

Notice of Annual General Meeting

AusGroup Limited

(Incorporated in The Republic of Singapore)
Company Registration No. 200413014R

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of AusGroup Limited (the "Company") will be held at Jurong Country Club, 9 Science Centre Road, Singapore on Thursday, 15 December 2016 at 10am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the year ended 30 June 2016, together with the Auditors' Report thereon.

(Resolution 1)
2. To re-elect the following Directors of the Company retiring pursuant to Article 91 of the Constitution of the Company:

Mr Stuart Maxwell Kenny (Resolution 2)
Mr Wu Yu Liang (Resolution 3)

Mr Stuart Maxwell Kenny will, upon re-election as a Director of the Company, remain as Non-Executive Chairman and a member of the Remuneration and Human Capital and Nominating Committees and will be considered non-independent.

Mr Wu Yu Liang will, upon re-election as a Director of the Company, remain as Chairman of the Remuneration and Human Capital Committee and a member of the Audit Committee and will be considered independent.
3. To approve the payment of Directors' fees of up to S\$400,000 for the year ending 30 June 2017, to be paid quarterly in arrears (2016: up to S\$550,000).

(Resolution 4)
4. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

5. Authority to issue shares

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- new shares arising from the conversion or exercise of any convertible securities;
 - new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)]

(Resolution 5)

6. The proposed share buyback mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- on-market purchases, transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and Listing Manual.

on the terms set out in the Appendix¹ ("**Appendix**"), be and is hereby authorized and approved generally and unconditionally (the "**Share Buyback Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earlier of:
- the conclusion of the next annual general meeting of the Company ("**AGM**") or the date by which the next AGM is required by law to be held, whichever is earlier;
 - the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
 - the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in general meeting;
- (c) in this resolution:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) market days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the market purchase or, as the case may be, the day of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted for any corporate action that occurs after such five-market day period;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase.

"**Maximum Percentage**" means that number of issued Shares representing ten per cent. (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed:

- in the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and

(1) The Appendix will be distributed as part of a separate circular to all Shareholders

- (ii) (in the case of an off-market purchase of a Share pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares; and
- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.

(Resolution 6)

7. The Shareholders' Loans and the Novation and Amendment Agreement as an interested person transaction

That:

- (a) approval be and is hereby given for the Shareholders' Loans and the entry into the Novation and Amendment Agreement by the Company, which constitutes an interested person transaction pursuant to Chapter 9 of the Listing Manual ("**Chapter 9**") and is described in the Appendix¹;
- (b) approval be and is hereby given for the payment of interest on any outstanding amount of the Shareholders' Loans (including accrued interest) at a rate of 5.0% per annum, of up to US\$3 million per year for up to 5 years pursuant to the Novation and Amendment Agreement; and
- (c) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.

(Resolution 7)

8. The proposed renewal of the interested person transactions mandate

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the SGX-ST, for the Company, its subsidiaries and associated companies that are considered to be "**entities at risk**" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions described in Annexure B of the Appendix¹, with any party who is of the classes of Interested Persons described in Annexure B of the Appendix¹, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for Interested Person Transactions described in Annexure B of the Appendix¹;
- (b) the approval given in sub-paragraph (a) above (the "**Mandate**") shall, unless revoked or varied by the Company in general meeting, continue in force until the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and
- (c) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the Mandate and/or this resolution.

(Resolution 8)

9. The proposed change of auditors

That:

- (a) Messrs KPMG LLP ("**KPMG**"), having consented to act, be and are hereby appointed as auditors of the Company in place of Messrs PricewaterhouseCoopers LLP ("**PwC**") to hold the office until the conclusion of the Company's next AGM at a remuneration and on such terms to be agreed between the Directors and KPMG; and
- (b) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.

[See Explanatory Note (ii)]

(Resolution 9)

By Order of the Board



Ngiam May Ling
Secretaries

and



Lee Tiong Hock

Singapore,
30 November 2016

Explanatory Notes:

- (i) The Ordinary Resolution 5 in item 5 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (ii) The information relating to Ordinary Resolution 9 in item 9 above is set out in the Appendix¹. Shareholders should note that:
1. PwC, the outgoing auditors, have confirmed that they are not aware of any professional reasons why KPMG, the new auditors, should not accept appointment as auditors of the Company;
 2. The Company has confirmed that there were no disagreements with PwC on accounting treatments within the last 12 months;
 3. The Company has confirmed that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders, which has not been disclosed in the Appendix¹;
 4. The specific reasons for the Proposed Change of Auditors are disclosed in the Appendix¹; and
 5. The Company has confirmed that it is in compliance with Rules 712 and 715 of the Listing Manual in relation to the appointment of KPMG.

Notes:

1. (a) A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Annual General Meeting (the "**Meeting**").
(b) A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.
"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316 not less than 48 hours before the time appointed for holding the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.