



22 October 2020

Dear Shareholder,

I have pleasure in inviting you to attend the 2020 Annual General Meeting of Saferoads Holdings Limited to be held on Wednesday 25 November 2020 at 2.00pm AEDT.

The safety of our shareholders and staff is highly important to us and therefore, in line with State Government regulations and ASIC recommendations during the COVID-19 pandemic, we will hold the meeting by way of live videoconference. There will be no physical meeting.

The Annual General Meeting is an excellent opportunity to hear from the Chief Executive Officer and myself about the performance of the Company during the year, and the Company's plans for the future. It is also your opportunity to ask questions to assist you in your understanding of the company and assess your ongoing involvement and support of us.

If you wish to attend the virtual AGM, you must register in advance at:

https://us02web.zoom.us/webinar/register/WN_26eupymTKyBri33mMveig

After registering, you will receive a confirmation email containing information about joining the meeting.

The Notice of Meeting (overleaf) details the business to be dealt with on the day. An Appointment of Proxy form is also enclosed.

All resolutions will be determined by way of a Poll.

If you are unable to attend, I encourage you to complete and return the proxy form in the enclosed reply paid envelope or lodge your proxy online as outlined in the attached proxy form.

I look forward to your participation in the 2020 virtual AGM.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Ashmore".

David Ashmore
Chairman

SAFEROADS HOLDINGS LIMITED

ABN 81 116 668 538

PO Box 2030, Pakenham
Victoria Australia 3810

NOTICE OF 2020 ANNUAL GENERAL MEETING

Notice is hereby given that the 2020 Annual General Meeting of Saferoads Holdings Limited (the "Company"), will be held by videoconference, on Wednesday 25 November 2020, commencing at 2.00pm AEDT.

ORDINARY BUSINESS

CHAIRMAN AND CEO PRESENTATIONS

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements and reports of the Directors for the year ended 30 June 2020, together with the Directors' and Auditor's reports for that period.

2. REMUNERATION REPORT

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes approval is given for the adoption of the Remuneration Report for the financial year ended 30 June 2020."

Voting restriction: No votes may be cast on this resolution by members of the key management personnel of the Company or their closely related parties. However, a vote may be cast by such a person as a proxy for a person who is entitled to vote on this resolution, appointed by way of a proxy form that directs the proxy to vote on the resolution.

3. ELECTION OF MR. HAYDEN WALLACE AS A DIRECTOR

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

"That Mr. Hayden Wallace, a Director of the Company appointed since the previous Annual General Meeting, who is eligible for election, be elected as a Director of the Company."

4. RE-ELECTION OF MR. DAVID CLELAND AS A DIRECTOR

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

"That, being eligible, Mr. David Cleland be re-elected as a Director."

Please refer to the Notes and Explanatory Memorandum for further information on the proposed resolutions.

By order of the Board



Peter Fearn
Company Secretary

22 October 2020

NOTES

EXPLANATORY MEMORANDUM

The Explanatory Memorandum and the annexure accompanying this Notice of Annual General Meeting ("Notice") are incorporated in and comprise part of this Notice and should be read in conjunction with this Notice.

WHO MAY VOTE

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Company (as convenor of the Meeting) has determined that a person's entitlement to attend and vote at the Meeting will be those persons set out in the register of Members as at 2.00pm (AEDT) on Monday 23 November 2020. This means that any Member registered at 2.00pm (AEDT) on Monday 23 November 2020 is entitled to attend and vote at the Meeting.

PROXIES

A Member entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote on behalf of that Member at the Meeting.

- a) A proxy need not be a Member.
- b) If the Member is entitled to cast two or more votes at the Meeting, the Member may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Member appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Member.
- c) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.
- d) A Form of Proxy accompanies this Notice.
- e) Unless the Member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit, or abstains from voting.
- f) If a Member wishes to appoint a proxy, the Member should complete the form of proxy and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- g) The form of proxy must be signed by the Member or his or her attorney duly authorised in writing or, if the Member is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the *Corporations Act 2001* (Cth).
- h) If any attorney or authorised officer signs the form of proxy on behalf of a Member, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the form of proxy.
- i) The form of proxy (together with any relevant authority) must be received by no later than 2.00 pm AEDT on Monday 23 November 2020 before the time scheduled for the commencement of the meeting (or any adjournment of that meeting). Please allow ample time for ordinary mail delivery.

The completed Form of Proxy may be lodged:

Online: <https://investor.automic.com.au/#//loginsah>

By Mail: Automic
GPO Box 5193, Sydney NSW 2001

CORPORATE REPRESENTATIVE

Any corporate Member who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the *Corporations Act 2001* (Cth) authorising him or her to act as that company's representative. The authority must be sent to the Company (attention: Company Secretary) and/or registry at least 48 hours in advance of the Meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of Members of Saferoads Holdings Limited (the "Company") to be held at 2.00pm AEDT on Wednesday 25 November 2020.

This Explanatory Memorandum is to assist Members in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed resolution. Both documents should be read in their entirety and in conjunction with each other.

