

Notice of Annual Meeting

Notice is hereby given that the annual meeting of shareholders of Bethunes Investments Limited (**BIL**) will be held at **Swimtastic, 69a Merton Road, St Johns, Auckland** on Friday, **19 November 2021 at 12.30pm**.

Agenda

The business of the meeting will be:

- 1 **Introduction**
- 2 **Address to Shareholders**
- 3 **Shareholder Discussion**
- 4 **Resolutions**

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

1. **Opt out of audit requirement:** that, in accordance with s 207I of the Companies Act 1993 (the **Act**), BIL may (at the discretion of the Board) opt out of appointing an auditor for the current financial year; and
2. **Contents of annual report:** that, in accordance with s 211(3) of the Act, BIL is not required to comply with paragraphs (a) and (e) to (j) of subsections (1) and (2) of s 211 of the Act when preparing its annual report for the current financial year.

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

3. **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.

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:

Bethunes Investments Limited
C/- Elevation Capital Management Limited, Level 4, 12 St Marks Road, Remuera,
Auckland 1050, New Zealand

By delivery:

Bethunes Investments Limited
C/- Link Market Services Limited
Level 30, PWC Tower
15 Customs Street West
Auckland 1010

By mail:

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

By Email: meetings@linkmarketservices.com (please put “Bethunes Proxy Form” as the subject of the e-mail for easy identification)

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 12.30 pm (New Zealand time) on 17 November 2021. Online proxy appointments must also be completed by this time.

Approval Requirements for Resolutions

Resolutions 1 and 2 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.

Resolution 3 sets out in this Notice of Meeting is an ordinary resolution. 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 resolution in person or by proxy.

Voting Entitlements

Voting entitlements at the meeting will be determined with reference to BIL’s share register as at 12.30 pm on 17 November 2021 (**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 2021 is now available on our website at <http://www.bethunesinvestments.com/annual-interim-reports>.

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

BIL is not a “large” company. It can therefore opt out of its auditing requirements under s 207I of the Act.

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

BIL’s shareholders passed this resolution to opt out of auditing requirements at the last two annual meetings on the basis that the cost of appointing an auditor outweighed its 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 will 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: Content of annual report

If shareholders pass this resolution, BIL's annual report for the period ending 31 March 2022 will be limited to BIL's financial information. Information that would not be included in the annual report includes any change in the nature of BIL's business, entries on its interests register, total remuneration paid to directors, certain information regarding employees and donations made by BIL, all within the relevant accounting period (among other things).

Passing this resolution would further reduce the costs to BIL of preparing the annual report. As noted in the Explanatory Note for Resolution 1, BIL has no operating business. As with Resolution 1, the Board considers that the costs associated with inclusion of the non-financial information in the annual report are disproportionate to the value and benefit that BIL and its shareholders would receive from including this information in the annual report.

Resolution 3: 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.