

## Notice of Annual Meeting

Notice is hereby given that the annual meeting of shareholders of Bethunes Investments Limited (**BIL**) will be held on Thursday, 22 October 2020 at 12.15pm at the offices of SwimTastic Limited, at 69a Merton Road, St Johns, Auckland.

### Agenda

The business of the meeting will be:

- 1 **The Chairman's Introduction**
- 2 **Address to Shareholders**
- 3 **Shareholder Discussion**
- 4 **Resolutions**

To consider, and if thought, fit, pass the following resolution approved by not less than 95% of the votes of those shareholders entitled to vote and voting on the question:

1. **Opt out of audit requirement:** that, in accordance with s 2071 of the Companies Act 1993, BIL may (at the discretion of the Board) opt out of appointing an auditor for the current financial year.

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

2. **Auditor's fees:** that the directors are authorised to fix the auditor's remuneration for the current financial year if resolution 1 is not passed.
3. **Appointment of Tom Reeves:** that Tom Reeves, who is available and eligible for appointment, be appointed as a director of the Company.

### Other Business

To consider any other matter that may properly be brought before the meeting.

### Proxies

Any shareholder who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of him or her. Such proxy need not be a shareholder of BIL. The chairman of BIL is prepared to act as proxy.

To appoint a proxy you should complete and sign the enclosed proxy form and return it by delivery, mail or fax to the share registrar of BIL:

**By delivery:**

Bethunes Investments Limited  
C/- Link Market Services Limited  
Level 11, Deloitte House  
80 Queen Street  
Auckland 1010

**By Facsimile:** +64 9 375 5990

**By Email:** [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com) (please put "Bethunes Proxy Form" as the subject of the e-mail for easy identification)

**By mail:**

Bethunes Investments Limited  
C/- Link Market Services Limited  
PO Box 91976  
Victoria Street West  
Auckland 1142

Alternatively, to appoint your proxy and vote online please go to the Link Market Services website at <https://investorcentre.linkmarketservices.co.nz/voting/BTH> and follow the instructions. You will be required to enter your holder number and FIN for security purposes. A shareholder will be taken to have signed the Proxy Form by lodging it in accordance with the instructions on the website.

The completed proxy form must otherwise be received by Link Market Services Limited on behalf of BIL no later than 48 hours before the meeting, being 12.15 pm (New Zealand time) on 20 October 2020. Online proxy appointments must also be completed by this time.

**Approval Requirements for Resolutions**

Resolution 1 set out in this Notice of Meeting must be passed by not less than 95% of those holders of securities of BIL which carry votes, are entitled to vote and are voting on the resolutions in person or by proxy.

Resolutions 2 and 3 set out in this Notice of Meeting are ordinary resolutions. An ordinary resolution is a resolution passed by a simple majority of votes of those holders of securities of BIL which carry votes, are entitled to vote and are voting on the resolutions in person or by proxy.

**Voting Entitlements**

Voting entitlements at the meeting will be determined with reference to BIL's share register as at 12.15 pm on 20 October 2020 (**Record Date**). Accordingly, only those persons who are registered shareholders of BIL at the Record Date will be entitled to vote at the meeting and the only voting rights which may be exercised at the meeting by the same registered shareholders, are those attaching to shares which are registered as at the Record Date.

**Annual Report**

BIL's Annual Report for the year ended 31 March 2020 is now available on our website at <http://www.bethunesinvestments.com/reports>.

**Explanatory Notes****Resolution 1: Opting out of audit requirements**

Because BIL is not a "large" company, it can opt out of its auditing requirements under s 2071 of the Companies Act 1993.

The cost of BIL appointing an auditor on an annual basis is approximately \$20,000 plus GST.

BIL's shareholders passed this resolution to opt out of auditing requirements at the last annual meeting held in September 2019 on the basis that the cost of appointing an auditor outweighed

benefits given BIL did not have an operating business. BIL remains a non-listed entity that holds equity investments and does not operate or conduct a business or trading activities on its own account.

Given the limited operational scale of BIL and its relatively simple financial reports (which are prepared by BIL's accountants BDO Wellington) the Board considers that the annual audit costs continue to be disproportionate to the value and benefit that BIL and its' shareholders are receiving from being audited. Additionally, if BIL is required to be audited, it is likely SwimTastic Limited would also be audited, which would only add further costs. Accordingly shareholder approval to opt out of the audit requirement for the current financial year is sought.

If Resolution 1 is passed and adopted by the Board, the Board would still aim to maintain a transparent reporting relationship with shareholders, through the preparation and circulation of unaudited financial statements, and regular shareholder communications on the activities of BIL.

### **Resolution 2: Auditor's fees**

This resolution authorises the Board to fix the fees and expenses of the auditor for the current financial year, should an auditor be appointed.

### **Resolution 3: Appointment of Tom Reeves**

Ian Halsted has advised the Board that he intends to retire as a director of BIL at the end of this year. Ian has made a significant contribution to the Company over a number of years and he will retire with our gratitude and best wishes.

To ensure continuity on the Board it is proposed to appoint a new director at the annual meeting - Tom Reeves. This will allow a three month transitional period of having three directors.

Tom Reeves is a founding director of Impac Services Ltd, New Zealand's leading health and safety service provider. Over 21 years Tom has been instrumental in growing the business to over 70 employees and a further 15 full time equivalent associates, with operations including consulting, a Private Training Establishment, proprietary enterprise wide risk management software, and a contractor accreditation scheme. The Impac client list is a selection of New Zealand's best known private businesses, corporates, and government departments.

Tom has worked closely with the Boards and Executive Teams of many of these including Auckland Airport, Carter Holt, Fletcher Building, Fonterra, Kiwi Property, Mercury, and Spark. In his time on the Impac Board Tom has provided governance services alongside fellow Impac Directors including Tom Gibson (ex-Chair of Kiwi Dairies), Right Honourable John Luxton, Mary Scholtens (QC and ex-Head of Crown Law), Gregory Fortuin (ex-Chair of ACC), and Dion Mortenson (ex Movac Partner).

Tom is a member of the Institute of Directors and is actively engaged in the local community having served on the Boards of Trustees for both Remuera Primary and Remuera Intermediate, both of which are a significant catchments for the SwimTastic business.