likely to constitute a Schrole Material Adverse Change, Schrole Prescribed Occurrence or a Schrole Regulated Event of which Schrole becomes aware, and such written notification must include a reasonable summary of the relevant matter to the extent the details are known to Schrole;
- (e) **cooperation:** otherwise provide reasonable co-operation to TES and its Representatives, for the purposes of TES and its Representatives:
- (i) doing all things necessary under this deed or in connection with the Transaction; or
  - (ii) planning for the integration of the Schrole Group into the TES Group following the Implementation Date;
- (f) **Reporting:** Schrole must produce and deliver a report (in a form agreed as at the date of this deed) along with reasonable supporting documentation in respect of the calculations therein to TES detailing the amount or rate (as applicable) of the:
- (i) Cash balance;
  - (ii) Net Working Capital (including Working Capital Assets and Working Capital Liabilities);
  - (iii) ARR;
  - (iv) Contract Renewals from the date of this deed which are and are not in the form of a signed contract; and
  - (v) trade receivable aging profile and trade payable aging profile as described in items 8 and 9 of Part 3 of Schedule 1 respectively,
- as at the end of:
- (vi) the preceding month, by the tenth calendar day following the end of each month from the date of this deed until the Second Court Date (**End of Month Report**);
  - (vii) a special reporting period ending on the date that is ten calendar days before the date that is 10 Business Days before the Scheme Meeting, by the date that is 10 Business Days before the Scheme Meeting (**Scheme Meeting Report**), provided Schrole is not obliged to prepare and deliver a Scheme Meeting Report where an End of Month Report relates to a period ending no more than 15 calendar days before the date of the Scheme Meeting; and
  - (viii) a special reporting period ending on the date that is ten calendar days before the date that is 5 calendar days before the Second Court Date, by the date that is 5 calendar days before the Second Court Date (**Second Court Date Report**), provided Schrole is not obliged to prepare and deliver a Second Court Date Report where an End of Month Report relates to a period ending no more than 15 calendar days before the Second Court Date.



- 7.2 Nothing in clause 7.1 will require Schrole to provide, or procure the provision of, information:
- (a) concerning Schrole Board's consideration of, or deliberations in relation to, the Transaction;
  - (b) concerning any actual, proposed or potential Competing Proposal (including Schrole Board's consideration of any actual, proposed or potential Competing Proposal) provided that nothing in this clause 7.2(b) limits the obligations of Schrole in clause 10; or
  - (c) cause any Schrole Group Member to be in breach of any applicable law or any confidentiality obligations owed to third parties.

### Conduct of business

- 7.3 From the date of this deed until and including the Implementation Date, Schrole must:
- (a) **ordinary course:** ensure that it and each other Schrole Group Member carries on its business in the ordinary course and in substantially the same manner as conducted in the 12 month period before the date of this deed and does not make any significant changes to the nature or scale of its business or enter into any business or undertake any activities in which it is not engaged as at the date of this deed;
  - (b) **specific actions:** without limiting clause 7.3(a), use its reasonable endeavours to, and procure each Schrole Group Member does:
    - (i) preserve and maintain the value of its businesses and material assets in the manner maintained prior to the date of this deed including maintaining at least its current level of insurance over its business and assets;
    - (ii) not commence any business activities not already carried out as at the date of this deed, whether by way of acquisition or otherwise, other than in the ordinary course of business;
    - (iii) keep available the services of its current officers and key employees;
    - (iv) preserve and maintain its relationships with all Government Agencies and all customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings;
    - (v) comply in all material respects with applicable law;
    - (vi) comply in all material respects with all Schrole Material Contracts and Schrole Authorisations;
    - (vii) not agree to waive or adversely vary in a material respect any material rights under, extend any material date under, or terminate any Schrole Material Contract;
    - (viii) notify TES within 2 Business Days after entering into or agreeing to enter into any agreement, contract, or other arrangement or instrument, which either alone or together impose obligations or liabilities on any Schrole Group Member of at least \$25,000 in aggregate;
    - (ix) conduct the Schrole Groups' business and operations in accordance with the terms and conditions of the Schrole Authorisations;

- (x) ensure the material Schrole Authorisations remain valid, in effect and in good standing and not vary or waive its rights in any materially adverse respect, or terminate, cancel, surrender, forfeit or allow to lapse or expire (without renewal on terms and conditions that are no less favourable to the Schrole Group) any material Schrole Authorisation;
- (xi) ensures that the working capital of the Schrole Group is managed in the ordinary course and consistent with the practice (including regular payment cycles) of the Schrole Group by reference to the 12-month period ending 31 March 2024;
- (xii) not defer any liability that would have been paid in the ordinary course and consistent with the practice (including regular payment cycles) of the Schrole Group by reference to the 12-month period ending 31 March 2024;
- (xiii) not incur or agree to incur capital expenditure in excess of \$20,000 (excluding GST) in aggregate;
- (xiv) not forgive any loan given in favour of any other person or increase the aggregate level of its borrowings by any amount or entering into any swap, option, futures contract, forward commitment or other derivative transaction;
- (xv) not amend or agree to amend in any material respect any arrangement with its advisers in place at the date of this deed or enter into arrangements with any new advisers;
- (xvi) not enter into, or resolve to enter into, a transaction (including an agreement to forego or extinguish any rights) with any related party of Schrole (other than a related party which is a Schrole Group Member), as defined in section 228 of the Corporations Act;
- (xvii) not materially vary the terms of any real estate lease, including the Property Leases, or grant any interest to a third party in any real estate asset held by the Schrole Group other than short-term lets on a monthly basis;
- (xviii) not:
  - (A) other than to replace existing employees, engage or offer to engage a person not engaged by any Schrole Group Member as an employee at the date of this deed on terms which entitle that person to an annual salary in excess of \$50,000 per annum;
  - (B) agree to increase in any material respect the remuneration of, makes or offers to make any bonus payment, retention payment or termination payment to, or otherwise materially change the terms and conditions of employment of any Schrole Director or any employee of any Schrole Group Member with an annual salary in excess of \$50,000 per annum, other than as contemplated in the spreadsheet titled "Transaction Costs" in agreed form as at the date of this deed or in respect of an annual salary review in the ordinary course of business resulting in an increase in annual aggregate salaries of no more than 5%;
  - (C) agree to issue any rights to any person under any employee incentive plan;
  - (D) other than pursuant to the terms of a Schrole Incentive Plan in connection with the Transaction in respect of the Scheme

Performance Rights, accelerate the rights of any person to receive any benefit under any employee incentive plan, vary any employee incentive plan;

- (E) introduce a new employee incentive plan;
- (F) make or agree to make any award or any certified agreement, enterprise agreement, workplace agreement or other collective agreement; or
- (G) accrue bonuses for employees:
  - (1) for in excess of \$30,000 per month; and
  - (2) such that the total accrued bonuses for employees of the Schrole Group in is excess of \$150,000,

calculated as per Schrole's monthly management reporting prepared in accordance with the Accounting Standards and on consistent basis with Schrole's monthly management report for the period ending 31 March 2024;

- (xix) not:
  - (A) change its auditor (other than the proposed appointment of BDO Audit Pty Ltd as part of the restructuring undertaken by the existing auditor, BDO Audit (WA) Pty Ltd) or change, in any material respect, its accounting procedures, principles or practices including its accounting reference date; or
  - (B) postpone the payment of trade creditors or accelerate the collection of trade debtors, in each case having regard to the policies applied for such payment and collection in the 12 months prior to the date of this deed, other than in the ordinary course of business;
- (xx) not sell, license, transfer, assign, abandon, dedicate to the public, permit to lapse or otherwise dispose of any of its Intellectual Property assets that are material to its business, except for non-exclusive licenses of its intellectual property in the ordinary course of business; and
- (xxi) not:
  - (A) grant, or agree to grant, a security interest (within the meaning of section 9 of the Corporations Act) in the whole, or a substantial part of, its business or property; or
  - (B) give any guarantee of, or security for, or indemnity in connection with the obligations of any person other than a Schrole Group Member.

7.4 Nothing in clause 7.3 restricts the ability of a Schrole Group Member (or any Representative of a Schrole Group Member) to take or not take any action:

- (a) Disclosed in the Schrole Disclosure Materials;
- (b) agreed to by TES in writing (such agreement not to be unreasonably withheld, conditioned or delayed);
- (c) resulting from the exercise by any party of its express rights, or the discharge by any

party of its express obligations, under this deed, the Scheme, the Deed Poll or the transactions contemplated under any of them;

- (d) resulting, directly or indirectly, from the actions (or omissions to act) of TES or a TES Group Member, other than in circumstances where Schrole is in material breach of this deed unless such material breach resulted, directly or indirectly, from the actions (or omissions to act) of TES or a TES Group Member;
- (e) concerning any actual, proposed or potential Competing Proposal (including Schrole Board's consideration of any actual, proposed or potential Competing Proposal) provided that nothing in this clause 7.4 limits the obligations of Schrole in clause 10; or
- (f) as reasonably required by an applicable law or by any Government Agency.

7.5 Without limiting clause 7.4, in the event that:

- (a) a Schrole Group Member (or any Representative of a Schrole Group Member) has requested the written agreement of TES to take or not take an action contemplated in clause 7.3; and
- (b) TES has acknowledged receipt of the request (acting reasonably); and
- (c) TES has not responded in writing to the request within 5 Business Days of the date on which TES acknowledged receipt under clause 7.5(b),

then TES will be deemed to have provided its consent to the Schrole Group Member (or any Representative of a Schrole Group Member) taking or not taking such action as contemplated in the request.

#### **Board changes**

7.6 Subject to receipt of applicable regulatory approvals, provisions of consents to act from the proposed directors, and Schrole having in place insurance and indemnity arrangements reasonably acceptable to the proposed directors (acting reasonably), Schrole must take all actions necessary to procure that on and from the Implementation Date:

- (a) the Schrole Board is comprised only of the following persons:
  - (i) Rod Williams;
  - (ii) Kayleigh Wright;
  - (iii) Brett Engeman;
  - (iv) Kerrie Goddard,

or such other nominees of TES and that each Schrole Director who is not a person specified in this clause 7.6(a) resigns from their office as a Schrole Director;

- (b) the board of each of Schrole's Wholly Owned Subsidiaries are comprised of such nominees as advised by TES in writing before the Effective Date and acceptable to Schrole, acting reasonably, and that each director of Schrole's Wholly Owned Subsidiaries who is not nominated in accordance with this clause 7.6(b) resigns from their office as a director of the relevant Wholly Owned Subsidiaries; and
- (c) each of the Schrole Directors and directors of the Wholly Owned Subsidiaries resigning in accordance with clauses 7.6(a) and 7.6(b) provides written notice to the

effect that they have no Claim outstanding for loss of office, remuneration or otherwise against the relevant Schrole Group Member, other than pursuant to any deed of access and indemnity or policy of directors and officers insurance,

in each case provided that the composition of the board of each Schrole Group Member complies with the relevant Schrole Group Member's constitution, the Corporations Act and the ASX Listing Rules.

### **Counterparty consents**

- 7.7 Schrole must use all reasonable endeavours to identify as soon as practicable after the date of this deed all change of control, unilateral termination rights or similar provisions in all Schrole Material Contracts and in all material Schrole Authorisations issued to any Schrole Group Member. In respect of each such Schrole Material Contract or Schrole Authorisation:
- (a) Schrole must, on written request by TES, notify the relevant counterparty or Government Agency of the change of control of Schrole that will occur if the Scheme becomes Effective and request that such counterparty or Government Agency provides any consents required in relation to that change of control;
  - (b) each party must promptly provide to the relevant counterparty or Government Agency all information reasonably required for the purposes of obtaining any required consent or confirmation and must, if required, make representatives available to meet with such counterparty or Government Agency;
  - (c) TES and its Representatives must co-operate with, and provide all reasonable commercial assistance to Schrole to obtain such consents or confirmations in relation to any identified change of control requirement; and
  - (d) despite anything in this deed, any failure by the Schrole Group to obtain any required consents or confirmations, or the exercise of a termination right by a relevant counterparty, will not constitute a breach of this deed by Schrole and, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this deed.

## **8 Representations, Warranties and Undertakings**

### **Schrole Warranties and Schrole Undertakings**

- 8.1 Schrole represents and warrants to TES (in its own right and as trustee for the TES Indemnified Persons) that each of the Schrole Warranties is true, accurate and not misleading:
- (a) on the date of this deed and at 8.00am on the Second Court Date; or
  - (b) if the representation or warranty is expressly stated to be given at a different time, at the time the representation or warranty is expressed to be given.
- 8.2 Schrole undertakes to TES to comply with each of the Schrole Undertakings.

### **Indemnity by Schrole**

- 8.3 Schrole indemnifies TES against, and must pay to TES on demand an amount equal to, all Losses directly or indirectly incurred or suffered by the TES Indemnified Persons arising out of or in connection with:

- (a) any matter or circumstance that results in any of the Schrole Warranties being untrue, inaccurate or misleading when given; or
- (b) any breach of the Schrole Undertakings.

**Qualifications to Schrole Warranties and Schrole Undertakings**

8.4 The representations, warranties and undertakings given by Schrole in clauses 8.1 to 8.2 and the Schrole Warranties are each subject to circumstances, occurrences, events, acts, actions, facts, matters or changes in condition that:

- (a) are within the actual knowledge of TES as at the date of this deed;
- (b) have been Disclosed in the Schrole Disclosure Materials;
- (c) are agreed to by TES or requested by TES, in each case, in writing;
- (d) are required or expressly permitted under this deed, the Scheme, the Deed Poll or the transactions contemplated under any of them; or
- (e) are required by any applicable law.

**TES Warranties and TES Undertakings**

8.5 TES represents and warrants to Schrole (in its own right and as trustee for the Schrole Indemnified Persons) that each of the TES Warranties is true, accurate and not misleading:

- (a) on the date of this deed and at 8.00am on the Second Court Date; or
- (b) if the representation or warranty is expressly stated to be given at a different time, at the time the representation or warranty is expressed to be given.

8.6 TES undertakes to Schrole to comply with each of the TES Undertakings.

**Indemnity by TES**

8.7 TES indemnifies Schrole against, and must pay to Schrole on demand an amount equal to, all Losses directly or indirectly incurred or suffered by the Schrole Indemnified Persons arising out of or in connection with:

- (a) any matter or circumstance that results in any of the TES Warranties being untrue, inaccurate or misleading when given; or
- (b) any breach of the TES Undertakings.

