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23 October 2024

Dear Shareholder,

### Letter to Shareholders – Annual General Meeting

The Annual General Meeting of Macarthur National Ltd (the Company) will be held as follows:

**Time and date:** 11.00am (AEDT) on Wednesday 27 November 2024  
**Location:** The meeting will be held in person at the venue below and broadcast via a webinar as follows:

- **In person venue:** Suite 2401, 70 Dorcas St Southbank Vic 3006.
- **Webinar On-line:** [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24)  
(broadcast of the meeting via webinar only)

In accordance with the Corporations Act 2001, the Company will only be dispatching physical copies of the Notice of Meeting (Notice) and/or Annual Report (Report) to Shareholders who have elected to receive the Notice or Report in physical form. The Notice and Report are being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://macarthurnational.com.au/>.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice and Report.


### Voting at the Meeting or by proxy

Shareholders are encouraged to vote by lodging a proxy form.

**Online:** Lodge the proxy form online at: <https://www.registrydirect.com.au/investor>  
**Email:** Completing the proxy form and emailing it to: [registry@registrydirect.com.au](mailto:registry@registrydirect.com.au)  
**By post:** Completing the proxy form and posting it to Registry Direct, PO BOX 572, Sandringham VIC 3191  
**Fax:** Completing the proxy form and faxing it to +61 3 9111 5652

Your proxy voting instruction must be received by 11:00am (AEDT) on Monday, 25 November 2024, being 48 hours before the commencement of the Meeting. Any proxy voting instructions received after the above time will not be valid for the Meeting. The Meeting materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their financial advisor, lawyer, accountant or other professional adviser prior to voting.

Yours faithfully,

  
Surinder Sidhu  
Company Secretary

**Macarthur National Limited  
(ACN 633 180 346)**

**NOTICE OF ANNUAL GENERAL MEETING**

**Date:** Wednesday, 27 November 2024

**Time:** 11:00 am (Melbourne time)

**Place:** Meeting held In-person and Broadcast via a webinar

**In person venue:** Suite 2401, 70 Dorcas St Southbank Vic 3006

**Webinar On-line:** [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24)  
(broadcast of the meeting via webinar only)

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**Note:** Capitalised terms used in this document are defined in the Glossary

## Key Dates

Due date for lodgement of Proxy Forms	11:00 am (Melbourne time) on Monday 25 November 2024
Record Date	11:00 am (Melbourne time) on Monday 25 November 2024
Annual General Meeting	11:00 am (Melbourne time) on Wednesday 27 November 2024

## Important Information

The Notice of Meeting is dated 23 October 2024.

A copy of this Notice of Meeting has been lodged with ASIC on 23 October 2024. ASIC does not take any responsibility for the contents of this Notice of Meeting.

This Notice of Meeting does not take into account the individual investment objectives, financial situation or particular needs of any person. Shareholders should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to approve the Resolutions set out in the Notice of Meeting.

The Company plans to physically hold the Meeting

at Suite 2401, 70 Dorcas St Southbank Vic 3006 and via Webinar on-line at [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24).

Financial amounts in this Notice of Meeting are expressed in Australian dollars unless otherwise stated.

This Notice of Meeting is governed by the law in force in Victoria, Australia.

## Corporate Directory

### Directors

Mr Henry Townsing  
Mr Dennis Wilke  
Dr Leslie Fitzgerald

### Company Secretary

Mr Surinder Sidhu

### Registered Office

Suite 2401, 70 Dorcas Street, Southbank VIC 3006 Australia

### Website

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

### Share registry

Registry Direct  
PO Box 18366, Collins Street East, Melbourne VIC 8003  
T: 1300 55 66 35 (within Australia)  
T: +61 3 9909 9909 (outside Australia)

## Enquiries

If you have any queries about the matters set out in this Notice of Meeting, please contact Registry Direct on the above contact details during office hours.

## Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting (**Meeting**) of the Shareholders of Macarthur National Limited (**Macarthur, MNL or Company**) will be held In-person at Suite 2401, 70 Dorcas St Southbank Vic 3006 and via Webinar on-line at [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24) on 27 November 2024 commencing at 11:00am (Melbourne time) for the purpose of transacting the business set out in this Notice of Meeting.

All resolutions will be conducted by way of a poll.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the Meeting will be able to ask questions and cast their votes on the proposed resolutions at the Meeting. Shareholders who intend to join the Meeting via the Registry Direct Portal are requested to submit questions to the email below before the Meeting and asked to dial-in at least 15 minutes prior to the start of the Meeting to allow the Company to take your details available here – [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24).