ITEM 2: ADOPTION OF THE REMUNERATION REPORT FOR YEAR ENDED 30 JUNE 2020

The Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company. Nevertheless, the Board will take into account the outcome of the vote when considering the future remuneration policies and practices of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel of the Company. The Remuneration Report is part of the Annual Report for the year ending 30 June 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

The Remuneration Report for the year ended 30 June 2020:

- Describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between remuneration of executives and the Company's performance;
- Sets out the remuneration arrangements for Key Management Personnel; and
- Explains the difference between the basis for remunerating Non-Executive Directors and Senior Managers.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a Remuneration Report resolution are voted against the adoption of the Remuneration Report in two consecutive Annual General Meetings, the Company will be required to put to Shareholders a resolution ("Spill Resolution") proposing the calling of an extraordinary general meeting ("Spill Meeting") to consider the appointment of Directors of the Company at the second Annual General Meeting.

If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors of the Company who were in office when the Directors Report (as included in the Company's annual financial report for the financial year ended immediately before the second Annual General Meeting) was approved, other than the Executive Directors of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

At the Company's previous Annual General Meeting the votes cast against the Remuneration Report considered at that Annual General Meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Proxy Restrictions

Members of the Key Management Personnel ("KMP") and their proxies and Closely Related Parties ("CRP") are restricted from voting on a resolution put to Shareholders that the Remuneration Report of the Company be adopted.

The Voting Restriction does not apply where:

- (a) the chairperson or any other member of the KMP is appointed in writing (by a shareholder who is not a member of the KMP or a CRP of KMP) as a proxy with specific instructions on how to vote on a resolution to adopt the Remuneration Report of the Company; or
- (b) the chairperson is appointed in writing (by a shareholder who is not KMP or a CRP of KMP) as a proxy with no specific instructions on how to vote on a non-binding shareholder vote on remuneration, where the shareholder provides express authorisation for the chairperson to do so.

Shareholders should be aware that any undirected proxies given to the Chairperson will be cast by the Chairperson and counted in favour of the resolutions of this Meeting, including this Resolution, subject to compliance with the *Corporations Act 2001* (Cth).

Definitions

Key Management Personnel ("KMP") has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Closely related party of a member of the KMP means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;
- (c) A dependant of the member or the member's spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the *Corporation Act 2001* (Cth).

ITEM 3: ELECTION OF MR. HAYDEN WALLACE AS A DIRECTOR

In accordance with the Company's Constitution, Directors have power at any time to appoint any person to be a director to fill a casual vacancy or as an addition to the existing Directors. The appointed Director will hold office until the end of the next annual general meeting of the Company when the Director may be re-elected but will not be taken into account in determining the number of directors who must retire by rotation.

Hayden Wallace is a member of the Audit and Risk Committee and Remuneration/Nomination Committee.

Mr. Wallace is a respected and leading figure in the road safety barrier industry with over 20 years' experience in leading multi-site product manufacturing and distribution facilities serving the national road safety barrier market.

Hayden has invented numerous road and vehicle safety barrier systems covered by international patents. He has been involved in advancing best practice for safety barrier systems through active participation in the Australian and New Zealand Standard for Road Safety Barriers as well as championing the advancement of numerous public domain road safety barrier systems to the Australian market.

Hayden has led the design and construction of several manufacturing plants for production of road safety barriers as well as a galvanising facility. He is the founding director and a major shareholder of Safe Direction Pty Ltd, a company that designs, manufactures, supplies and installs innovative guardrail systems and safety barriers for roads, car parks, warehouses and pedestrians. These products are not competitive with, but are complementary to, Saferoads' product range.

Hayden holds a Master's of Business Administration from The University of Technology, Sydney and Bachelor of Engineering from The University of Sydney.

The Board unanimously recommends the election of Mr. Hayden Wallace as a Director of the Company.

ITEM 4: RE-ELECTION OF MR. DAVID CLELAND AS A DIRECTOR

In accordance with the Company's Constitution, at every Annual General Meeting, one third of the Company's Directors (excluding the Managing Director) must retire from office and are eligible for re-election. The Directors to retire are those who have been longest in office since their last re-appointment.

David Cleland was appointed to the Board on 1 December 2010 and was re-elected at the October 2011, November 2014, October 2016 and October 2018 AGM's. He was appointed acting Chief Executive Officer on 28 November 2011, handing over the role to Darren Hotchkin on 10 April 2012. He is Chairman of the Audit and Risk Committee and a member of the Remuneration/Nomination Committee.

David is a mechanical engineer with extensive experience as Chief Executive Officer of companies manufacturing and distributing industrial products. His career includes manufacturing experience (including lean manufacturing), brand management, product research and development, outsourcing and company mergers and acquisitions. He was formerly an inaugural trust member of the Greater Metropolitan Cemeteries Trust and is a Director of a privately owned company.



Saferoads Holdings Limited | ABN 81 116 668 538

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

[HolderNumber]

Holder Number:
[HolderNumber]

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Your proxy voting instruction must be received by **2.00pm (AEDT) on Monday, 23 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT:

<https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