**Qualifications to TES Warranties and TES Undertakings**

8.8 The representations, warranties and undertakings given by TES in clauses 8.5 to 8.6 and the TES Warranties are each subject to circumstances, occurrences, events, acts, actions, facts, matters or changes in condition that:

- (a) are within the actual knowledge of Schrole as at the date of this deed;
- (b) are agreed to by Schrole or requested by Schrole, in each case, in writing;
- (c) are required or expressly permitted under this deed, the Scheme, the Deed Poll or the transactions contemplated under any of them; or

- (d) are required by any applicable law.

#### **Reliance**

8.9 Each party acknowledges that in entering into this deed:

- (a) Schrole has relied on the TES Warranties; and  
(b) TES has relied on the Schrole Warranties.

#### **Notice**

8.10 Each party will promptly advise the other party in writing if it becomes aware of any fact, matter or circumstance that constitutes or may constitute a breach of any of the representations and warranties given by it under this clause 8, or which may result in undertakings given under this clause 8 not being complied with.

#### **Status of representations, warranties, undertakings and indemnities**

8.11 Each representation and warranty, undertaking and indemnity made or given under this clause 8 is severable, a separate and independent obligation of the relevant party and survives termination of this deed and each undertaking and indemnity given in this clause 8 is a continuing obligation.

#### **Scheme becoming Effective**

8.12 After the Scheme becomes Effective, any breach of the representations and warranties or the undertakings made or given under this clause 8 may only give rise to a Claim for damages or under the indemnities in this clause 8 and does not entitle a party to terminate this deed.

### **9 Releases, Insurance and Indemnification**

#### **Release of Schrole Indemnified Persons**

9.1 Without limiting Schrole's rights under clause 8, Schrole (for itself and as agent of every Schrole Group Member) releases all rights against and agrees with TES that it will not make a claim against any Schrole Indemnified Person as at the date of this deed and from time to time in connection with:

- (a) Schrole's execution or delivery of this deed;  
(b) any breach of any Schrole Undertaking and Schrole Warranty in this deed;  
(c) the implementation of the Scheme; or  
(d) any disclosure made by any Schrole Indemnified Person that contains any statement which is false or misleading whether in content or by omission,

except to the extent the relevant Schrole Indemnified Person has not acted in good faith or has engaged in wilful misconduct.

9.2 The parties acknowledge and agree that:

- (a) the waiver and release under clause 9.1 is subject to, and will be read down in light of, any restriction under applicable law;

- (b) Schrole has sought and obtained the waiver in clause 9.1 as agent for and on behalf of each Schrole Indemnified Party and holds the benefit of clause 9.1 on trust for them;
- (c) the provisions of clause 9.1 may be enforced by Schrole on behalf of any Schrole Indemnified Person and those persons may plead clause 9.1 in response to any Claim made by any TES Group Member against them; and
- (d) nothing in clause 9.1 limits Schrole's rights to terminate this deed under clause 12.

#### **Release of TES Indemnified Persons**

9.3 Without limiting Schrole's rights under clause 8, Schrole releases its rights against, and agrees with TES that it will not make a Claim against any TES Indemnified Person as at the date of this deed and from time to time in connection with:

- (a) TES's execution or delivery of this deed;
- (b) any breach of any TES Undertaking and TES Warranty in this deed;
- (c) the implementation of the Scheme; or
- (d) any disclosure made by any TES Indemnified Person that contains any statement which is false or misleading whether in content or by omission,

except to the extent that the relevant TES Indemnified Person has not acted in good faith or has engaged in wilful misconduct.

9.4 The parties acknowledge and agree that:

- (a) the waiver and release under clause 9.3 is subject to, and will be read down in light of, any restriction under applicable law;
- (b) TES has sought and obtained the waiver and release under clause 9.3 as agent for and on behalf of each TES Indemnified Person and holds the benefit of clause 9.3 on trust for them;
- (c) the provisions of clause 9.3 may be enforced by TES on behalf of any TES Indemnified Person and those persons may plead clause 9.3 in response to any Claim made by any Schrole Group Member against them; and
- (d) nothing in clause 9.3 limits TES's rights to terminate this deed under clause 12.

#### **Insurance**

9.5 Schrole must undertake a tender process in accordance with clause 9.5(a) for the D&O Run Off Policy by:

- (a) engaging an independent consultant, which TES approved prior to the date of this deed, to run a tender process for the D&O Run Off Policy seeking at least three proposals from reputable insurance brokers (approved by TES, such approval not to be unreasonably withheld, conditioned or delayed) to provide a D&O Run Off Policy from an Equivalent Insurer on the following basis:
- (i) the same amount of coverage;
- (ii) the same deductible or excess; and



- (iii) otherwise on terms that are no less favourable to the current directors or officers of the Schrole Group than Schrole directors' and officers' insurance policy in place as at the date of this deed; and
  - (b) keeping TES reasonably informed of all material developments in the tender process and providing a copy of the proposals received under the tender process.
- 9.6 Before 8.00 am on the Second Court Date, Schrole must enter into the D&O Run Off Policy which is the lowest cost (inclusive of the costs of brokerage, Duty and any other transaction costs in relation thereto) of the three proposals received under the tender process in clause 9.5, provided such policy satisfies the Policy Requirements and is from an Equivalent Insurer. If such policy does not satisfy the Policy Requirements or is not from an Equivalent Insurer, Schrole must enter into the D&O Run Off Policy that is the next lowest cost that satisfies the Policy Requirements and is from an Equivalent Insurer.
- 9.7 Any consent or approval required from TES under clause 9.5 is deemed to have been given by TES if TES does not respond within five Business Days following any request from Schrole for such consent or approval.

#### **Deeds of indemnity, access and insurance**

- 9.8 Subject to the Scheme becoming Effective, TES undertakes in favour of Schrole and each other Schrole Indemnified Person that it will procure that:
- (a) for a period of seven years from the Implementation Date, the Constitution and the constitutions of each Schrole Group Member will continue to contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its previous directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a Schrole Group Member;
  - (b) Schrole and each Schrole Group Member complies with any deeds of indemnity, access and insurance entered into by them in favour of their respective directors and officers from time to time; and
  - (c) directors' and officers' run-off insurance cover for such directors and officers obtained in accordance with clause 9.5 is maintained (and Schrole may, at its election, pay any reasonable amounts necessary to ensure such maintenance upfront and prior to the implementation of the Scheme).
- 9.9 The undertakings contained in clause 9.8 are subject to any restriction in the Corporations Act.
- 9.10 Schrole receives and holds the benefit of clause 9.8 to the extent it relates to other Schrole Indemnified Persons, for and on behalf of, and as trustee for, them.
- 9.11 The undertakings in clause 9.8 are given until the date on which the relevant Schrole Group member ceases to be part of the Schrole Group.

## **10 Exclusivity**

### **Cessation of existing discussions**

- 10.1 Schrole represents and warrants to TES that, other than the discussions with TES, as at the date of this deed, it is not currently in negotiations or discussions in respect of any Competing Proposal with any person and it has terminated all negotiations and discussions (other than with TES and its Representatives) relating to any Competing Proposal.

### **No shop restriction**

- 10.2 During the Exclusivity Period, Schrole must not, and must procure that each of its Representatives does not, directly or indirectly:
- (a) solicit, invite, encourage or initiate any Competing Proposal; or
  - (b) assist, encourage, procure or induce any person to do any of the things referred to in clause 10.2(a) on its behalf.

### **No talk restriction**

- 10.3 Subject to clause 10.4 and clause 10.15, during the Exclusivity Period, Schrole must not, and must procure that each of its Representatives does not, directly or indirectly:
- (a) enter into or continue negotiations or discussions with any Third Party in relation to a Competing Proposal; or
  - (b) assist, encourage, procure or induce any person to do any of the things referred to in clause 10.3(a) on its behalf,

even if the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Schrole or any of its Representatives or has been publicly announced.

### **No talk exception**

- 10.4 The restriction in clause 10.3 does not apply to the extent that it restricts the Schrole or the Schrole Board from taking or refusing to take any action with respect to a bona fide Competing Proposal if:
- (a) acting in good faith and after having taken written advice from its external financial adviser, the Schrole Board has determined that the Competing Proposal is, or is reasonably likely to constitute, a Superior Proposal or would be reasonably likely to constitute a Superior Proposal if it were to be proposed; and
  - (b) acting in good faith and after having taken written advice from its external legal adviser, the Schrole Board has determined that failing to respond to such Competing Proposal would be likely to constitute a breach of the fiduciary duties or statutory obligations of any Schrole Director.

### **No due diligence restriction**

- 10.5 Subject to clause 10.6 and 10.15 but without limiting clause 10.3, during the Exclusivity Period, Schrole must not, and must procure that each of its Representatives does not, directly or indirectly:
- (a) make available to any Third Party, or cause or permit any Third Party to receive, any non-public information relating to the Schrole or any of its Related Entities that may reasonably be expected to assist such Third Party in formulating, developing or finalising a Competing Proposal; or
  - (b) assist, encourage, procure or induce any person to do any of the things referred to in clause 10.5(a) on its behalf.

### **No due diligence exception**

- 10.6 The restriction in clause 10.5 does not apply to the extent that it restricts the Schrole or the Schrole Board from taking or refusing to take any action with respect to a bona fide Competing Proposal if:
- (a) acting in good faith and after having taken written advice from its external financial adviser, the Schrole Board has determined that the Competing Proposal is, or is reasonably likely to constitute, a Superior Proposal or would be reasonably likely to constitute a Superior Proposal if it were to be proposed;
  - (b) acting in good faith and after having taken written advice from its external legal adviser, the Schrole Board has determined that failing to respond to such Competing Proposal would be likely to constitute a breach of the fiduciary duties or statutory obligations of any Schrole Director;
  - (c) the Third Party has first entered into a written agreement in favour of Schrole restricting the use and disclosure by the Third Party and its affiliates and advisers of the information made available to the Third Party for the sole purposes of assessing, negotiating and implementing such Competing Proposal; and
  - (d) to the extent that any information made available to the Third Party has not previously been provided to TES, Schrole provides that information to TES at the same time as it is provided to the Third Party.

### **Notification**

- 10.7 During the Exclusivity Period, Schrole must promptly (and in any event within 24 hours) inform TES if it or, to its knowledge, any of its Representatives:
- (a) receives any approach with respect to any Competing Proposal;
  - (b) receives any request for information relating to any Schrole Group Member or any of their businesses or operations or any request for access to any non-public information of any Schrole Group Member in connection with a current or future Competing Proposal; or
  - (c) provides any information relating to any Schrole Group Member or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Proposal.
- 10.8 A notice given under clause 10.7 must be accompanied by all material details of the relevant event, including (as the case may be):
- (a) the identity of the person who made the relevant approach, inquiry or proposal to initiate discussions or negotiations referred to in clause 10.7(a), who made the relevant request for information referred to in clause 10.7(b), or to whom any information referred to in clause 10.7(c) was provided;
  - (b) the names of any advisers and/or financiers engaged in connection with any Competing Proposal;
  - (c) the material terms and conditions (including price, conditions precedent, timetable and break or reimbursement fee (if any), or any other similar material terms) of any Competing Proposal;
  - (d) the nature of the information requested and/or provided; and

- (e) the non-public information requested of Schrole.

### **Matching rights**

10.9 Without limiting clauses 10.2 and 10.3, during the Exclusivity Period Schrole must not enter into, or agree to enter into, any written or unwritten legally binding agreement, arrangement or understanding (other than a confidentiality agreement, provided such agreement does not contain any exclusivity or break fee arrangements) pursuant to which a Third Party, a Schrole Group Member or both proposes or propose to undertake or give effect to or implement a Competing Proposal and Schrole must use all reasonable endeavours to ensure that no Schrole Director makes any public statement recommending the Competing Proposal to Shareholders unless:

- (a) the Competing Proposal is in a form which is able to be accepted by Schrole so as to give rise to a legally binding agreement, and the Schrole Board has determined that the Competing Proposal is a Superior Proposal;
- (b) Schrole has provided TES with a notice setting out all material terms of the Competing Proposal including the identity of the proponent of the Competing Proposal, the amount and form of consideration to be offered, the source of any cash component of the consideration, the conditions to which it is subject, the proposed timetable and any break fee arrangements; and
- (c) the Matching Period has expired and either:
  - (i) TES has not announced or provided to Schrole a Counterproposal; or
  - (ii) TES has announced or provided to Schrole a Counterproposal and the Schrole Board, acting in good faith, has determined that the terms and conditions of the Counterproposal taken as a whole are less favourable to Shareholders than those in the relevant Competing Proposal.

10.10 If during the Matching Period TES makes a Counterproposal:

- (a) Schrole must use all reasonable endeavours to procure that the Schrole Board considers the Counterproposal in good faith; and
- (b) if Schrole Board acting in good faith determines that the terms and conditions of the Counterproposal taken as a whole are no less favourable to Shareholders than those in the relevant Competing Proposal, then:
  - (i) the parties must use their reasonable endeavours to agree and enter into such documentation as is necessary to give effect to and implement the Counterproposal as soon as reasonably practicable; and
  - (ii) Schrole must use all reasonable endeavours to procure that each Schrole Director makes a public statement recommending the Counterproposal to Shareholders.

10.11 Any material change to a Competing Proposal including any material change to the terms referred to in clause 10.9(b) will be taken to constitute a new Competing Proposal in respect of which Schrole must separately comply with its obligations under clauses 10.9 and 10.10.

### **Standstill arrangements with other parties**

10.12 Schrole represents and warrants to TES that, except to the extent disclosed to TES prior to the date of this deed, the execution of this deed by Schrole will not effect any waiver or

amendment of any standstill agreement or arrangement between Schrole and any person other than a TES Group Member.

- 10.13 During the Exclusivity Period, except with the prior written consent of TES, Schrole must not amend or waive the terms of any standstill agreement or arrangement between Schrole and any person other than a TES Group Member.

#### **Return of confidential information**

- 10.14 If Schrole has at any time in the 12 months before the date of this deed provided any confidential information to a person other than a TES Group Member in connection with a Competing Proposal, Schrole must, to the extent permitted to do so under a relevant confidentiality agreement, promptly request in writing the immediate return or destruction by that person of such confidential information, and must use reasonable endeavours to ensure compliance with that request.

#### **Ordinary course actions**

- 10.15 Nothing in this clause 10 prevents a party from:
- (a) providing information required to be provided by applicable law; or
  - (b) making presentations to, and responding to bona fide enquiries from, stockbrokers, portfolio investors and equity market analysts in relation to the Scheme or in accordance with its usual practices.

#### **Amendments to exclusivity arrangements**

- 10.16 If any of the following occurs:
- (a) ASIC indicates to either party in writing that it requires any modification to this clause 10 as a condition of not opposing the Scheme;
  - (b) the Court requires any modification to this clause 10 as a condition of making orders convening the Scheme Meeting; or
  - (c) as a result of an application to the Takeovers Panel by a party other than Schrole or its Representatives, the Takeovers Panel indicates to either party in writing that, in the absence of a written undertaking pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cth) to modify this clause 10, it will make a declaration of unacceptable circumstances,

the parties must amend this clause 10 to the extent required to give effect to the requirements of ASIC, the Court or the Takeovers Panel, as the case may be, and in the circumstances referred to in clause 10.16(c) must give the required undertakings.

- 10.17 The parties must not request ASIC to review, or make or cause or permit to be made any application to the Court or the Takeovers Panel in respect of, the arrangements in this clause 10.

## **11 Break Fee**

### **Acknowledgement and agreement**

- 11.1 Each party:

- (a) believes that the implementation of the Transaction will provide significant benefits to its shareholders and the shareholders of the other party; and
- (b) acknowledges and agrees that if it enters into this deed and the Transaction is subsequently not implemented, TES will have incurred significant costs, including significant opportunity costs.

11.2 Schrole acknowledges and agrees that:

- (a) the TES Group incurred and will continue to incur significant costs and expenses in pursuing the Transaction including:
  - (i) legal, financial and other professional advisory costs;
  - (ii) costs of management and directors' time;
  - (iii) funding costs;
  - (iv) out of pocket expenses; and
  - (v) opportunity costs of pursuing the Transaction or in not pursuing alternative transactions or business opportunities;
- (b) the costs and expenses actually incurred by the TES Group are of such nature that they cannot accurately be ascertained;
- (c) the Break Fee is a genuine and reasonable estimate of the costs and expenses that have been or will be actually incurred by the TES Group in pursuing the Transaction;
- (d) TES has negotiated the inclusion of clause 11.3 in this deed and would not have entered into this deed without it; and
- (e) the Schrole Board has received external legal and financial advice in relation to this clause 11 and has concluded that it is reasonable and appropriate for Schrole to agree to payment of the Break Fee in the circumstances described in clause 11.3 in order to secure TES's entry into this deed.

**Circumstances where Break Fee payable**

11.3 Subject to clauses 11.4 to 11.7 Schrole must pay the Break Fee to TES without withholding or set off if:

- (a) **failure or change to Recommendation:** any Schrole Director:
  - (i) changes, qualifies or withdraws his or her Recommendation or Voting Intention, makes any statement that is inconsistent with his or her Recommendation or Voting Intention or fails to make the Recommendation or adhere to his or her Voting Intention (including for the avoidance of doubt, whether or not Schrole has used reasonable endeavours to procure the recommendation); or
  - (ii) makes a statement:
    - (A) supporting, endorsing or recommending any Competing Proposal;
    - (B) to the effect that they no longer support the Scheme; or

- (C) otherwise indicating that they no longer recommend the Transaction or recommend that Shareholders accept or vote in favour of a Competing Proposal of any kind that is announced (whether or not such proposal is stated to be subject to any pre-conditions) during the Exclusivity Period,

unless:

- (iii) the Independent Expert concludes in the Independent Expert's Report (or in any update of, or revision, amendment or addendum to that report), that the Scheme is not in the best interests of Shareholders (other than where the conclusion is due solely or substantially to the existence of a Competing Proposal);
  - (iv) a Government Agency of competent jurisdiction requires that the Schrole Director abstains or withdraws from making a recommendation to Shareholders; or
  - (v) Schrole is entitled to terminate this deed pursuant to clause 12.2(a).
- (b) **completion of Competing Proposal:** at any time before the Second Court Date a Competing Proposal is announced or made (whether or not such proposal is stated to be subject to any pre-conditions) and, within 12 months after the date of that announcement, the person making the Competing Proposal or one or more Associates of that person:
- (i) completes a Competing Proposal; or
  - (ii) acquires a Relevant Interest in more than 50% of the Scheme Shares under a transaction that is or has become wholly unconditional or otherwise comes to Control Schrole or acquires substantially all of the assets of Schrole;
- (c) **TES termination:** TES terminates this deed under clause 12.1(a) and the Transaction does not complete where the circumstances giving rise to the right of termination arose as a result of any act or omission that could have been prevented by Schrole.

#### **Break fee not payable**

11.4 Notwithstanding anything else in this deed, if the Scheme becomes Effective:

- (a) the Break Fee is not payable by Schrole to TES; and
- (b) if the Break Fee has been paid in whole or part by Schrole to TES, it must be refunded by TES to Schrole within five Business Days after receiving a written demand for payment from Schrole.

#### **Payment of Break Fee**

11.5 If the Break Fee becomes payable under this deed, Schrole must pay it without withholding or set-off, unless required by applicable law, within five Business Days after receipt of a written demand for payment from TES, which may only be issued after the occurrence of the relevant event in that clause giving rise to the right to payment and must:

- (a) set out in reasonable detail the circumstances which give rise to payment of the Break Fee; and
- (b) nominate a bank account into which Schrole is to pay the Break Fee.

### Extent of liability

- 11.6 The Break Fee is payable by Schrole to TES only once and, if actually paid to Schrole, Schrole cannot make any Claim against TES for any further payment of the Break Fee.
- 11.7 Notwithstanding any other provision of this deed, but subject to clause 11.8:
- (a) the maximum aggregate liability of Schrole to TES under or in connection with this deed including in respect of any breach of this deed will be the amount of the Break Fee;
  - (b) a payment by Schrole of the Break Fee in accordance with this clause 11 represents the sole and absolute liability of Schrole to TES under or in connection with this deed and no further damages, fees, expenses or reimbursements of any kind will be payable by Schrole to TES in connection with this deed; and
  - (c) the amount of the Break Fee payable to TES under this clause 11 shall be reduced by the amount of any Loss or damage recovered by TES in relation to a breach of any other clause of this deed.
- 11.8 Clause 11.7 does not limit the liability of Schrole under or in connection with this deed in respect of any fraud or wilful material breach of this deed by Schrole.
- 11.9 TES's right to receive the Break Fee will not limit or otherwise affect TES's right to seek specific performance, injunctive relief or any other remedies that would otherwise be available in equity or law as a remedy for a breach or threatened breach of this deed by Schrole.

### Amendments to Break Fee Arrangements

- 11.10 If any of the following occurs:
- (a) ASIC indicates to either party in writing that it requires any modification to the Break Fee Arrangements as a condition of not opposing the Scheme;
  - (b) the Court requires any modification to the Break Fee Arrangements as a condition of making orders convening the Scheme Meeting; or
  - (c) as a result of an application to the Takeovers Panel by a party other than Schrole or its Representatives, the Takeovers Panel indicates to either party in writing that, in the absence of a written undertaking pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cth) to modify the Break Fee Arrangements, it will make a declaration of unacceptable circumstances,

then the parties must amend this clause 11 to the extent required to give effect to the requirements of ASIC, the Court or the Takeovers Panel, as the case may be, and in the circumstances referred to in clause 11.10(c) must give the required undertakings.

- 11.11 The parties must not request ASIC to review, or make or cause or permit to be made any application to the Court or the Takeovers Panel in respect of, the Break Fee Arrangements.

## 12 Termination

### Termination for breach or material events

- 12.1 **TES termination rights:** TES may terminate this deed by giving notice in writing to Schrole at any time before 8.00am on the Second Court Date if:



- (a) Schrole has materially breached this deed, including in respect of a material breach of a Schrole Warranty or any event occurs or circumstance arises that would cause any Schrole Warranty to be untrue in any material respect as at 8.00am on the Second Court Date, and Schrole has failed to remedy the breach within five Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given;
- (b) for any reason whether or not permitted by this deed, any Schrole Director:
  - (i) fails to make his or her Recommendation or Voting Intention (regardless of whether or not Schrole has used reasonable endeavours to procure such action);
  - (ii) withdraws, changes or qualifies his or her Recommendation or Voting Intention (regardless of whether or not Schrole has used reasonable endeavours to procure such action); or
  - (iii) makes a public statement indicating that they no longer recommend, endorse or support the Transaction or they recommend, endorse or support another transaction (including any Competing Proposal) but excluding a statement that no action should be taken by Shareholders pending the assessment of a Competing Proposal by the Schrole Board or the completion of the matching right process set out in clauses 10.9 to 10.11 in accordance with this deed, provided that each Schrole Director publicly reaffirms his or her Recommendation and Voting Intention when making any such statement,
 

other than in respect of a failure to recommend or a withdrawal, change or qualification of a recommendation in accordance with a request or requirement of a Government Agency; and
- (c) in any circumstances, a Schrole Group Member enters into binding documentation to undertake or implement a Competing Proposal. For the avoidance of doubt, any such binding agreement does not include a Schrole Group Member entering into a confidentiality agreement or like agreement for the sole or dominant purpose of providing Schrole non-public information in relation to an actual, proposed Competing Proposal.

12.2 **Schrole termination right:** Schrole may terminate this deed by giving notice in writing to the TES before 8.00am on the Second Court Date if:

- (a) TES has materially breached this deed, including in respect of a material breach of a TES Warranty or any event occurs or circumstance arises that would cause any TES Warranty to be untrue in any material respect as at 8.00am on the Second Court Date, and TES has failed to remedy the breach within five Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given; and
- (b) a majority of the Schrole Directors:
  - (i) fail to make their Recommendations or Voting Intentions (regardless of whether or not Schrole has used reasonable endeavours to procure such action);
  - (ii) withdraw, change or qualify their Recommendations or Voting Intentions (regardless of whether or not Schrole has used reasonable endeavours to procure such action); or

- (iii) make a public statement indicating that they no longer recommend, endorse or support the Transaction or they recommend, endorse or support another transaction (including any Competing Proposal) but excluding a statement that no action should be taken by Shareholders pending the assessment of a Competing Proposal by the Schrole Board or the completion of the matching right process set out in clauses 10.9 to 10.11 in accordance with this deed,

other than in respect of a failure to recommend or a withdrawal, change or qualification of a recommendation in accordance with a request or requirement of a Government Agency.

**Conditions not satisfied**

- 12.3 A party may terminate this deed by giving notice in writing to the other party if:
- (a) the party is specified in the third column of the table in clause 3.1 opposite that Condition as having the benefit of that Condition;
  - (b) where applicable, the terminating party has complied with its obligations under clause 3.12; and
  - (c) the terminating party has complied in all material respects with its obligations under clause 3.2.

**Scheme Resolution not passed**

- 12.4 Either party may terminate this deed by giving notice in writing to the other party if:
- (a) the Scheme Meeting is held but the Scheme Resolution is not passed and, if the Scheme Resolution is not passed by reason only of non-satisfaction of the Headcount Test, either:
    - (i) the period referred to in clause 6.15 has passed without either party giving notice requiring application to the Court to be made under section 411(4)(a)(ii)(A) of the Corporations Act; or
    - (ii) an application is made under section 411(4)(a)(ii)(A) of the Corporations Act but the Court refuses to make an order under that section; and
  - (b) the terminating party has complied in all material respects with its obligations under this deed.

**Court determines not to approve the Scheme**

- 12.5 Either party may terminate this deed by giving notice in writing to the other party if the Court determines not to approve the Scheme at the Second Court Date and the terminating party has complied in all material respects with its obligations under this deed including complying with the procedure set out in clause 6.14.

**End Date**

- 12.6 Either party may terminate this deed by giving notice in writing to the other party if the Scheme has not become Effective by the End Date and, if at that time any of the Conditions has not been satisfied, the terminating party has complied with its obligations under clause 3.12.

### **Payment of Break Fee**

- 12.7 The parties acknowledge that payment of the Break Fee is not a pre-condition to termination of this deed by Schrole in accordance with this clause 12, however, any obligation on Schrole to pay any Break Fee required to be paid by it in accordance with clause 11 shall survive termination.

### **Effect of termination**

- 12.8 If this deed is terminated under this clause 12 then:
- (a) except as provided in clause 12.8(c), all the provisions of this deed cease to have effect and each party is released from its obligations to further perform this deed;
  - (b) each party retains all rights that it has against each other party in respect of any breach of this deed occurring before termination; and
  - (c) the provisions of, and the rights and obligations of each party under, this clause 12 and each of the Surviving Clauses survive termination of this deed.

## **13 Announcements**

### **Initial announcement**

- 13.1 Immediately after the date of this deed Schrole must procure the public release of the Transaction Announcement.

### **Other announcements**

- 13.2 Subject to clauses 13.4 and 13.5, no public announcement or public disclosure of or relating to:

- (a) the Transaction; or
- (b) any other transaction the subject of this deed,

may be made other than in a form approved by each party in writing (acting reasonably), provided that:

- (c) each party must use all reasonable endeavours to provide such approval as soon as practicable; and
- (d) neither party will be required to consult with the other in relation to any public announcement relating to termination of this deed or any Competing Proposal.

- 13.3 Schrole must ensure that each Recommendation and Voting Intention is included in each public announcement referencing the Scheme made by Schrole from the date of this deed until the date of the Scheme Meeting.

### **Required disclosure and procedural matters**

- 13.4 Where a party is required by applicable law to make any announcement or to make any disclosure in connection with the Transaction or any other transaction the subject of this deed, it must use all reasonable endeavours, to the extent practicable in the circumstances, to consult with the other party prior to making the relevant disclosure and take account of any reasonable comments received from the other party in relation to the form and content of the announcement or disclosure.

- 13.5 Notwithstanding clause 13.2, a party does not require the other party's approval to issue any public disclosures if the content of those disclosures is limited to procedural matters (or information that has previously been disclosed to Schrole Shareholders within the Scheme Booklet or any other ASX announcement), provided that the disclosing party gives the other party prior notice that it proposes to make a public disclosure in reliance on this clause 13.5.

## **14 Confidentiality**

- 14.1 Each party acknowledges and agrees that:
- (a) it continues to be bound by the Confidentiality Deed and that the terms of the Confidentiality Deed (excluding clause 4.1 and clause 4.2) apply to this deed; and
  - (b) its rights and obligations under the Confidentiality Deed survive termination of this deed.

## **15 Payments**

### **Manner of payments**

- 15.1 Unless otherwise expressly stated (or as otherwise agreed in the case of a given payment), each payment to be made under this deed must be made in Australian Dollars by transfer of the relevant amount into the relevant account on or before the date on which the payment is due and in immediately available funds. The relevant account for a given payment is the account that the party due to receive the payment specifies, not less than three Business Days before the date on which payment is due, by giving notice to the party due to make the payment.

### **Default interest**

- 15.2 If a party defaults in making any payment when due of any sum payable under this deed, it must pay interest on that sum from (and including) the date on which payment is due until (but excluding) the date of actual payment (after as well as before judgment) at an annual rate of 3% above the Reference Rate on that sum, which interest accrues from day to day and must be compounded monthly.

## **16 Goods and Services Tax**

### **Interpretation**

- 16.1 Words and expressions that are defined in the GST Law have the same meaning when used in this clause 16. For the purposes of this clause 16, references to GST payable and input tax credit entitlements of any entity include GST payable by, and the input tax credit entitlements of, the representative member of the GST group of which the entity is a member.

### **Scheme Consideration exclusive of GST**

- 16.2 Except as otherwise expressly provided in this deed, all amounts payable or consideration to be provided under or in connection with this deed are exclusive of GST.

### **Payment of GST**

- 16.3 If GST is payable on any supply made under or in connection with this deed the recipient must pay to the party that has made or will make the supply, in addition to the GST Exclusive Scheme Consideration, an additional amount equal to the GST payable on that supply when the additional amount must be paid without set-off, demand or deduction, at the same time

and in the same manner as any GST Exclusive Scheme Consideration for that supply is required to be paid, except that the recipient is not required to pay such additional amount unless and until the supplier has issued a tax invoice under clause 16.4.

#### **Tax invoice**

- 16.4 For any supply to which clause 16.3 applies, the supplier must issue a tax invoice which complies with the GST Law.

#### **Adjustments**

- 16.5 If any adjustment event occurs in respect of a supply to which clause 16.3 applies:
- (a) the additional amount paid or payable by the recipient must be recalculated, taking into account any previous adjustments under this clause 16.5, to reflect the occurrence of that adjustment event and the supplier or the recipient, as the case requires, must pay to the other the amount required to reflect the recalculation of the additional amount; and
  - (b) the supplier must provide an adjustment note to the recipient as soon as practicable after the supplier becomes aware of the occurrence of that adjustment event.

#### **Input tax credits**

- 16.6 Notwithstanding any other provision of this deed, if an amount payable under or in connection with this deed is calculated by reference to any loss, damage, cost, expense, charges or other liability incurred or suffered by a party, then the amount payable must be reduced by the amount of any input tax credit to which that entity is entitled in respect of the acquisition of any supply to which the loss, damage, cost, expense, charge or other liability relates.

## **17 Notices**

#### **Manner of giving notice**

- 17.1 Any notice or other communication to be given under this deed must be in writing (which includes email) and may be delivered or sent by post or email to the party to be served as follows:
- (a) to Schrole at the address or email address detailed in the 'Parties' section, with copy to [deanna.carpenter@hamiltonlocke.com.au](mailto:deanna.carpenter@hamiltonlocke.com.au); and
  - (b) to TES at the address or email address detailed in the 'Parties' section, with copy to [james.nicholls@dlapiper.com](mailto:james.nicholls@dlapiper.com),

or at any such other address or email address notified for this purpose to the other parties under this clause. Any notice or other communication sent by post must be sent by prepaid ordinary post (if the country of destination is the same as the country of origin) or by airmail (if the country of destination is not the same as the country of origin).

#### **When notice given**

- 17.2 Any notice or other communication is deemed to have been given:
- (a) if delivered, on the date of delivery;

- (b) if sent by post, on the third day after it was put into the post (for post within the same country) or on the fifth day after it was put into the post (for post sent from one country to another); or
- (c) if sent by email, upon the generation of a receipt notice by the recipient's server or, if such notice is not so generated, upon delivery to the recipient's server,

but if the notice or other communication would otherwise be taken to be received after 5.00pm or on a Saturday, Sunday or public holiday in the place of receipt then the notice or communication is taken to be received at 9.00am on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

#### **Proof of service**

- 17.3 In proving service of a notice or other communication, it is sufficient to prove that delivery was made or that the envelope containing the communication was properly addressed and posted either by prepaid post or by prepaid airmail, or that the email was properly addressed and transmitted by the sender's server into the network and there was no apparent error in the operation of the sender's email system, as the case may be.

#### **Documents relating to legal proceedings**

- 17.4 This clause 17 does not apply in relation to the service of any Claim form, notice, order, judgment or other document relating to or in connection with any proceedings, suit or action arising out of or in connection with this deed.

### **18 General**

#### **Amendments**

- 18.1 This deed may only be amended in writing and where such amendment is signed by all the parties.

#### **Assignments**

- 18.2 None of the rights or obligations of a party under this deed may be assigned or transferred without the prior written consent of the other party.

#### **No partnership or joint venture**

- 18.3 Subject to the terms of this deed, the business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this document constitutes the relationship of a partnership or a joint venture between the parties.

#### **Consents and approvals**

- 18.4 Except as otherwise expressly provided in this deed a party may give or withhold its consent to or approval of any matter referred to in this deed in its absolute discretion and may give such consent or approval conditionally or unconditionally. A party that gives its consent to or approval of any matter referred to in this deed is not taken to have made any warranty or representation as to any matter or circumstance connected with the subject matter of that consent or approval.

### **Costs**

- 18.5 Except as otherwise expressly provided in this deed, each party must pay the costs and expenses incurred by it in connection with entering into and performing its obligations under this deed, the Scheme and the Deed Poll.

### **Duty**

- 18.6 TES is liable for and must pay all Duty on or relating to this deed, the Scheme and any transfer of the Scheme Shares.

### **No Third Party beneficiary**

- 18.7 This deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this deed is intended to or shall confer any benefit on any other person, other than as set out in clauses 4.2, 9.2, 9.4 and 9.10.

### **Entire agreement**

- 18.8 This deed contains the entire agreement between the parties relating to the Transaction and supersedes all previous agreements, whether oral or in writing, between the parties relating to the Transaction except for the Confidentiality Deed.

### **Execution in counterparts**

- 18.9 This deed may be executed in counterparts, which taken together must constitute one and the same agreement, and any party (including any duly authorised representative of a party) may enter into this deed by executing a counterpart. PDF signatures are taken to be valid and binding to the same extent as original signatures.

### **Exercise and waiver of rights**

- 18.10 The rights of each party under this deed:
- (a) may be exercised as often as necessary;
  - (b) except as otherwise expressly provided by this deed, are cumulative and not exclusive of rights and remedies provided by applicable law; and
  - (c) may be waived only in writing and specifically,
- and delay in exercising or non-exercise of any such right is not a waiver of that right.

### **Further assurance**

- 18.11 Each party undertakes, at the request, cost and expense of the other party, to sign all documents and to do all other acts, which may be necessary to give full effect to this deed.

### **No merger**

- 18.12 Each of the obligations, warranties any undertakings set out in this deed (excluding any obligation which is fully performed at the Implementation Date) must continue in force after the Implementation Date.

### **No reliance**

- 18.13 Each party acknowledges that in agreeing to enter into this deed it has not relied on any express or implied representation, warranty, collateral contract or other assurance made by or on behalf of the other party before the entering into of this deed. To the maximum extent permitted by applicable law, each party waives all rights and remedies which, but for this clause 18.13 might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance including all rights and remedies under Part 7.10 of the Corporations Act, Part two Division two of the *Australian Securities and Investments Act 2001* (Cth), section 18, Schedule two (Australian Consumer Law) of the *Competition and Consumer Act 2010* (Cth) or any corresponding or equivalent provision of any legislation having effect in any relevant jurisdiction.

### **Severability**

- 18.14 The provisions contained in each clause of this deed are enforceable independently of each other clause of this deed and the validity and enforceability of any clause of this deed will not be affected by the invalidity or unenforceability of any other clause.

## **19 Governing Law and Jurisdiction**

### **Governing law**

- 19.1 This deed and any non-contractual obligations arising out of or in connection with it is governed by the law applying in Western Australia.

### **Jurisdiction**

- 19.2 The courts having jurisdiction in Western Australia have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute relating to any non-contractual obligations arising out of or in connection with this deed) and each party irrevocably submits to the non-exclusive jurisdiction of the courts having jurisdiction in Western Australia.



## Schedule 1 Schrole Threshold Events

### Part 1 Schrole Material Adverse Change

**Schrole Material Adverse Change** means any matter, event, change in condition, circumstances, information or thing (**Schrole Change**) which occurs, is announced or becomes known to TES (whether or not in the public domain) that, either individually or when aggregated with all such Schrole Changes:

- 1 diminishes or could reasonably be expected to diminish:
  - 1.1 the consolidated net assets of the Schrole Group by 10% or more (by reference to the consolidated net assets of the Schrole Group contained in Schrole's financial statements for the 12-month period ending 31 March 2024); or
  - 1.2 the consolidated earnings before interest, tax, depreciation and amortisation of the Schrole Group by 20% or more (by reference to the consolidated earnings before interest, tax, depreciation and amortisation of the Schrole Group contained in Schrole's financial statements for the 12-month period ending 31 March 2024); or
- 2 has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities or financial or trading position of the Schrole Group taken as a whole; other than any Schrole Change that arises from or in connection with:
  - 3 the announcement of the execution of this deed and of the transactions contemplated by it;
  - 4 required or expressly permitted by this deed or the Transaction;
  - 5 facts and circumstances that Schrole has Disclosed in an announcement made to the ASX in the two years prior to the date of this deed;
  - 6 facts, matters or circumstances Disclosed in the Schrole Disclosure Materials;
  - 7 any change on or after the date of this deed in:
    - 7.1 Australian or international economic conditions, credit markets, or capital markets (including changes in interest rates);
    - 7.2 the industry in which Schrole operates;
    - 7.3 laws (including any statute, ordinance, rule, regulation, the common law and equitable principles) or the interpretation, application or non-application of any laws by any Government Agency; or
    - 7.4 Accounting Standards;
- 8 any war, act of terrorism, civil unrest or similar event occurring on or after the date of this deed;
- 9 any act of God, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide, adverse weather conditions occurring on or after the date of this deed;
- 10 the exercise by any party of its express rights, or the discharge by any party of its express obligations, under this deed;

- 11 any action, or failure to take action, by Schrole with the approval or consent of, or at the request of TES;
- 12 any facts, circumstances or changes that are the result, directly or indirectly from the actions (or omissions to act) of TES or a TES Group Member, other than in circumstances where Schrole is in material breach of this deed unless such material breach resulted, directly or indirectly, from the actions (or omissions to act) of TES or a TES Group Member;
- 13 the portion of any event, matter change or circumstances which is as a consequence of losses, expenses, damages or other costs covered by insurance which Schrole's insurers have agreed to pay; or
- 14 costs and expenses associated with the Transaction,

provided that, in the case of exceptions in paragraphs 7, 8 and 9 above, such Schrole Change does not affect Schrole in a manner that is materially disproportionate to the effect on other companies of a similar size operating in the same industry as Schrole and, for the avoidance of doubt, in the event Schrole is affected materially disproportionately by such Schrole Change, the financial impact of such Schrole Change will be taken into account for the purposes of this definition only to the extent that the financial impact on Schrole is in excess of the proportionate financial impact of the Schrole Change on other companies of a similar size operating in the same industry as Schrole.

## Part 2 Schrole Prescribed Occurrences

- 1 Schrole converts all or any of its shares into a larger or smaller number of shares.
- 2 Schrole or a Related Entity resolves to reduce its share capital in any way.
- 3 Schrole or a Related Entity enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under the Corporations Act.
- 4 Schrole or a Related Entity:
- 4.1 issues shares or agrees to issue shares (other than an issue of Schrole Shares pursuant to the conversion of convertible securities or the exercise of options where the existence of those convertible securities or options has been disclosed to TES or the ASX before the date of this deed); or
- 4.2 grants an option over its shares or agrees to grant an option over its shares.
- 5 Schrole or a Related Entity issues, or agrees to issue, convertible notes or any other securities convertible into shares or other financial products.
- 6 Schrole or a Related Entity resolves to be wound up.
- 7 A liquidator or provisional liquidator of Schrole or of a Related Entity is appointed.
- 8 A court makes an order for the winding up of Schrole or of a Related Entity.
- 9 An administrator of Schrole, or of a Related Entity, is appointed under section 436A, 436B or 436C of the Corporations Act.
- 10 Schrole or a Related Entity executes a deed of company arrangement.
- 11 A receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Schrole or of a Related Entity.

## Part 3 Schrole Regulated Events

- 1 **Distributions:** Any Schrole Group Member announces, declares or determines to pay any dividend or announces or makes any other Distribution (whether in cash or in specie) to its members.
- 2 **Acquisitions and disposals:** Any Schrole Group Member:
  - 2.1 acquires or disposes of any shares or other securities in any body corporate or any units in any trust;
  - 2.2 acquires substantially all of the assets of any business;
  - 2.3 disposes of, or agrees to dispose of the whole or a substantial part of its business or property; or
  - 2.4 exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any undertaking, entity, asset or business (or such interest in an undertaking, entity, asset or business) held by another person.
- 3 **Constitution and shareholder resolutions:** Any Schrole Group Member changes its constitution or proposes to pass any resolution of shareholders or any class of shareholders.
- 4 **Cash balance:** The Cash balance is less than \$600,000 (or such lesser amount as may be agreed with TES in writing acting reasonably having regard to the legitimate commercial interests of TES) as recorded in the last Report immediately prior to the Second Court Date, disregarding any payments made in respect of the following:
  - 4.1 up to \$50,000 for penetration testing of Schrole's technology infrastructure;
  - 4.2 any Transaction Costs to the extent they do not exceed the Transaction Costs Cap and are payable before the Second Court Date; and
  - 4.3 any actions undertaken by Schrole with the approval or consent of, or at the request of TES.
- 5 **Net Working Capital:** Net Working Capital is less than \$(2,900,000) (or such lesser amount as may be agreed with TES in writing acting reasonably having regard to the legitimate commercial interests of TES) as recorded in the last Report issued before the Second Court Date.
- 6 **ARR:** The ARR as recorded in the last Report issued before the Second Court Date is less than the March ARR.
- 7 **Contract Renewals:** Where less than 95% (calculated as per Schrole's monthly management reporting prepared in accordance with the Accounting Standards and on consistent basis with Schrole's monthly management report for the period ending March 2024) of all Contract Renewals effective from the date of this deed are in the form of a signed contract.
- 8 **Trade Receivables:** The trade receivable aging profile of "current" and "current due" as calculated in accordance with the spreadsheet titled "Aging Profile" in agreed form as at the date of this deed as recorded in the last Report issued before the Second Court Date is not less than 90% (or such lesser amount as may be agreed with TES in writing acting reasonably having regard to the legitimate commercial interests of TES).
- 9 **Trade Payables:** The payable aging profile of "current" and "current due" as calculated in accordance with the spreadsheet titled "Aging Profile" in agreed form as at the date of this

deed as recorded in the last Report issued before the Second Court Date is not less than 90% (or such lesser amount as may be agreed with TES in writing acting reasonably having regard to the legitimate commercial interests of TES).

10 **Transaction Costs:** Transaction Costs exceed the Transaction Costs Cap, unless the reason for the excess is as a result of:

- 10.1 an application being made to the Takeovers Panel;
- 10.2 regulatory intervention or Government Agency, ASX or the Court taking any unexpected positions;
- 10.3 subject to Schrole's compliance with its obligations under clause 10, a Competing Proposal emerges;
- 10.4 a Schrole Shareholders or other party taking or threatening to take action to block, delay or otherwise disrupt the Transaction; or
- 10.5 TES requiring actions to be taken as part of the implementation of the Transaction which are not expressly contemplated by this deed.

## Schedule 2 Schrole Warranties and Undertakings

### Part 1 Schrole Warranties

- 1 **Valid existence:** Each Schrole Group Member is a corporation validly existing under the laws of its place of incorporation.
- 2 **Power:**
  - 2.1 Schrole has the power to execute this deed and to perform its obligations under this deed and the Scheme and has taken all necessary corporate action to authorise such execution and the performance of such obligations.
  - 2.2 Other than as contemplated by this deed, no Authorisations are required to be obtained by Schrole under any applicable law to perform and observe its obligations under this deed and to consummate the transactions contemplated by this deed.
- 3 **Binding obligations:** Schrole's obligations under this deed are legal, valid and binding obligations enforceable subject to and in accordance with their terms.
- 4 **No conflict or default:** The execution by Schrole of this deed and the performance of its obligations under this deed and the Scheme do not and will not conflict with or constitute a default under any provision of:
  - 4.1 its Constitution or the constitution of any other Schrole Group Member; or
  - 4.2 any applicable law by which Schrole or any Schrole Group Member is bound.
- 5 **No triggered rights:** To the best of Schrole's knowledge, the execution and delivery by Schrole of this deed and implementation of the transactions contemplated by this deed will not trigger any change of control, unilateral termination rights, any pre-emptive right in favour of a Third Party or similar provisions in any Schrole Material Contract and in any Schrole Authorisations.
- 6 **No regulatory action:** No regulatory action of any nature has been taken that would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this deed.
- 7 **No insolvency:**
  - 7.1 There is no Insolvency Event in effect in respect of a Schrole Group Member.
  - 7.2 No resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets.
- 8 **Continuous disclosure:** As at the date of this deed, Schrole has filed with ASIC and ASX all documents required to be filed with ASIC or ASX including pursuant to ASX Listing Rule 3.1A, is not in breach of its continuous and periodic disclosure obligations under the Corporations Act and the ASX Listing Rules and is not relying on the carve-out in ASX Listing Rule 3.1A to withhold any information from public disclosure and such documents are not misleading or deceptive and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated in it, except to the extent that such statements have been modified or superseded by a later document.

- 9 **Issued capital:**
- 9.1 As at the date of this deed, Schrole has only those securities on issue which are detailed in Schedule 4, and there are no other shares, options or other securities (including equity securities, debt securities or convertible securities) or performance rights or other instruments which are convertible into securities in Schrole or any other Schrole Group Member nor has Schrole or any other Schrole Group Member offered or agreed to issue any such shares, options or other securities or performance rights or other instruments to any Third Party.
- 9.2 All the issued securities of each Schrole Group Member (other than Schrole) are held by either Schrole or another Schrole Group Member that is directly or indirectly wholly-owned by Schrole.
- 9.3 No person is entitled, or has claimed to be entitled, to require any Schrole Group Member (other than Schrole) to issue any share capital either now or at any future date (whether contingently or not).
- 10 **Material contracts:**
- 10.1 As at the date of this deed all Schrole Material Contracts are in full force and of full effect and are legally binding as between the parties to those contracts in accordance with their terms.
- 10.2 As at the date of this deed, no Schrole Group Member is in material default under any Schrole Material Contract nor has anything occurred which is or would be with the giving of notice or lapse of time constitute an event of default, prepayment or similar event, or give another party thereto a termination right or right to accelerate any material right or obligation under any such Schrole Material Contract with such an effect.
- 10.3 No Schrole Group Member will be required after the Implementation Date to undertake any work or supply any goods or services except on normal commercial terms or in the ordinary course of business under a contract entered into on or before the date of this deed.
- 10.4 No Schrole Group Member has received any written notice which might affect in any material respect any rights or interests of TES or the exercise of any rights by any Schrole Group Member in respect of any Schrole Material Contract.
- 10.5 No Schrole Group Member is a party to any agency, distributorship, marketing, purchasing, manufacturing or licensing agreement or arrangement material to the business of the Schrole Group.
- 10.6 No Schrole Group Member is restricted by contract from carrying on any activity in any part of the world.
- 10.7 Schrole does not have any knowledge of any breach, unenforceability, invalidity or grounds for rescission, termination or repudiation of any Schrole Material Contract.
- 11 **Customer and supplier relationships:** No Schrole Group Member has been notified by any customer or supplier that such customer or supplier (as applicable) intends to cease or materially alter the nature of its commercial or business dealings with the Schrole Group (or any member thereof), where the cessation or material alteration of such commercial or business dealings could be reasonably expected to have a material adverse effect on the operational or financial performance of the Schrole Group (taken as a whole).
- 12 **Schrole Authorisations:**

12.1 The Schrole Group has all material Schrole Authorisations necessary for it to conduct the business of the Schrole Group as it is being conducted as at the date of this deed, and no Schrole Group Member:

- (a) is in material breach of, or default under, any such Schrole Authorisation; or
- (b) has received any notice in respect of the termination, revocation, variation or non-renewal of any such Schrole Authorisation.

12.2 Schrole is not aware of anything that might result in the revocation, suspension or modification of any material Schrole Authorisations or anything that might adversely affect their renewal.

13 **Encumbrances:** There is no material Encumbrance over all or any of Schrole's assets or revenues (other than the Permitted Encumbrances).

14 **Financial position:**

14.1 Schrole's financial statements for the 12 month period ended 31 December 2023:

- (a) give, in all material respects, a true and fair reflection of the Schrole Group's financial position as of 31 December 2023 and of Schrole's performance for the period ending on the relevant date;
- (b) comply with the Accounting Standards, the Corporations Act and other applicable legal requirements;
- (c) contain either provisions adequate to cover, or full particulars in notes, of all Taxation (including deferred Taxation) and other liabilities (whether quantified, contingent or otherwise) of the Schrole Group as at 31 December 2023; and
- (d) are not affected by any unusual or non-recurring items.

14.2 No Schrole Group Member has agreed to any material additional capital expenditure.

14.3 As at 31 May 2024, the Schrole Group has a Cash balance equal to or in excess of \$799,235.

14.4 No more than \$177,719 of the cash, cash equivalents and facilities (where the terms "cash" and "cash equivalents" are as defined in the Accounting Standards) of the Schrole Group is cash reserved for a specific purpose and therefore not readily available for immediate or general business (including, but not limited to, restricted cash for bank guarantees or lease security deposits, funds deposited with vendors/suppliers, utility companies, and cash deposited under protest).

14.5 The Schrole trial balance as at 31 March 2024:

- (a) was prepared in accordance with the Accounting Standards, the Corporations Act and other applicable legal requirements;
- (b) gives a true and fair view of the assets, income, expenditure and cashflow of the Schrole Group for the relevant period, provided that they have only been prepared for internal management purposes; and
- (c) does not materially misstate the assets and liabilities as of the date prepared nor the profits and losses for the period concerned.

- 14.6 All accounts, books, ledgers and financial and other records of each Schrole Group Member:
- (a) have been properly maintained and contain accurate records of all matters required to be entered in them by law and give a true and fair view of the matters which ought to appear in them; and
  - (b) are in the possession or under the control of the Schrole Group and Schrole has given TES access to all accounts, books, ledgers and financial and other records of each Schrole Group Member that have been requested by TES.
- 14.7 Schrole does not have any reason to believe that any debt owing to any member of the Schrole Group at the date of this deed will not in the ordinary course of collection realise its nominal amount plus any accrued interest.
- 14.8 Since 31 March 2024 each of the following is the case:
- (a) each Schrole Group Member has carried on its business in the ordinary course and in substantially the same manner as conducted in the 12 month period before the date of this deed;
  - (b) no Schrole Group Member has entered into any material unusual contract or commitment or otherwise departed from its normal course of trading in any material way or otherwise incurred any actual or contingent liability outside its normal course of trading;
  - (c) there has been no material deterioration in the turnover, the financial or trading position or the prospects of any Schrole Group Member; and
  - (d) each Schrole Group Member has received payment in full on their due dates of all debts owing to that Schrole Group Member shown in the Schrole trial balance as at 31 March 2024 (subject to any provision for bad and doubtful debts made in the Schrole trial balance as at 31 March 2024), has not released any debts in whole or in part and has not written off debts of a material amount.

15 **Finance:**

- 15.1 There are no:
- (a) agreements or arrangements entered into by any Schrole Group Member for the borrowing of money or the incurrence of any debt or other financial indebtedness (whether contingent or otherwise), or the granting of Encumbrances or security (other than any Permitted Encumbrances);
  - (b) debentures, bonds, notes or similar debt instruments issued by any Schrole Group Member (whether by one instrument or by all of the instruments in a series);
  - (c) guarantees, letters of comfort, indemnities or other commitments of financial support which have been given or issued in favour of any third party in respect of an obligation or liability of any Schrole Group Member, and no Schrole Group Member has requested that any bank or other financial institution give or issue any such guarantee, letter of comfort, indemnity or other commitment of financial support;



- (d) bank guarantees, letters of credit, trade instruments or similar credit support which have been issued in respect of, or at the request of, any Schrole Group Member or any arrangements related thereto (including cash-backing);
  - (e) interest rate swaps, foreign currency forward contracts or other derivative contracts to which any Schrole Group Member is a party or by which any Schrole Group Member is bound; or
  - (f) financing arrangements that restrict the sale or disposal of any Schrole Group Member (or any assets thereof).
- 15.2 No Schrole Group Member has lent any money which has not been repaid to it.
- 15.3 No Schrole Group Member is subject to any arrangement for receipt or repayment of any grant, subsidy or financial assistance from any Government Agency.
- 15.4 Any Encumbrance held by any Schrole Group Member (including a guarantee and indemnity) is valid and enforceable by that Schrole Group Member against the provider of that security in accordance with the terms of the relevant document.
- 15.5 No Schrole Group Member has given any guarantee, letter of comfort or other commitments of financial support in respect of any obligation or liability of any Third Party.
- 16 **Termination payments:** Other than in accordance with employment agreements entered into before the date of this deed or as permitted by this deed, and applicable law, no employee of the Schrole Group will be entitled to or paid redundancy or other payments or entitlements on termination of employment.
- 17 **Employees:**
- 17.1 In the 6-months prior to the date of the deed, there has been no increase to any bonus payments payable to any Schrole Director or any employee of any Schrole Group Member, other than on a consistent basis with past practice of the Schrole Group.
  - 17.2 Bonus accrual since 31 March 2024 has been consistent with bonus accrual made in Q1 2024 and pertains only for the fiscal year 2024. The accruals are also made in accordance with the Accounting Standards and in-line with the approved bonus proposal structure for FY 2024 made prior to 31 March 2024.
  - 17.3 There is not, and during the three years preceding the date of this deed there has not been, any industrial action affecting any Schrole Group Member. Schrole is not aware of any circumstances which might give rise to such industrial action.
  - 17.4 There are no terms of employment for any employee of any Schrole Group Member which provide that a change in control of any member of the Schrole Group (however change of control be defined if at all) entitles that employee to treat the change of control as amounting to a breach of the contract or entitling him or her to any payment or benefit whatsoever or entitling him or her to treat himself or herself as redundant or otherwise dismissed or released from any obligation.
- 18 **No impediments:** As at the date of this deed, Schrole is not aware of any event or circumstance that would result in or is reasonably likely to result in:
- 18.1 in one or more of the Conditions becoming incapable of fulfilment; or

18.2 the Transaction not being implemented in accordance with the Timetable and the terms of this deed.

19 **Compliance with law:** So far as Schrole is aware, as at the date of this deed, Schrole and its subsidiaries have complied in all material respects with all applicable law.

20 **Anti-bribery and corruption:**

20.1 No Schrole Group Member nor any of its Representatives has directly or indirectly:

- (a) offered, promised, made or authorised, or agreed to offer, promise, make or authorise (or made attempts at doing any of the foregoing) any contribution, expense, payment or gift of funds, property or anything else of value to or for the use or benefit of any Government Official for the purpose of securing action or inaction or a decision of a Government Agency or a Government Official, influence over such action, inaction or decision, or any improper advantage; or
- (b) taken any action which is or would be otherwise inconsistent with or prohibited by the Anti-Corruption Laws as they apply to the Schrole Group.

20.2 No Schrole Group Member nor any of its Representatives has directly or, so far as Schrole is aware, indirectly, given or agreed to give any gift or similar benefit to any customer, supplier, Government Official or any other person that:

- (a) could be reasonably expected to subject a Schrole Group Member to any damage or penalty in any civil, criminal or governmental litigation or proceeding;
- (b) if not given in the past, might have had a material effect on the Schrole Group as a whole;
- (c) has the intention of inducing a person to improperly perform a relevant function or activity (such as their work) or to reward a person for having improperly performed a relevant function or activity; or
- (d) if not continued in the future, might have a material effect or that might subject a Schrole Group Member to suit or penalty in any private or governmental litigation or proceeding.

20.3 The Schrole Group maintains a system or systems of internal controls reasonably designed to:

- (a) ensure compliance with the Anti-Corruption Laws applicable to the Schrole Group; and
- (b) prevent and detect violations of the Anti-Corruption Laws as applicable to the Schrole Group.

21 **Related party transactions:** No Schrole Group Member is or was previously a party to any transaction with any related party of Schrole (and, for these purposes, "related party" has the meaning given in section 228 of the Corporations Act) other than as disclosed on the ASX market announcements platform before the date of this deed.

22 **Due diligence information:**

22.1 The Schrole Due Diligence Information has been collated and prepared in good faith, and, as at the date of this deed, is accurate and complete in all respects (provided

that where that information is given with respect to the position at a particular date it is only warranted to be accurate and complete in all respects as at that date) and Schrole is not aware of any information contained in the Schrole Due Diligence Information that is false, incomplete, misleading or deceptive in any material respect (including by omission). Other than where Schrole has indicated to TES that it is withholding particular information from disclosure to TES on the basis that it is commercially sensitive and confidential to Schrole, as at the date of this deed Schrole has not knowingly withheld or omitted information from disclosure to TES which could reasonably be expected to be material to TES's evaluation of the Schrole Group and the merits of the Transaction. For the avoidance of doubt, Schrole makes no representation or warranty whatsoever as to:

- (a) the accuracy or adequacy of any forward looking statement in respect of the future financial position of Schrole; or
  - (b) the adequacy or sufficiency of the Schrole Due Diligence Information for the purpose of TES acquiring the Schrole Shares or for TES's funding of that acquisition, which are matters of which TES has to satisfy itself.
- 22.2 All information that Schrole or its Representatives have provided to TES or its Representatives (whether as part of the Schrole Due Diligence Information or otherwise) and the Government Agencies is, to the extent known to Schrole having made due and reasonable enquiries, true and correct in all material respects and is not misleading or deceptive (whether by omission or otherwise).
- 22.3 Schrole has provided TES with complete and accurate information to the extent known to Schrole having made due and reasonable enquiries relating to the amount or rate (as applicable) of the:
- (a) Transaction Costs;
  - (b) Cash balance;
  - (c) Net Working Capital (including Working Capital Assets and Working Capital Liabilities);
  - (d) March ARR; and
  - (e) trade receivable aging profile and trade payable aging profile as described in items 8 and 9 of Part 3 of Schedule 1 respectively,

each as at the date of this deed.

23 **Litigation:** As at the date of this deed:

- 23.1 there is no litigation, mediation or arbitration current or pending, nor is there any threatened litigation, mediation or arbitration, in each case which may materially affect the value of Schrole or of the assets of the Schrole Group;
- 23.2 no Schrole Group Member nor any directors or managers of any Schrole Group Member are the subject of any investigation, inquiry or enforcement proceedings or process by any Government Agency;
- 23.3 there is no unsatisfied judgment, order, arbitration, award or decision of any court, tribunal or arbitrator against any Schrole Group Member and no outstanding claims against any Schrole Group Member; and

- 23.4 Schrole is not aware of anything which is likely to give rise to any material litigation, arbitration, dispute resolution or other similar proceedings by or against any Schrole Group Member, or any director or manager of any Schrole Group Member.
- 24 **No existing discussions:** As at the date of this deed, Schrole has terminated all negotiations and discussions (other than with TES and its Representatives) relating to any Competing Proposal.
- 25 **Advisors:** It has provided an estimate of the total fees incurred or to be incurred (in aggregate) under all retainers and mandates with financial advisors and other advisors in relation to the Transaction.
- 26 **Powers of attorney:** No Schrole Group Member has granted any power of attorney or similar authority which remains in force.
- 27 **Intellectual Property:**
- 27.1 No activities of any Schrole Group Member (or of any licensee under any licence granted by any Schrole Group Member) infringe or are likely to infringe any Intellectual Property rights or Moral Rights of any Third Party and no claim has been made against any Schrole Group Member or any such licensee in respect of such infringement.
- 27.2 The Schrole Group owns or has licensed to it all Intellectual Property rights it requires to carry on the business of the Schrole Group as such business has been carried on during the year prior to the date of this deed and such Intellectual Property rights are valid and subsisting. So far as Schrole is aware, nothing has been done or omitted to be done by any Schrole Group Member, and there has been no act or omission by any Third Party, which would jeopardise the validity or subsistence of any such Intellectual Property rights.
- 27.3 In respect of Intellectual Property that is owned by a Schrole Group Member:
- (a) no Schrole Group Member has licensed, assigned or otherwise disposed of or allowed to lapse any right, title or interest in such Intellectual Property;
  - (b) no Schrole Group Member is obliged to grant a licence, assignment or other right in respect of such Intellectual Property to any Third Party;
  - (c) the relevant members of the Schrole Group have taken all necessary steps to obtain and maintain appropriate registrations for such Intellectual Property (to the extent such Intellectual Property is registrable), including the payment of all applicable application and renewal fees; and
  - (d) the Schrole Group has taken all reasonable steps to record and protect such Intellectual Property, to the extent that it is unregistrable.
- 27.4 So far as Schrole is aware, there are no royalties, fees, damages, compensation or other amounts payable by any Schrole Group Member in connection with the use of Intellectual Property rights owned by Third Parties.
- 27.5 Each employee and independent contractor of any Schrole Group Member who, either alone or with others, has created, developed or invented any Intellectual Property rights in the course of their employment or engagement with the Schrole Group Member has entered into a written agreement with the Schrole Group Member which obliges disclosure and assignment of those rights to the Schrole Group Member.

- 28     **Privacy:**
- 28.1    The Schrole Group takes such steps as are reasonable in the circumstances to protect Personal Information within its possession or control from misuse, interference, and loss and from unauthorised access, modification and disclosure.
- 28.2    No unauthorised access to, disclosure of or loss of Personal Information has occurred in respect of Personal Information within the Schrole Group's possession or control.
- 28.3    Each Third Party engaged by a Schrole Group Member to process Personal Information belonging to any Schrole Group Member is subject to binding obligations to comply with applicable privacy laws.
- 29     **Insurance:**
- 29.1    Both the business and all of the assets of Schrole Group Members of an insurable nature (including the Leased Properties but excluding intangible assets which cannot be insured) are and have at all material times been insured for risks including fire, accident, damage, injury, third party loss, loss of profits and other risks normally insured against by persons carrying on the same classes of business as those carried on by the Schrole Group Members. This insurance has been for amounts representing the full replacement or reinstatement value of the relevant asset or business or otherwise for an amount which a prudent manager in the same line of business would insure.
- 29.2    All premiums payable under insurance policies taken out by any member of the Schrole Group are up to date. So far as Schrole is aware, nothing has been done or failed to be done which would make any policy void or voidable or would permit an insurer to cancel any policy or refuse or reduce a claim or materially increase the premiums payable under any policy.
- 30     **Real property:**
- 30.1    The Schrole Group does not hold freehold title to any real property.
- 30.2    The Schrole Due Diligence Information include copies of all agreements or other documents pursuant to which a Schrole Group Member leases (or sub-leases), licences, occupies or otherwise uses any parcel of real property (all such agreements and other documents, the **Property Leases**, and all such parcels of real property, the **Leased Properties**), and the copies of such Property Leases included in the Schrole Due Diligence Information are current, accurate and complete (and include any and all amendments, variations, supplements, addendums, annexures, appendices, extensions and/or renewals in respect of such Property Leases).
- 30.3    No Schrole Group Member has any interest in land other than the interests in the Leased Properties.
- 30.4    All rent, fees and outgoings payable by any Schrole Group Member under each Property Lease has been paid in full by the due date for payment.
- 31     **Tax:**
- 31.1    On the Implementation Date, any Tax or Duty payable:
- (a)     in respect of any transaction, income or assets of a Schrole Group Member for all periods up to the Implementation Date;

- (b) in respect of any event, omission or instrument executed or performed prior to the Implementation Date; and
  - (c) in respect of payments made by a Schrole Group Member to another person that must be withheld from that payment prior to the Implementation Date,
- have been so withheld (if applicable) and paid (or provided for) prior to the Implementation Date in accordance with the requirements of the applicable laws.
- 31.2 Each Schrole Group Member has maintained proper and adequate records to enable it to comply in all material respects with its obligations to:
- (a) prepare and submit any applications, information, notices, computations, returns and payments required in respect of any applicable laws;
  - (b) prepare any accounts necessary for compliance with any applicable laws; and
  - (c) retain necessary records as required by any applicable laws.
- 31.3 Each Schrole Group Member has up to the Implementation Date submitted any necessary applications, information, notices, computations and returns to the relevant Government Agency in respect of any Tax or Duty.
- 31.4 So far as Schrole is aware, any information, notice, computation and return that has been submitted by any Schrole Group Member to a Government Agency in respect of any Tax or Duty:
- (a) discloses all material facts required to be disclosed under any applicable laws; and
  - (b) is not misleading in any material particular.
- 31.5 No Schrole Group Member has ever (i) had any taxable presence outside the country in which it is incorporated or (ii) received notice that it may be subject to Tax in a jurisdiction where it does not currently file tax returns or pay Tax.
- 31.6 No debt owed by any Schrole Group Member has been, or has been agreed to be, released, waived, forgiven or otherwise extinguished in circumstances which would have attracted any Tax or the operation of the debt forgiveness rules or limited recourse debt rules under the applicable laws
- 31.7 So far as Schrole is aware, no agreement extending the period for assessment or collection of any Tax or Duty of any Schrole Group Member has been executed or filed with any Government Agency.
- 31.8 Each Schrole Group Member has deducted and remitted all Tax required to be deducted and remitted from any payments made by it, whether on its own behalf or as agents. This includes all amounts of Tax required by law to be deducted from the salary or wages of employees of any Schrole Group Member having been duly deducted and paid to the applicable Government Agency.

## Part 2 Schrole Undertakings

- 1 Schrole will:

- 1.1 ensure that the Schrole Information is prepared in good faith and on the understanding that each of TES Indemnified Persons will rely on that information for the purposes of considering and approving TES Information in the Scheme Booklet;
  - 1.2 take reasonable steps to ensure that the Schrole Information complies with the Corporations Act and all other applicable law, including the Regulatory Guides and the ASX Listing Rules; and
  - 1.3 in the form and context in which it appears in the Scheme Booklet, take reasonable steps to ensure that the Schrole Information is true and correct in all material respects and is not misleading or deceptive in any material respect (whether by omission or otherwise) as at the date the Scheme Booklet is sent to Shareholders.
- 2 Schrole will provide to Shareholders and TES all new information of which it becomes aware after the Scheme Booklet has been sent to Shareholders and before the date of the Scheme Meeting which is necessary to ensure that the Schrole Information, in the form and context in which it appears in the version of the Scheme Booklet sent to Shareholders, is not misleading or deceptive in any material respect (whether by omission or otherwise).
- 3 All information provided by or on behalf of Schrole to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet, will be true and correct in all material respects and will not be misleading or deceptive in any material respect (whether by omission or otherwise).

## Schedule 3 TES Warranties and Undertakings

### Part 1 TES Warranties

- 1 **Valid existence:** TES is a corporation validly existing under the laws of its place of incorporation.
- 2 **Power:**
  - 2.1 TES has the power to execute this deed and to perform its obligations under this deed and the Scheme and has taken all necessary corporate action to authorise such execution and the performance of such obligations.
  - 2.2 No Authorisations are required to be obtained by TES under any applicable law to perform and observe its obligations under this deed and to consummate the transactions contemplated by this deed.
- 3 **Binding obligations:** TES's obligations under this deed are legal, valid and binding obligations enforceable subject to and in accordance with their terms.
- 4 **No conflict or default:** The execution by TES of this deed and the performance of its obligations under this deed and the Scheme do not and will not conflict with or constitute a default under any provision of:
  - 4.1 its Constitution or the constitution of any other TES Group Member; or
  - 4.2 any applicable law by which TES or any TES Group Member is bound.
- 5 **No triggered rights:** To the best of TES's knowledge, the execution and delivery by TES of this deed and implementation of the transactions contemplated by this deed will not trigger any change of control, unilateral termination rights, any pre-emptive right in favour of a Third Party or similar provisions in any TES Authorisations.
- 6 **No regulatory action:** No regulatory action of any nature has been taken that would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this deed.
- 7 **No insolvency:**
  - 7.1 There is no Insolvency Event in effect in respect of a TES Group Member.
  - 7.2 No resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets.
- 8 **Scheme Consideration:**
  - 8.1 TES has a reasonable basis to expect that it will, on the Business Day before the Implementation Date, have available to it sufficient cash amounts to satisfy TES's obligation to provide the Scheme Consideration in accordance with its obligations under this deed, the Scheme and the Deed Poll.
  - 8.2 TES will, on the Business Day before the Implementation Date, have available to it sufficient cash amounts to satisfy its obligation to pay the aggregate Scheme



Consideration in accordance with its obligations under this deed, the Scheme and the Deed Poll (as applicable).

## Part 2 TES Undertakings

- 1 TES will:
  - 1.1 ensure that the TES Information is prepared in good faith and on the understanding that each of Schrole Indemnified Persons will rely on that information for the purposes of considering and approving Schrole Information in the Scheme Booklet;
  - 1.2 take reasonable steps to ensure that the TES Information complies with the Corporations Act and all other applicable law, including the Regulatory Guides and the ASX Listing Rules; and
  - 1.3 in the form and context in which it appears in the Scheme Booklet, take reasonable steps to ensure that the TES Information is true and correct in all material respects and is not misleading or deceptive in any material respect (whether by omission or otherwise) as at the date the Scheme Booklet is sent to Shareholders.
- 2 TES will provide to Shareholders and Schrole all new information of which it becomes aware after the Scheme Booklet has been sent to Shareholders and before the date of the Scheme Meeting which is necessary to ensure that the TES Information, in the form and context in which it appears in the version of the Scheme Booklet sent to Shareholders, is not misleading or deceptive in any material respect (whether by omission or otherwise).
- 3 All information provided by or on behalf of TES to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet, will be true and correct in all material respects and will not be misleading or deceptive in any material respect (whether by omission or otherwise).

## Schedule 4 Issued Capital Summary

Class	Number
Schrole Shares	35,955,048
Scheme Performance Rights	1,447,639

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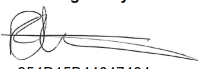
## Schedule 5 Timetable

Event	Date
First Court Date	Early August 2024
Scheme Meeting	Early September 2024
<b>If the Scheme is approved by the requisite majority of Scheme Shareholders, the expected timetable for implementing the Scheme is:</b>	
Second Court Date	Mid September 2024
Effective Date	Mid September 2024
Suspension of trading of Schrole Shares on ASX	Close of trading on Effective Date
Record Date	7.00pm (Perth time) on two Business Days after Effective Date
Implementation Date	Five Business Days after the Record Date
Termination of official quotation of Schrole Shares on ASX	5.00pm (Perth time) on the day after the Implementation Date (or otherwise determined by ASX)

# Signature page

**Executed** as a deed.

Signed for and behalf of **TES Aus Global Pty Limited ACN 115 129 989** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

DocuSigned by:  
  
254D15B44647484...  
Signature of director

.....  
Name of director (print)

DocuSigned by:  
  
37F36FB729D7480...  
Signature of director

.....  
Name of director (print)

Executed by **Schrole Group Limited ACN 164 440 859** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

.....  
Signature of director

.....  
Name of director (print)

.....  
Signature of director/company secretary

.....  
Name of director/company secretary (print)

For personal use only

# Signature page

**Executed** as a deed.

Signed for and behalf of **TES Aus Global Pty Limited ACN 115 129 989** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

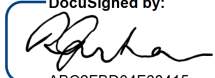
.....  
Signature of director


.....  
Signature of director/company secretary

.....  
Name of director (print)

.....  
Name of director/company secretary (print)

Executed by **Schrole Group Limited ACN 164 440 859** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

DocuSigned by:  
  
.....  
Signature of director

DocuSigned by:  
  
.....  
Signature of director/company secretary

Rob Graham  
.....  
Name of director (print)

Jack Rosagro  
.....  
Name of director/company secretary (print)

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## Appendix 1 Scheme

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## Parties

### Schrole

Name Schrole Group Limited  
ACN 164 440 859  
Address Level 1, 142 Hasler Road, Osborne Park, Western Australia 6017  
Email rob.graham@schrole.edu.au  
Attention Rob Graham

### Scheme Shareholders

Each registered holder of fully paid ordinary shares in Schrole as at the Record Date.

## Background

- A Schrole has agreed in the Scheme Implementation Deed to propose this Scheme the effect of which will be that all Scheme Shares, and all rights and entitlements attaching to them as at the Implementation Date, will be transferred to TES and TES will provide or procure the provision of the Scheme Consideration to Scheme Shareholders.
- B TES has executed the Deed Poll under which it has covenanted in favour of Scheme Shareholders to provide or procure the provision of the Scheme Consideration to the Scheme Shareholders and to perform certain of its other obligations under the Scheme.

## Agreed terms

### 1 Definitions and interpretation

#### Definitions

#### 1.1 In this Scheme:

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

**ASX** means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the official listing rules of ASX as modified by any waiver instrument executed by ASX that applies to Schrole.

**Business Day** means any day that is each of the following:

- (a) a Trading Day; and
- (b) a day (other than a Saturday, Sunday or public holiday) on which banks are generally open in Western Australia for normal business.

**Certificate** means the certificate of the status of conditions precedent in the form attached in Appendix 3 of the Scheme Implementation Deed.

**CHES** means the clearing house electronic sub-register system of share transfers operated by ASX Settlement and Transfer Corporation Pty Ltd.

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

**Court** means the Federal Court of Australia, Western Australian Division, or such other court of competent jurisdiction under the Corporations Act as TES and Schrole agree in writing.

**Deed Poll** means the deed poll to be entered into by TES in favour of the Scheme Shareholders substantially in the form attached at Appendix 2 of the Scheme Implementation Deed or in such other form as the parties agree in writing.

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Government Agency and any penalty, fine, interest or additional charge payable in relation to any such duty or charge, but excludes any Tax.

**Effective** means the coming into effect pursuant to section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

**Effective Date** means the date the Scheme becomes Effective.

**Encumbrance** means any security interest (within the meaning of section 9 of the Corporations Act) and any option, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement or other security interest of any kind, and any agreement to create any of the foregoing.

**End Date** means the date that is six months after the date of the Scheme Implementation Deed or such other date as the parties agree in writing.

**Excluded Shares** means any Schrole Shares held by any person on behalf of or for the benefit of any TES Group Member.

**Government Agency** means any government, any department, officer or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity whether in Australia or elsewhere and includes any minister, ASIC, FIRB, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

**Implementation Date** means the date that is five Business Days after the Record Date, or such other date as the parties agree in writing.

**Issuer Sponsored Holding** has the meaning given in the Settlement Rules.

**Operating Rules** means the official operating rules of ASX.

**Record Date** means 7.00pm on the date which is two Business Days after the Effective Date or such other time and date agreed to in writing between Schrole and TES.

**Registered Address** means in relation to a Schrole Shareholder, the address shown in the Schrole Register as at the Record Date.

**Scheme** means this scheme of arrangement under Part 5.1 of the Corporations Act between Schrole and the Scheme Shareholders subject to any alterations or conditions made or



required by the Court under section 411(6) of the Corporations Act and approved by the parties in writing.

**Scheme Consideration** means the consideration payable by TES for the transfer to TES of Scheme Shares held by a Scheme Shareholder, being in respect of each Scheme Share, an amount in cash of \$0.4852.

**Scheme Implementation Deed** means the Scheme Implementation Deed dated 16 June 2024 between TES and Schrole.

**Scheme Meeting** means the meeting of Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act in respect of the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

**Scheme Shareholder** means a Shareholder as at the Record Date.

**Scheme Shares** means all of the Schrole Shares on issue at the Record Date other than Excluded Shares.

**Scheme Transfer** means a proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of TES as transferee, which may be a master transfer of all or part of the Scheme Shares.

**Schrole Register** means the register of Schrole Shares maintained by Schrole or the Schrole Registry in accordance with the Corporations Act.

**Schrole Registry** means Computershare Investor Services Limited.

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

**Second Court Date** means the first day on which the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Settlement Rules** means the ASX Settlement Operating Rules.

**Shareholder** means a person who is registered in the Schrole Register as the holder of one or more Schrole Shares from time to time.

**Tax** means a tax, levy, charge, impost, fee, or withholding any nature, including, without limitation, any goods and services tax, value added tax or consumption tax, payroll tax, fringe benefits tax, superannuation guarantee charge, pay as you go withholding which is assessed, levied, imposed or collected by a Government Agency, except where the context requires otherwise. This includes, but is not limited to, any interest, fine, penalty, charge, fee or other amount imposed in addition to those amounts, but excludes Duty.

**TES** means Tes Global Limited, a corporation incorporated and registered in the United Kingdom with the company number 02017289 with a registered address at 26 Red Lion Square, London WC1R 4HQ, United Kingdom.

### **Things required to be done other than on a Business Day**

- 1.2 Unless otherwise indicated, if the day on which any act, matter or thing is to be done under this document is a day other than a Business Day, that act, matter or thing must be done on or by the next Business Day.

## **Interpretation**

- 1.3 Sections 1.5 to 1.7 of the Scheme Implementation Deed apply to the interpretation of this Scheme, except that references to 'this deed' are to be read as references to 'this Scheme'.

## **2 Conditions Precedent**

### **Conditions precedent to the Scheme**

- 2.1 The Scheme is conditional on and will have no force or effect unless and until each of the following conditions precedent is satisfied:
- (a) as at 8.00am on the Second Court Date all the conditions set out in clause 3.1 of the Scheme Implementation Deed (other than the condition relating to the approval of the Court set out in clause 3.1(b) of the Scheme Implementation Deed) have been satisfied or waived in accordance with the terms of the Scheme Implementation Deed;
  - (b) neither the Scheme Implementation Deed nor the Deed Poll have been terminated before 8.00am on the Second Court Date;
  - (c) the Court approves this Scheme pursuant to section 411(4)(b) of the Corporations Act, including with or without any modification made or required by the Court under section 411(6) of the Corporations Act and agreed to by TES;
  - (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme and agreed to by TES have been satisfied or waived; and
  - (e) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this Scheme have come into effect in accordance with section 411(10) of the Corporations Act on or before the End Date (or any later date as Schrole and TES agree in writing).

### **Certificates**

- 2.2 At the Court hearing on the Second Court Date each of Schrole and TES must provide to the Court a copy of its signed Certificate, or such other evidence as the Court requests, confirming (in respect of the matters within their knowledge) whether or not the conditions set out in clause 2.1(a) and 2.1(b) have been satisfied or waived.
- 2.3 The Certificates provided by Schrole and TES under clause 2.2 constitute conclusive evidence as to whether or not those conditions have been satisfied or waived.

### **Termination**

- 2.4 Without limiting any rights under the Scheme Implementation Deed, if one or both of the Scheme Implementation Deed or the Deed Poll is terminated in accordance with their respective terms before the Scheme becomes Effective, Schrole is released from any further obligation to take steps to implement the Scheme and any liability with respect to the Scheme.

### **Deed Poll**

- 2.5 This Scheme attributes actions to TES but does not itself impose an obligation on them to perform those actions. TES has agreed, by executing the Deed Poll, to perform the actions

attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

### **3 The Scheme**

#### **Effective Date**

3.1 Subject to clause 3.3, the Scheme will take effect on and from the Effective Date.

#### **Effect of the Scheme**

3.2 If the Scheme becomes Effective then:

- (a) all of the Scheme Shares (together with all rights and entitlements attaching to them as at the Implementation Date) will be transferred to TES without the need for any further act by any Scheme Shareholder (other than acts performed by Schrole as attorney and agent for Scheme Shareholders under clause 8.5) and Schrole will enter TES's name in the Schrole Register as the holder of the Scheme Shares;
- (b) the transfer of Scheme Shares will be taken to be effective on the Implementation Date;
- (c) each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each Scheme Share registered in the name of that Scheme Shareholder as at the Record Date; and
- (d) the Scheme Consideration will be provided to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll.

#### **End Date**

3.3 The Scheme will lapse and be of no further force or effect if the Effective Date does not occur on or before the End Date, or the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms, unless Schrole and TES otherwise agree in writing.

### **4 Implementation of the Scheme**

#### **Lodgement of Court orders**

4.1 Schrole undertakes to lodge with ASIC office copies of the Court orders made under section 411(4)(b) of the Corporations Act approving the Scheme as soon as practicable after such orders are made and in any event by 5.00pm on the first Business Day after those orders are made.

#### **Transfer of Scheme Shares**

4.2 Subject to this Scheme becoming Effective, on the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date must be transferred to TES, without the need for any further act by any Scheme Shareholder (other than acts performed by Schrole as attorney and agent for Scheme Shareholders under clause 8.5), by:

- (i) Schrole delivering to TES a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Schrole, for registration; and
- (ii) TES duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering to Schrole for registration; and
- (b) immediately after receipt of the Scheme Transfer in accordance with clause 4.2(a)(ii) (but subject to the stamping of the Scheme Transfer if required) Schrole will procure that TES's name is entered in the Schrole Register as the holder of all the Scheme Shares transferred to TES in accordance with this Scheme.

### **Beneficial entitlement to Scheme Shares**

- 4.3 To the extent permitted by applicable law, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, transferred under this Scheme to TES will, at the time of transfer, vest in TES free from all Encumbrances.
- 4.4 Immediately upon the provision of the Scheme Consideration, TES will be beneficially entitled to the Scheme Shares transferred to it under the Scheme pending the entry of TES's name in the Schrole Register as the holder of the Scheme Shares.

## **5 Scheme Consideration**

### **Payment of Scheme Consideration**

- 5.1 On the Implementation Date, subject to receipt of the Scheme Consideration from TES in accordance with this scheme and the Deed Poll, Schrole must pay to each Scheme Shareholder an amount equal to the Scheme Consideration for each Scheme Share transferred to TES on the Implementation Date by that Scheme Shareholder.
- 5.2 Unless otherwise directed by the Scheme Shareholders before the Record Date, the amounts referred to in clauses 5.1 and 5.2 of this Scheme must be paid by direct credit or by sending a cheque drawn on an Australian bank in Australian currency on the Implementation Date to each Scheme Shareholder by pre-paid ordinary post (or, if the address of the Scheme Shareholder in the Register is outside Australia, by pre-paid airmail post) to their address recorded in the Register at 5.00pm on the Record Date.

### **Joint holders**

- 5.3 In the case of Scheme Shares held in joint names:
- (a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Schrole, the holder whose name appears first in the Schrole Share Register as at the Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Schrole, the holder whose name appears first in the Schrole Register as at the Record Date or to the joint holders.

### **Fractional entitlements**

- 5.4 Where the calculation of the aggregate Scheme Consideration to be provided to a Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded as follows:

- (a) if the fractional entitlement is less than 0.5, it will be rounded down to the nearest cent; and
- (b) if the fractional entitlement is equal to or more than 0.5, it will be rounded up to the nearest cent.

### **Share splitting**

5.5 If TES is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of which holds a number of Scheme Shares that results in a fractional entitlement to Scheme Consideration) have, before the Record Date, been party to a shareholding splitting or division in an attempt to obtain an advantage by reference to the rounding, TES may give notice to those Scheme Shareholders:

- (a) setting out the names and Registered Addresses of all of them;
- (b) stating that opinion; and
- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after such notice has been given:

- (d) the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares will, for the purposes of the Scheme and Deed Poll, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and Registered Addresses are set out in the notice will, for the purposes of the Scheme and Deed Poll, be taken to hold no Scheme Shares; and
- (e) TES, in complying with the other provisions of the Scheme and Deed Poll relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders names in the notice under the terms of the Scheme and Deed Poll.

### **Unclaimed monies**

5.6 Schrole may cancel a cheque issued under this clause 5 if the cheque:

- (a) is returned to Schrole; or
- (b) had not been presented for payment within six months after the date on which the cheque was sent.

5.7 During the period of one year commencing on the Implementation Date, on request from a Scheme Shareholder, Schrole must reissue a cheque that was previously cancelled under clause 5.6 and this clause 5.7.

5.8 The *Unclaimed Money Act 1990 (WA)* will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section seven of that Act).

### **Orders of a court or Government Agency**

5.9 If written notice is given to Schrole (or the Schrole Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires consideration to be provided to a Third Party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Schrole in accordance with this clause 5, then Schrole shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
- (b) prevents Schrole or TES from providing consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Schrole will retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by applicable law.

## **6 Dealings in Schrole Shares**

### **Recognition of dealings**

- 6.1 To establish the identity of the Scheme Shareholders, dealings in Schrole Shares and other alterations to the Schrole Register will only be recognised if:
- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Schrole Register as the holder of the relevant Schrole Shares on or before the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Record Date at the place where the Schrole Register is kept,

and Schrole must not accept for registration, nor recognise for any purpose (except a transfer to TES pursuant to this Scheme and any subsequent transfer by TES or its successors in title), any transmission application or transfer or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

- 6.2 Schrole must register registrable transmission applications or transfers of the Scheme Shares of the kind referred to in clause 6.1(b) before the Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2 requires Schrole to register a transfer that would result in a Shareholder holding a parcel of Schrole Shares that is less than a 'marketable parcel' (as that term is defined in the Operating Rules).

### **Dealings after Record Date**

- 6.3 If the Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them on or after the Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Schrole shall be entitled to disregard any such disposal.

### **Maintenance of Schrole Register**

- 6.4 For the purpose of determining entitlements to the Scheme Consideration, Schrole must maintain the Schrole Register in accordance with the provisions of this clause 6 until the Scheme Consideration has been paid to all Scheme Shareholders. The Schrole Register in this form will solely determine entitlements to the Scheme Consideration.

## **Holding statements and Schrole Register entries**

- 6.5 Following the Record Date all statements of holding for Schrole Shares (other than statement of holding in favour of TES) will cease to have effect as documents of title in respect of those shares and each entry on the Schrole Register current at that date (other than entries on the Schrole Register in respect of TES) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Schrole Shares relating to that entry.

## **Availability of Schrole Register**

- 6.6 As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Record Date, Schrole will ensure that details of the names, Registered Addresses and holdings of Schrole Shares for each Scheme Shareholder as shown in the Schrole Register are available to TES in the form TES reasonably requires.

## **7 Quotation of Schrole Shares**

- 7.1 Schrole will apply to ASX to suspend trading on the ASX in Schrole Shares with effect from the close of trading on the Effective Date.
- 7.2 On a date after the Implementation Date to be determined by TES, Schrole will apply:
- (a) for termination of the official quotation of Schrole Shares on the ASX; and
  - (b) to have itself removed from the official list of the ASX.

## **8 Additional Scheme Provisions**

### **Consent to amendments**

- 8.1 If the Court proposes to approve the Scheme subject to any amendments or conditions:
- (a) Schrole may by its counsel consent on behalf of all persons concerned (including the Scheme Shareholders) to those amendments or conditions to which TES has consented; and
  - (b) each Scheme Shareholder agrees to any such alterations or conditions which Schrole has consented to on its behalf.

### **Scheme Shareholders' agreements**

- 8.2 Each Scheme Shareholder:
- (a) agrees to the transfer of their Schrole Shares together with all rights and entitlements attaching to those Schrole Shares in accordance with this Scheme;
  - (b) agrees to the variation, cancellation or modification of the rights attaching to their Schrole Shares constituted by or resulting from this Scheme;
  - (c) agrees to, on the direction of TES, destroy any holding statements or share certificates relating to their Schrole Shares;
  - (d) who holds their Schrole Shares in a CHESS holding agrees to the conversion of those Schrole Shares to an Issuer Sponsored Holding and irrevocably authorises

Schrole to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and

- (e) acknowledges and agrees that this Scheme binds Schrole and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Schrole.

### **Warranties**

- 8.3 Each Scheme Shareholder is taken to have warranted to Schrole and TES that:
- (a) all of the Scheme Shares (including all rights and entitlements attaching to them as at the Implementation Date) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all Encumbrances; and
  - (b) that Scheme Shareholder has full power and capacity to sell and transfer those Scheme Shares (together with all rights and entitlements attaching to them as at the Implementation Date) to TES under the Scheme.
- 8.4 Schrole undertakes that it will provide the warranties in clauses 8.3 to TES as agent and attorney of each Scheme Shareholder. Schrole will not be responsible for the accuracy or completeness of the warranties in clauses 8.3.

### **Appointment of attorneys**

- 8.5 Each Scheme Shareholder, without the need for any further act:
- (a) on the Effective Date, irrevocably appoints Schrole and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against TES, and Schrole undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against TES on behalf of and as agent and attorney for each Scheme Shareholder; and
  - (b) on the Implementation Date, appoints Schrole and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,
- and Schrole accepts each such appointment.
- 8.6 Schrole, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).
- 8.7 Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5, and until Schrole registers TES as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:
- (a) is deemed to have appointed TES as attorney and agent, and directs TES in each such capacity, to appoint any director, officer, secretary or agent of TES as sole proxy and, where applicable or appropriate, corporate representative of that Scheme Shareholder to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in the name of that Scheme Shareholder and sign any shareholders' resolution or other document;



- (b) undertakes not to attend any shareholders' meeting or exercise the votes attaching to the Scheme Shares registered in the name of that Scheme Shareholder or sign any shareholders' resolutions or other documents, whether in person, by proxy or corporate representative; (other than pursuant to clause 8.7(a));
- (c) must take all other actions as registered holder of those Scheme Shares as TES reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers conferred under clause 8.7(a), TES and any director, officer, secretary or agent of TES may act in the best interests of TES as the intended registered holder of the Scheme Shares.

#### **Consent for necessary or incidental acts**

- 8.8 Each of the Scheme Shareholders consents to Schrole doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of Scheme Shareholders, Schrole or otherwise.

## **9 General**

### **Duty**

- 9.1 TES must pay any Duty payable under Australian law in connection with this Scheme and the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under the Deed Poll, and must indemnify each Scheme Shareholder against all losses, damages, costs, expenses, charges, penalties and other liabilities (including legal and other professional fees) directly or indirectly incurred or suffered by the Scheme Shareholder arising out of or in connection with any failure by TES to make such payment.

### **Further action**

- 9.2 Schrole must, at its own expense, do all things and execute all documents necessary to give full effect to the Scheme and the transactions contemplated by it and the Scheme Shareholders consent to Schrole doing all such things and executing all such documents and doing all other things necessary or incidental to the implementation of the Scheme.

### **Notices and other documents sent by post**

- 9.3 If a notice, transfer, transmission, application, direction or other communication referred to in the Scheme is sent by post to Schrole, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time at which it is actually received at Schrole's registered office or at the office of the Schrole Registry.
- 9.4 The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **No liability when acting in good faith**

- 9.5 Each Scheme Shareholder agrees that neither Schrole nor TES nor any director, officer or secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

## **10 Governing Law and Jurisdiction**

- 10.1 This Scheme is governed by the law applying in Western Australia.

- 10.2 The courts having jurisdiction in Western Australia have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Scheme and each of Schrole and each Scheme Shareholder irrevocably submits to the non-exclusive jurisdiction of the courts having jurisdiction in Western Australia.

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## Appendix 2 Deed Poll

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This deed poll is made on

2024

## Parties

### TES

Name TES Aus Global Pty Limited  
ACN 115 129 989  
Address 26 Red Lion Square, London WC1R 4HQ, United Kingdom  
Email mohit.khandelwal@tes.com  
Attention Mohit Khandelwal

### In favour of

Each holder of fully paid ordinary shares in the capital of Schrole Group Limited ACN 164 440 859 (**Schrole**) on issue as at the Record Date (**Scheme Shareholders**).

## Background

- A Schrole and TES have entered into the Scheme Implementation Deed.
- B Schrole has agreed in the Scheme Implementation Deed to propose the Scheme, pursuant to which, subject to the satisfaction or waiver of certain conditions precedent, TES will acquire all of the Scheme Shares from Scheme Shareholders for the payment of the Scheme Consideration.
- C TES is entering into this deed poll in accordance with the terms of the Scheme Implementation Deed for the purpose of covenanting in favour of Scheme Shareholders to perform certain of its obligations under the Scheme Implementation Deed and the Scheme.

## Agreed Terms

### 1 Definitions and Interpretation

#### Definitions

- 1.1 In this deed poll:

**Scheme** means the scheme of arrangement between Schrole and Scheme Shareholders in the form set out in Schedule 1, subject to any alterations or conditions made or required by the Court under section 411(6) of the *Corporations Act 2001* (Cth) and approved by TES and Schrole in writing.

**Scheme Implementation Deed** means the Scheme Implementation Deed dated 16 June 2024 between TES and Schrole.

- 1.2 Words defined in the Scheme which are not separately defined in this deed poll have the same meaning when used in this deed poll.

## **Interpretation**

- 1.3 Section 1.3 of the Scheme applies to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

## **2 Nature of this Deed Poll**

### **Enforceability**

- 2.1 TES acknowledges that this deed poll may be relied upon and enforced by any Scheme Shareholder subject to and in accordance with its terms, even though the Scheme Shareholders are not party to it.

### **Appointment of attorney**

- 2.2 Each Scheme Shareholder irrevocably appoints Schrole and each of its directors and officers (jointly and severally) as its agent and attorney to enforce this deed poll against TES on behalf of that Scheme Shareholder.

### **Continuing obligations**

- 2.3 This deed poll is irrevocable and, subject to clause 3.1 remains in full force and effect until either:
- (a) TES has fully performed its obligations under it; or
  - (b) it is terminated under clause 3.2.

## **3 Condition Precedent and Termination**

### **Condition precedent**

- 3.1 The obligations of TES under this deed poll do not become binding on TES unless and until the Scheme becomes Effective.

### **Termination**

- 3.2 The obligations of TES under this deed poll to Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:
- (a) the Scheme Implementation Deed is terminated in accordance with its terms before the Scheme becomes Effective; or
  - (b) the Scheme does not become Effective on or before the End Date,
- unless TES and Schrole otherwise agree in writing.

### **Effect of termination**

- 3.3 If this deed poll is terminated under clause 3.2, in addition and without prejudice to any other rights, powers or remedies available to Scheme Shareholders:
- (a) TES is released from its obligations to further perform this deed poll except those obligations under clause 7.6; and

- (b) each Scheme Shareholder retains the rights, powers or remedies they have against TES in respect of any breach of this deed poll which occurred before it was terminated.

## 4 Scheme Consideration

### Undertaking to provide Scheme Consideration

4.1 Subject to clause 3, TES undertakes in favour of each Scheme Shareholder to:

- (a) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder; and
- (b) undertake to perform all other actions and obligations attributed to it under the Scheme,

subject to and in accordance with the terms and provisions of this Deed Poll and the Scheme, as if those obligations were owed directly to Scheme Shareholders.

### Manner of payment

4.2 The obligations of TES to provide the Scheme Consideration to Schrole on behalf of each Scheme Shareholder will be satisfied if, on or before 5:00pm on the date that is two Business Days prior to the Implementation Date, TES pays or procures the payment of, in immediately available funds, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders into a trust account operated by Schrole, on trust for the Scheme Shareholders (except that the amount of any interest on the amount deposited will be to the TES's Account), and provides Schrole with written confirmation of that payment.

## 5 Representations and Warranties

TES represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

- (a) it is a corporation duly incorporated and validly existing under the laws of its place of incorporation;
- (b) it has the power to execute and deliver and to perform its obligations under this deed poll, and has taken all necessary corporate action to authorise such execution and delivery and the performance of such obligations;
- (c) its obligations under this deed poll are legal, valid and binding obligations enforceable in accordance with their terms;
- (d) the execution and delivery by it of this deed poll do not and will not conflict with or constitute a default under any provision of:
- (i) any agreement or instrument to which it is a party;
  - (ii) its constitution; or
  - (iii) any applicable law by which it is bound; and
- (e) it is not subject to an Insolvency Event.

## 6 Notices

### Manner of giving notice

- 6.1 Any notice or other communication to be given under this deed poll must be in writing and must be delivered or sent by post or email addresses referred to in the 'Details' section.
- 6.2 Any notice sent by post must be sent by prepaid ordinary post (if the country of destination is the same as the country of origin) or by airmail (if the country of destination is not the same as the country of origin).
- 6.3 A notice must not be given by electronic means.

### When notice given

- 6.4 Any notice is deemed to have been given:
- (a) if delivered, on the date of delivery; or
  - (b) if sent by post, on the third day after it was put into the post (for post within the same country) or on the fifth day after it was put into the post (for post sent from one country to another);

but if the notice would otherwise be taken to be received after 5.00pm or on a Saturday, Sunday or public holiday in the place of receipt then the notice or communication is taken to be received at 9.00am on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

## 7 General

### Amendments

- 7.1 A provision of this deed poll may not be amended unless the amendment is agreed to by TES and:
- (a) if before the First Court Date, the amendment is agreed to by Schrole; or
  - (b) if on or after the First Court Date, the amendment is agreed to by Schrole and the Court indicates that the amendment would not of itself preclude approval of the Scheme;

in which event TES will enter into a further deed poll in favour of each Scheme Shareholder giving effect to the amendment.

### Assignment

- 7.2 The rights and obligations of TES and each Scheme Shareholder under this deed poll are personal and cannot be assigned, charged or otherwise dealt with at law or in equity.
- 7.3 Any purported dealing in contravention of clause 7.2 is invalid.

### Cumulative rights

- 7.4 The rights, powers and remedies of TES and Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, power or remedies provided by law independently of this deed poll.

### **Further assurance**

- 7.5 TES must, at its own expense, do all things reasonably required of it to give full force and effect to this deed poll.

### **Duties and similar charges**

- 7.6 TES must pay any stamp, transaction and registration duties and similar charges and any related interest, fees, fines or penalties payable under Australian law in connection with this deed poll, the performance of this deed poll and each transaction effected by or made under this deed poll, and must indemnify each Scheme Shareholder against all losses damages, costs, expenses, charges, penalties and other liabilities (including legal and other professional fees) directly or indirectly incurred or suffered by the Scheme Shareholder arising out of or in connection with any failure by TES to make such payment.

### **Waiver**

- 7.7 TES may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- 7.8 No Scheme Shareholder may rely on the words or conduct of TES as a waiver of any right unless the waiver is in writing and signed by TES.

## **8 Governing Law and Jurisdiction**

This deed poll is governed by the law applying in Western Australia. The courts having jurisdiction in Western Australia have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this deed poll and TES irrevocably submits to the non-exclusive jurisdiction of the courts having jurisdiction in Western Australia.



# Signature page

Executed as a deed.

Signed for and behalf of **TES Aus Global Pty Limited ACN 115 129 989** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

.....  
Signature of director

.....  
Signature of director/company secretary

.....  
Name of director (print)

.....  
Name of director/company secretary (print)

For personal use only

## Schedule 1 Scheme

For personal use only

## Appendix 3 Conditions Precedent Certificate

TES Aus Global Pty Limited ACN 115 129 989 (**TES**) and Schrole Group Limited ACN 164 440 859 (**Schrole**) certify, confirm and agree that each of the conditions precedent:

- 1 in clause 3.1 (other than the condition in clause 3.1(b) relating to Court approval) of the scheme implementation deed dated 16 June 2024 between TES and Schrole (**SID**) has been satisfied or is hereby waived by the relevant party (or parties) to the SID in accordance with the terms of the SID; and
- 2 in clauses 3.1(a) and 3.1(b) of the scheme of arrangement between Schrole and the relevant Schrole shareholders which appears in Annexure *[insert]* of Schrole's scheme booklet dated *[insert]* has been satisfied.

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Dated: *[insert]*

Executed as a deed

Signed for and behalf of **TES Aus Global Pty Limited ACN 115 129 989** acting by the following persons or, if the seal is affixed, witnessed by the following persons in accordance with s127 of the *Corporations Act 2001*:

.....  
Signature of director

.....  
Signature of director/company secretary

.....  
Name of director (print)

.....  
Name of director/company secretary (print)

Executed by **Schrole Group Limited**  
**ACN 164 440 859** acting by the following  
persons or, if the seal is affixed, witnessed by  
the following persons in accordance with s127 of  
the *Corporations Act 2001*:

.....  
Signature of director

.....  
Signature of director/company secretary

.....  
Name of director (print)

.....  
Name of director/company secretary (print)

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