The Company welcomes any questions submitted prior to the Meeting by email to [ssidhu@macarthurnational.com.au](mailto:ssidhu@macarthurnational.com.au). Where a written question is raised in respect of the resolutions to be considered at the Meeting or the key management personnel of the Company, the Company will address the relevant question during the course of the Meeting or by written response after the Meeting.

The purpose of the Meeting is to:

- (a) inform Shareholders of the Proposed Transaction;
- (b) obtain Shareholder approval for the various components of the Proposed Transaction as required under the Corporations Act 2001 (Cth) (Corporations Act); and
- (c) obtain Shareholder approval for a number of other matters, including the amendment of the Long Term Incentive Plan for Directors and Senior Management and ancillary amendments to the Company's Constitution.

### ORDINARY BUSINESS

#### 1. Financial Reports

To receive the financial statements, directors' report and auditor's report for the Company and its controlled entities for the financial period from 1 July 2023 to 30 June 2024.

Note: The Financial Reports are contained in the Annual Report, which is available on the Company's website at <https://macarthurnational.com.au/>. There is no requirement for Shareholders to approve these Financial Reports. The Financial Reports will be laid before the Meeting and, at the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the operations and management of the Company, and for Shareholders to ask the auditor questions about the conduct of the audit and content of the auditor's report. Shareholders may also submit questions in writing before the Meeting. The list of any such questions will be presented at the Meeting for discussion and responses.

**2. Resolution 1: Amendment of the Long Term Incentive Plan for Directors and Senior Management, and the Long Term Incentive Plan for Employees**

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

*“To amend the Long Term Incentive Plan for Directors and Senior Management (LTIPDSM) and Long Term Incentive Plan for Employees (LTIPE) which was approved by shareholders on 30 November 2020, by moving Senior Management (SM) as Eligible Participants from the LTIPDSM to the LTIPE accordingly.”*

**Voting Exclusions:**

Not applicable

**3. Resolution 2: Approval for the Ugenius Related Party Transaction**

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

*“That for the purposes of Ch 2E and Pt 5C.7 of the Corporations Act and all other purposes, the Company enter into a services agreement with Ugenius Pty Ltd, on such terms and conditions described in the Explanatory Statement.”*

**Voting Exclusions:**

The Company will disregard any votes cast on this Resolution by or on behalf of Henry Townsing, Les Fitzgerald and related parties thereof and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**4. Resolution 3: Approval for the Property Shell Related Party Transaction**

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

*“That for the purposes of Ch 2E and Pt 5C.7 of the Corporations Act and all other purposes, the Company enter into a service agreement with Property Shell, on such terms and conditions described in the Explanatory Statement.”*

**Voting Exclusions:**

The Company will disregard any votes cast on this Resolution by or on behalf of Henry Townsing and related parties thereof and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**5. Resolution 4: Approval for the Lighthouse Power Related Party Transaction**

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

*"That for the purposes of Ch 2E and Pt 5C.7 of the Corporations Act and all other purposes, the Company enter into a service agreement with Lighthouse Power Pty Ltd, on such terms and conditions described in the Explanatory Statement."*

**Voting Exclusions:**

The Company will disregard any votes cast on this Resolution by or on behalf of Henry Townsing and related parties thereof and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**6. Resolution 5: Amendment to the Company's Constitution**

To consider and, if thought fit, to pass the following Resolution as a special resolution:

*"That pursuant to section 136(2) of the Corporations Act, Article 38 of the Company's Constitution and for all other purposes, the members of the Company approve the amendment of the Company's Constitution on such terms as further described in the the Explanatory Statement."*

**Voting Exclusions:**

Not applicable

## Explanatory Notes

These explanatory notes have been prepared for the information of Shareholders in connection with the business to be transacted at the Meeting.

### 1. Resolution 1: Amendment of the Long Term Incentive Plan for Directors and Senior Management, and Long Term Incentive Plan for Employees

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#### 1.1 Background

The Company has adopted a Long Term Incentive Plan for Directors and Senior Management (**LTIPDSM**) and a Long Term Incentive Plan for Employees (**LTIFE**) in order to assist in the motivation and retention of directors, senior management and employees. These plans, which were approved by shareholders on 30 November 2020, are designed to align the interests of Eligible Participants (**EP**) more closely with the interests of the Company by providing an opportunity for EP to receive an equity interest in the Company. Under each LTIP, EP may be offered performance rights, options, loan shares, deferred share awards or exempt share awards which may be subject to vesting conditions set by the Board.

This Resolution is an ordinary resolution to realign the LTIPs accordingly. The Company seeks shareholder approval to remove Senior Management (**SM**) as EP from the LTIPDSM and include the said SM to the LTIFE.

#### 1.2 Long Term Incentive Plans

The Company has received shareholder approval to issue the following LTIPs:

- i. On 30 November 2020, for the purposes of clause 17.1 of the Constitution and all other purposes, approval was given for the adoption of the Company's LTIPDSM on the terms and conditions set out in the explanatory notes for that meeting, provided that no more than an additional 10% in aggregate of the underlying securities existing from time to time may be issued as shares in accordance with it.
- ii. On 30 November 2020, for the purposes of clause 17.1 of the Constitution and all other purposes, approval was given for the adoption of the Company's LTIFE on the terms and conditions set out in the explanatory notes for that meeting, provided that no more than an additional 10% in aggregate of the underlying securities existing from time to time may be issued as shares in accordance with it.

#### 1.3 Proposed Amendments

The Company seeks shareholder approval to remove SM as EPs from the LTIPDSM while including the said SM into the LTIFE.

The approved LTIP plans provide EPs for the LTIPDSM and LTIFE as set out below:

- LTIPDSM are extended to directors and SM only; while
- LTIFE include all persons who are employees, officers, directors or consultants or a member of the Company.

The discretion to provide a LTIP to EP including determining all terms of each plan is different for the LTIPDSM and LTIFE.

LTIPDSM – Board has discretion to grant LTIPs to directors and senior management, which are subject to Company shareholder approval

LTIFE - Board has full discretion to grant LTIPs to all persons who are an employee, officer, director or consultant of a member of the Company without seeking shareholder approval

The Company has determined that it is appropriate for Board to have full discretion to determine appropriate levels of remuneration including LTIPs for SM, duly recommended by the Company's Remuneration Committee.

Copies of the amended LTIPDSM rules and the LTIFE rules are contained in Annexure 1 and Annexure 2.

## **2. Resolution 2: Approval for the Ugenius Related Party Transaction**

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### **2.1 Summary**

MNL proposes to enter into a services agreement with Ugenius Pty Ltd (**Ugenius**) for the provision of learning courses and learning programs by Ugenius. Ugenius is a wholly owned subsidiary of CVC Venture Managers Pty Ltd (ACN 606 868 017) (**CVCV**). CVCV is wholly owned by entities associated with Henry Townsing Snr. In addition, Leslie Fitzgerald, is the Chief Executive Officer of Ugenius.

The services agreement will be entered into on terms similar to those of other providers of learning courses and learning programs. Fees charged under the services agreement will be as follows:

- (1) Learning course: Montessori Practise Accreditation course fee per enrolment of \$550 per annum, charged monthly;
- (2) Learning program: Montessori program of learning for ages 6 weeks to 6 years fee of \$300 per annum per educator, charged monthly.
- (3) Other Educational Services: The Company receives funding from third parties from time to time, such as government grants and government training subsidies, to provide specified learning courses and/or learning programs in addition to the Montessori Practise Accreditation course and the Ugenius Montessori program of learning which the Company works with Ugenius, to be able to provide to meet the conditions of the funding received. The Company will enter into arrangements with Ugenius on terms consistent with the conditions of funding received to provide educational or similar type services.

MNL has been collaborating with Ugenius on a pilot project to ensure the suitability and acceptance of its products among MNL staff. After approximately 18 months of running the pilot across various syllabi, MNL is now confident that the Ugenius platform achieves the desired objectives of providing tailored Montessori training and learning programs for staff and children attending Montessori Beginnings services.

### **2.2 Overview of Part 2E of the Corporations Act**

Under s208 of the Corporations Act, for a public company or an entity it controls to give a financial benefit to a related party of the public company:

- (a) the company's members must approve the transaction in the way set out in s217–227; or
- (b) giving the financial benefit must fall within an exception set out in s210–216.

Member approval is generally not required for:

- (a) transactions that are on arm's length terms (s210);
- (b) benefits that are reasonable remuneration or reimbursement of officers' and employees' expenses (s211); and



- (c) certain other transactions (s212–215) or financial benefits given under a court order (s216).

Given the expected ongoing relationship between the Company and Ugenius, the Company has decided to put forward the transaction for approval by shareholders.

## **2.3 Ugenius Transaction Assessment - related party transactions requirements**

### **2.3.1 Related Party Receiving Financial Benefit**

MNL proposes to enter into a services agreement for the provision of Montessori learning courses and learning programs by Ugenius Pty Ltd (Ugenius).

Ugenius is a wholly owned subsidiary of CVC Venture Managers Pty Ltd (ACN 606 868 017) (**CVCV**). CVCV is wholly owned by entities associated with Henry Townsing Snr. In addition, Leslie Fitzgerald, is the Chief Executive Officer of Ugenius

### **2.3.2 Nature of Financial Benefit**

#### **Financial Benefit**

The Company entering into a services agreement with Ugenius for the provision of montessori learning courses and learning programs based on the FY2025 fee schedule as setout below:

- i) Learning course: Montessori Practise Accreditation course fee per enrolment of \$550 pa charged monthly indexed for CPI annually;
- ii) Learning program: Montessori program of learning for ages 6 weeks to 6 years fee of \$300 pa per educator charged monthly indexed for CPI annually;
- iii) Other Educational Services: The Company receives funding from third parties from time to time, such as government grants and government training subsidies, to provide specified learning courses and/or learning programs in addition to the Montessori Practise Accreditation course and the Ugenius Montessori program of learning which the Company works with Ugenius, to be able to provide to meet the conditions of the funding received. The Company will enter into arrangements with Ugenius on terms consistent with the conditions of funding received to provide educational or similar type services.

It is anticipated, based on current enrolments, the total fees paid to Ugenius for FY25 would be in c \$120,00-\$150,000. We note however this is an estimate only and can increase or decrease based on the number of Montessori Beginnings educators and the number of children enrolled at Montessori Beginnings services.

#### **Services Provided by Ugenius**

Since 2018, MNL via Montessori Beginnings provides long day care childcare services utilising the 'Montessori' philosophy in teaching young children. The Montessori method, which is widely used in Western Europe and the USA, provides distinct choice for parents, enabling Montessori Beginnings to distinguish itself within the early learning and childcare sector.

The Company continues to implement strategies aimed at improving performance including enhancing the quality of education and care provided by investing in its educators. The Montessori Practise Accreditation accredits educators in Montessori practise for children aged 0 to 6 years which in turn drives improvements in Montessori Beginnings' learning program for children.

Ugenius' Montessori learning course and learning program offering encompasses:

- Three curricula and accompanying syllabi that direct the programs of learning for Cycle 1, Toddler, and

- Infant groups of children
- Short formal courses of learning tailored to Montessori Beginnings requirements
- The provision of a Blended Learning Platform which has
  - Online 24/7 suite of education resources
  - Staff Library, Cycle 1 Syllabus, Toddler Syllabus, & Infant Syllabus
  - Orientation Program for new and existing staff
  - Short Courses that lead to Montessori Practice Accreditation
  - Short Courses for ongoing Montessori Practice Annual Reaccreditation
- Classroom Teaching Practice Education, Supervision, and Mentorship
- The provision of child progress platform
- Assisting and enabling educators to qualify for the Victorian Institute of Teaching mentorship program to become registered as a teacher (full registration) in Victoria

**Other material terms**

<b>Matter</b>	<b>Description</b>
<b>Term/s and renewal</b>	The agreement is renewed annually
<b>Fees</b>	<ul style="list-style-type: none"> <li>○ Learning course: Montessori Practise Accreditation course fee per enrolment of \$550 per annum, charged monthly;</li> <li>○ Learning program: Montessori program of learning for ages 6 weeks to 6 years fee of \$300 per annum per educator, charged monthly.</li> <li>○ Other Educational Services: The parties may, from time to time, enter into arrangements to provide educational or similar type services subject to fees mutually agreed by both parties.</li> </ul>
<b>Representations and warranties</b>	The parties will provide standard representations and warranties to the other party as expected for an agreement of this kind. This is expected to include compliance with applicable laws, insolvency representations, no material adverse event has occurred in respect of either party and the information relating to each party provided to the other is true and correct.
<b>Indemnity</b>	Standard Mutual Waiver of Indemnity clause will be adopted
<b>Termination</b>	Standard Termination clause where 3 months' notice is required by both parties

**Note: While it is It is expected that the agreement will be negotiated pursuant to the additional terms noted above, these are subject to change.**

**Comparable Transactions**

The services provided by Ugenius can be compared against other Montessori learning courses and learning programs available in the market. A summary of the Ugenius course fee compared against other Montessori courses are summarised below:

<b>Provider</b>	Ugenius	Montessori Training Australia	Australian Montessori Training Institute	Australian Montessori Training Institute

<b>Course</b>	Montessori Practise Accreditation	Endorsed Montessori Professional Learning	Certificate in Montessori Infant Toddler studies	Certificate in Montessori Early Childhood studies
<b>Course Fees</b>	\$550	\$550	\$1,995	\$1,995
<b>Modules</b>	11	6	40	40

The Company considers that Ugenius learning courses are preferred:

- Ugenius is a workplace based model that provides the training within a workplace for a cohort of educators within a Montessori Beginnings centre
- The workplace based model offers one-on-one classroom teaching support that builds the education capacity of each staff member
- Ugenius course is tailored to Montessori Beginnings practises and curriculum and hence responds to the needs of Montessori Beginnings.
- Montessori Training Australia and Australian Montessori Training Institute course are general courses that are not tailored to any specific workplaces
- Ugenius course and accreditation is same cost as Montessori Training Australia course and accreditation, cheaper than Australian Montessori Training Institute

A comparison of Ugenius with Education Perfect, a leading edtech platform and system is summarised as follows:

<b>Provider</b>	Ugenius	Education Perfect
<b>System</b>	Montessori program of learning for ages 6 weeks to 6 years	Home schooling curriculum for grades 4-12
<b>Course Fees</b>	\$300 annual subscription per educator	\$300 annual subscription per parent

The Company considers that Ugenius learning programs are preferred:

- Ugenius has developed a Montessori learning program for ages 6 weeks to 6 years specifically designed for Australian long day early learning centres
- Montessori Beginnings licenses the Ugenius learning program which underpins Montessori Beginnings offering of a high-fidelity Montessori informed curriculum that research reports, benefit a child's development and primary school readiness
- The Ugenius learning program combines the key tenets of the 'Montessori Method', Montessori National Curriculum, Early Years Learning Framework, Victorian Early Years Development Framework and the National Quality Standards, to provide the foundation for the system of education offered by Montessori Beginnings to children, parents, and family carers
- Education Perfect is a provider of an Australian home schooling learning program and not a pre-school provider
- Like Ugenius Education Perfect is;
  - Aligned to various state and national curricula

- Online program of learning that provides a full suite of learning material that is age appropriate for the learner
- Ugenius learning program is the same cost as Education Perfect home schooling learning program

### 2.3.3 Director Recommendation

Each of the directors (with Henry Townsing Snr and Les Fitzgerald abstaining) have carefully considered the matters noted above and recommend that shareholders vote in favour of Resolution 2 as it is on reasonable terms and for the reasons specified above.

It is noted that Henry Townsing Snr and Les Fitzgerald, directors of the Company, are a related party in the Ugenius Transaction.

The Company has decided to put forward the transaction for approval by shareholders at the Annual General Meeting as the relationship will, subject to approval being attained by shareholders, be ongoing.

### 2.3.4 Director Interests

Ugenius is a wholly owned subsidiary of CVC Venture Managers Pty Ltd (ACN 606 868 017) (CVCV). CVCV is wholly owned by entities associated with Henry Townsing Snr. In addition, Leslie Fitzgerald, is the Chief Executive Officer of Ugenius.

## 3. Resolution 3: Approval for the Property Shell Related Party Transaction

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### 3.1 Summary

MNL proposes to enter into a service agreement with Capacion Pty Ltd ACN 606 171 028 (trading as Property Shell) ("Property Shell") to provide a tailored property and Customer Relationship Management (CRM) software platforms.

Property Shell is wholly owned by entities associated with Henry Townsing Snr.

The service agreement will be entered into on terms similar to other non related users of Property Shell software services. Fees charged under the service agreement per the 2024 fee schedule are as follows:

- 1) Property Development: This property development, end to end sales and settlement software platform is determined on a tiered pricing structure based on number of properties managed on the platform. Based on current property development activities the Company will be charged a total price of \$26,884.
- 2) Customer Relationship Management: CRM lead and campaign management platform charged at a rate of \$125 per month for each childcare centre and a server management and hosting fee of \$100 per month. Based on the 10 Montessori Beginnings centres currently operating the Company will be charged a total price of \$16,200 per annum.
- 3) Lease and property management software: The Company portfolio of assets will be managed by a property management software at a cost of \$1.49 per leased property per month.

It is noted that Henry Townsing Snr, a director of the Company, is a related party in the Property Shell Transaction. The Company has decided to put forward the transaction for approval by shareholders at the

Annual General Meeting given the nature of relationships involved.

### **3.2 Overview of Part 2E of the Corporations Act**

Under s208 of the Corporations Act, for a public company or an entity it controls to give a financial benefit to a related party of the public company:

- a) the company's members must approve the transaction in the way set out in s217–227; or
- b) giving the financial benefit must fall within an exception set out in s210–216.

Member approval is generally not required for:

- a) transactions that are on arm's length terms (s210);
- b) benefits that are reasonable remuneration or reimbursement of officers' and employees' expenses (s211); and
- c) certain other transactions (s212–215) or financial benefits given under a court order (s216).

Given the expected ongoing relationship between the Company and Property Shell, the Company has decided to put forward the transaction for approval by shareholders.

### **3.3 Property Shell Transaction Assessment - related party transactions requirements**

#### **3.3.1 Related Party Receiving Financial Benefit**

MNL proposes to enter into a service agreement with Property Shell to provide software to the Company. Property Shell is wholly owned by entities associated with Henry Townsing Snr.

#### **3.3.2 Nature of Financial Benefit**

##### **Financial Benefit**

The service agreement will be entered into on terms similar to other non related users of Property Shell software services.

##### **Services Provided by Property Shell**

The Company utilises various online platforms and software tools to manage its Montessori Beginnings and Zest Living businesses, ensuring smooth and efficient operations. Property Shell provides a key tailored solution together with a robust software platform designed for property development, CRM, and project marketing businesses. It helps the Company optimise its processes, foster better collaboration, improve customer experiences, and drive sales, ultimately enhancing efficiency and profitability for its projects.

The Property Shell fully integrated suite of products include:

- CRM – providing automatic lead capture to AI powered lead scoring, tracking digital touchpoints, reducing time and effort managing and converting leads
- Stock Management – ability to fine tune multi stage released of residential projects while applying dynamic pricing strategies to get real time insights on market acceptance and marketing campaign performance
- Marketing Automations – improving customer experience from enquiry to settlement through

customised leads funnels that optimise traffic conversion

- Contract Management – centralise contract and document management process to drive a simplified, collaborative and harmonized back office
- Payment & Settlement Solutions – simplification of finance management and allowing full visibility of the payment process across the settlement and completion cycles

**Other material terms**

Matter	Description
<b>Term/s and renewal</b>	The agreement is renewed annually
<b>Fees</b>	<ul style="list-style-type: none"> <li>• Property Development: This property development, end to end sales and settlement software platform is determined on a tiered pricing structure based on number of properties managed on the platform. Based on current property development activities the Company will be charged a total price of \$26,884.</li> <li>• Customer Relationship Management: CRM lead and campaign management platform charged at a rate of \$125 per month for each childcare centre and a server management and hosting fee of \$100 per month. Based on the 10 Montessori Beginnings centres currently operating the Company will be charged a total price of \$16,200 per annum.</li> <li>• Lease and property management software: The Company portfolio of assets will be managed by a property management software at a cost of \$1.49 per leased property per month.</li> </ul>
<b>Representations and warranties</b>	The parties will provide standard representations and warranties to the other party as expected for an agreement of this kind. This is expected to include compliance with applicable laws, insolvency representations, no material adverse event has occurred in respect of either party and the information relating to each party provided to the other is true and correct.
<b>Indemnity</b>	Standard Mutual Waiver of Indemnity clause will be adopted
<b>Termination</b>	Standard Termination clause where 3 months' notice is required by both parties

**Note: While it is expected that the agreement will be negotiated pursuant to the additional terms noted above, these are subject to change.**

**Comparable Transactions**

The services provided by Property Shell can be compared against other platforms available in the market.

A summary of the fee structure of various services provided by Property Shell compared against other market providers are summarised below:

- Property Shell Software Platform

Property Shell has an established client base of reputable property market participants across Australia, New Zealand and North America with over 80,000 properties on the platform whom are all charged in accordance with the 2024 fee schedule of \$99 to \$299 per property.

- Capacion Software Platform

Provider	Capacion	Copper.com	Hubspot.com	Salesforce.com
<b>Fee Range per user/month</b>	\$125	\$104 - \$203	\$126 - \$220	\$112 - \$231
<b>Fee Comparison @ 20 centers/month</b>	\$2,500	\$2,080 - \$4,060	\$2,520 - \$4,400	\$2,240 - \$4,620

- Lease and property management software:

Provider	Property Shell	Property Me	Property Tree
<b>Price per property/month</b>	\$1.49	\$1.21 - \$1.98	Tiered pricing based on number of properties managed starting at \$126
<b>Fee Comparison @ 20 properties/month</b>	\$29.80	\$29.80 - \$39.60	

The Company have concluded that Property Shell offer a competitive and superior software platform:

- Services are bespoke and tailored to the Company's requirements
- It provides a full breath and spectrum of services obviating the need for the Company to seek a multi-provider solution
- Property Shell pricing is cheaper than other providers

### 3.3.3 Director Recommendation

Each of the directors (with Henry Townsing Snr abstaining) have carefully considered the matters noted above and recommend that shareholders vote in favour of Resolution 3 as it is on reasonable terms.

It is noted that Henry Townsing Snr, a director of the Company, is a related party in the Property Shell Transaction.

The Company has decided to put forward the transaction for approval by shareholders at the Annual General Meeting as the relationship will, subject to approval being attained by shareholders, be ongoing.

### 3.3.4 Director Interests

Property Shell is wholly owned by entities associated with Henry Townsing Snr.

## 4. Resolution 4: Approval for the Lighthouse Power Related Party Transaction

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### 4.1 Summary

MNL proposes to enter into a service agreement with Lighthouse Power Pty Ltd ACN 612 018 327 (“Lighthouse Power”) to provide a community energy network (CEN).

Lighthouse Power is owned by entities associated with Henry Townsing Snr.

The agreement will be entered into on terms similar to other CEN providers.

It is noted that Henry Townsing Snr, a director of the Company, is a related party in the Lighthouse Power Transaction. The Company has decided to put forward the transaction for approval by shareholders at the Annual General Meeting given the relationship between the Company and Lighthouse Power is expected to be ongoing.

### 4.2 Overview of Part 2E of the Corporations Act

Under s208 of the Corporations Act, for a public company or an entity it controls to give a financial benefit to a related party of the public company:

- a) the company’s members must approve the transaction in the way set out in s217–227; or
- b) giving the financial benefit must fall within an exception set out in s210–216.

Member approval is generally not required for:

- a) transactions that are on arm’s length terms (s210);
- b) benefits that are reasonable remuneration or reimbursement of officers’ and employees’ expenses (s211);  
and
- c) certain other transactions (s212–215) or financial benefits given under a court order (s216).

Given the expected ongoing relationship between the Company and Lighthouse Power, the Company has decided to put forward the transaction for approval by shareholders.

### 4.3 Lighthouse Power Transaction Assessment - related party transactions requirements

#### 4.3.1 Related Party Receiving Financial Benefit

MNL proposes to enter into an agreement with Lighthouse Power Pty Ltd ACN 612 018 327 (“Lighthouse Power”) to provide community energy network.

Lighthouse Power is owned by entities associated with Henry Townsing Snr.

#### 4.3.2 Nature of Financial Benefit

##### Community Energy Network Overview



A Community Energy Network (CEN) can be implemented at multi occupant sites such as the Company's Zest Living Communities..

CEN's are private energy networks which serve multiple premises and where the wiring is configured in such a way to allow the sale of energy to all the residents via individual metering. CEN's buy energy from an energy retailer and then 'onsells' the energy to the residents serviced by the CEN. In order to facilitate this, a substantive investment into the site's energy infrastructure including installation of individual resident meters is required, which can be costly.

Community energy network commonly involve the following key participants:

- Occupants
  - Purchase energy from either the CEN or from the market via registered energy retailers;
- Common Area Energy Usage
  - Meters record the energy consumed for public light and power and any mechanical services
- Gate Meter:
  - Market meters that record the total energy consumed within the CEN.

Establishment of a CEN in a greenfield site delivers demonstrable direct cost savings for community operators such as Zest Living. Once the CEN "gate" meter has been installed the owner has control over the connection and disconnection of individual units within the development and does not need the Local Network Service Providers to do the required connections and disconnections.

Each residential unit will be billed individually either monthly, quarterly or per site requirements.

The Company intends to enter into a CEN agreement with Lighthouse Power. Lighthouse Power will manage the Company's CEN by investing into the required site energy infrastructure including all individual resident metering costs, and in turn sell energy directly to the residents.

Lighthouse Power will fund the costs associated with providing CEN solutions to Zest Living residents providing a fully funded solution for Zest Living which includes:

**Financial Benefit – MNL**

<b>Item</b>	<b>Paid by Lighthouse Power / MNL</b>
CEN rights	Lighthouse Power
Cost of meters	Lighthouse Power
Cost of communications reading	Lighthouse Power
Project management fee for installation of CEN	Lighthouse Power
Common Area Electricity	Wholesale pass through from the gate meter to MNL (i.e. at cost)
New meter connection fee	No financial risk to MNL as Lighthouse Power is responsible for the gate new meter connection fee. Lighthouse Power will pass onto MNL customers a new meter connection no higher than that otherwise payable as assessed by relevant regulatory distributor.

Financial risk	No financial risk to MNL as all breakdown, maintenance, gate meter and bad-debt non-payment responsibilities are assumed by Lighthouse Power.
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#### **Financial Benefit – MNL Customers**

<b>Item</b>	<b>Offer</b>
Residential Electricity / Gas	<ul style="list-style-type: none"> <li>- % usage discount from state government default / market default offer to be determined prior to start of each financial year</li> <li>- Price matching available for residents</li> </ul>

#### **4.3.2 Nature of Financial Benefit**

##### **Financial Benefit**

The service agreement will be entered into on terms similar to other non related users of the Lighthouse Power CEN.

##### **Services Provided by Lighthouse Power**

The Lighthouse Power fully integrated suite of products includes:

- Install the CEN equipment which consists of meters and communications reading items;
- maintain the CEN equipment as reasonably required for it to continue in working order;
- connect and disconnect premises at the relevant property as requested by residents of those premises from time to time in order for those residents to use the CEN;
- test and install hardware to establish a compliant CEN;
- project manage the installation;
- procure customer agreements;
- meter reading and data storage and records management;
- customer Invoicing, collection and processing of payments;
- customer call centre to process queries, deal with complaints and conduct any required investigations;
- operating, supporting and maintaining compliance for the CEN.

##### **Other material terms**

<b>Matter</b>	<b>Description</b>
<b>CEN Rights Cost</b>	Lighthouse Power will have last right of refusal on same or similar terms
<b>MNL Customers</b>	The agreement provides MNL customers with the right to price match Under the Victorian Law the MNL customer also has the right to choose retail providers.

**Note: While it is expected that the agreement will be negotiated pursuant to the additional terms noted above, these are subject to change.**

### **Comparable Transactions**

The services provided by Lighthouse Power can be compared against CEN providers in the market.

Under the terms of the agreement Lighthouse Power has the first right of refusal for an offer on the same or similar terms.

#### **4.3.3 Director Recommendation**

Each of the directors (with Henry Townsing Snr abstaining) have carefully considered the matters noted above and recommend that shareholders vote in favour of Resolution 4 as it is on reasonable terms.

It is noted that Henry Townsing Snr, a director of the Company, is a related party in the Lighthouse Power Transaction. The Company has decided to put forward the transaction for approval by shareholders at the Annual General Meeting as the relationship will, subject to approval being attained by shareholders, be ongoing.

#### **4.3.4 Director Interests**

Lighthouse Power is owned by entities associated with Henry Townsing Snr.

### **5. Resolution 5: Amendment to the Company's Constitution relating to Sale of Unmarketable Parcel of Shares**

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#### **5.1 Background**

Resolution 5 seeks shareholder approval pursuant to section 136 of the Corporations Act and Article 38 of the Company's existing Constitution (**Constitution**) to vary the Constitution to allow Directors to sell parcels of shares equal to less than \$500 in value (**Unmarketable Parcel**), based on, in the event the Company is not listed on the ASX at the time, a valuation undertaken by the Directors at the time, or in the event the Company is listed on the ASX at the time, the 10-day VWAP immediately preceding the date of any offer to purchase.

Article 14 of the Company's Constitution currently confers power to its Directors to sell Unmarketable Parcel at the Authorised Price however this clause applies only when the Company is listed on the ASX. The Company wishes to amend the definitions of Marketable Parcel and Authorised Price to ensure to ability to sell Unmarketable Parcel also applies when the Company is not listed on the ASX.

A copy of the amended Constitution is contained in Annexure 3 and is available on request by email to [ssidhu@macarthurnational.com.au](mailto:ssidhu@macarthurnational.com.au).

#### **5.2 Proposed Amendments**

The current relevant definitions are as follows:

- **Authorised Price** means the price per Share equal to the average of the last sale price of the Shares of the Company quoted on the Ordinary List for each of the 10 days on which trading has taken place on the Ordinary List immediately preceding the date of any offer to purchase Unmarketable Parcels accepted by the Company pursuant to this article 14
- **Marketable Parcel** means a number of Shares equal to a marketable parcel as defined in the Listing Rules;

- **Unmarketable Parcel** means a number of Shares equal to a marketable parcel as defined in the Listing Rules

It is proposed the above relevant definitions are amended as follows:

- **Authorised Price** definition is expanded to read “*means i) in the event that the Company is listed on the Official List of the ASX or any financial market, the price per Share equal to the average of the last sale price of the Shares of the Company quoted on the Official List for each of the 10 days on which trading has taken place on the Official List immediately preceding the date of any offer to purchase Unmarketable Parcels accepted by the Company; and ii) if the Company is not listed on the Official List of the ASX or any financial market, to be the price set by the Board having regard to the Net Assets of the Company based on the latest available audited accounts, pursuant to this article 14.*”
- Marketable Parcel is replaced with “*means a parcel of securities with a market value of at least \$500.*”

The proposed changes above will allow the Company to

- Reduced administrative costs - Managing shareholders with very small holdings can be costly for a company. Maintaining share registers, sending notices, distributing dividends, and fulfilling compliance obligations often involve fixed administrative costs, which can be disproportionately high for shareholders with small parcels. By consolidating or eliminating these small holdings, companies can reduce these ongoing expenses
- Simplifying the Share Register - Unmarketable parcels increase the complexity of a company’s share register, particularly when there are many shareholders with very small holdings. By reducing the number of shareholders holding unmarketable parcels, companies can streamline their share register and improve overall corporate governance.
- Helping Shareholders - