

Appendix

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Appendix is circulated to the shareholders (the “**Shareholders**”) of AusGroup Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) together with the Company’s Annual Report 2015 (as defined herein). Its purpose is to explain to the Shareholders the rationale and to provide information pertaining to the proposed renewal of the IPT Mandate (as defined herein), and to seek Shareholders’ approval of the same at the Annual General Meeting to be held on **29 October 2015 at 9.30 a.m. at 36 Tuas Road, Singapore 638505**.

The Notice of Annual General Meeting and a Proxy Form are enclosed with the Annual Report 2015.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward the Annual Report 2015 (including the Notice of Annual General Meeting and the Proxy Form) and this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

For investors who have used their Central Provident Fund (“**CPF**”) monies to buy shares in the capital of the Company, this Appendix is forwarded to them at the request of their CPF approved nominees and is sent solely for information only.

This document has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this document including the accuracy of any of the statements or opinions made, or reports contained in this document.

In this Appendix, the following definitions apply throughout unless otherwise stated:

"AGM"	: Annual General Meeting of the Company. Unless the context otherwise requires, "AGM" shall refer to the annual general meeting to be held on 29 October 2015
"Annual Report 2015"	: The Company's annual report for the financial year ended 30 June 2015
"Appendix"	: This appendix to the Notice
"Associate"	: (a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:- (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more, and (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"Associated Company"	: A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group
"Audit Committee"	: The audit committee of the Company as at the date of this Appendix
"Board"	: The board of Directors of the Company as at the date of this Appendix
"CDP"	: The Central Depository (Pte) Limited
"CEO"	: The chief executive officer of the Company as at the date of this Appendix
"CFO"	: The acting chief financial officer of the Company as at the date of this Appendix
"Companies Act"	: The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
"Controlling Shareholder"	: A person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (subject to the SGX-ST determining that such person is not a Controlling Shareholder), or a person who in fact exercises control over the Company
"Director(s)"	: The director(s) of the Company as at the date of this Appendix
"EGM"	: Extraordinary General Meeting of the Company. Unless the context otherwise requires, "EGM" shall refer to the extraordinary general meeting held on 29 October 2014
"EPS"	: Earnings per Share
"Ezion"	: Ezion Holdings Limited
"Independent Directors"	: The Directors who are independent for the purposes of the proposed renewal of the IPT Mandate
"FY" or "Financial Year"	: Financial year ended or ending 30 June, as the case may be
"Independent Shareholders"	: The Shareholders who are deemed to be independent of the Interested Person Transactions contemplated under the IPT Mandate

“Interested Persons”	: A Director, CEO, Substantial Shareholder or Controlling Shareholder of the Company or an Associate of any of them
“Interested Person Transactions” or “IPTs”	: Transactions between (i) Interested Persons and (ii) the Company, its subsidiaries (which are not listed on the SGX-ST or an approved exchange) or any Associated Companies (which are not listed on the SGX-ST or an approved exchange), provided the Group or the Group and its Interested Persons have control over the Associated Company
“Internal Auditors”	: The internal auditors of the Company
“IPT Mandate”	: General mandate given by Independent Shareholders on 29 October 2014 pursuant to Chapter 9 of the Listing Manual, to enable the Company, its subsidiaries and Associated Companies which are considered to be “entities at risk” to enter, in the ordinary course of business, into certain types of transactions with specified classes of the Company’s Interested Persons, provided that such transactions are made on normal commercial terms, will not be prejudicial to the interests of the Company and its minority Shareholders, and are made in accordance with the review procedures for such transactions
“Latest Practicable Date”	: 16 September 2015, being the latest practicable date prior to the printing of this Appendix
“Listing Manual” or “Listing Rules”	: The rules of the listing manual of the SGX-ST applicable to an entity listed on the Main Board of the SGX-ST, as amended, modified or supplemented from time to time
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“MD”	: The managing director of the Company as at the date of this Appendix
“Notice”	: The Notice of AGM dated 12 October 2015
“NTA”	: Net tangible asset
“Securities Account”	: A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
“Securities and Futures Act”	: The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares, except that where the registered holder is the Central Depository (Pte) Limited, the term “Shareholder” shall, in relation to those Shares, mean the Depositors whose Securities Accounts are credited with Shares
“Shares”	: Ordinary shares in the capital of the Company
“Substantial Shareholder”	: A Shareholder who has an interest in not less than 5% of the issued Shares
“S\$” and “cents”	: Dollars and cents respectively of the currency of Singapore
“%”	: Per centum or percentage

The terms “**Depositors**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.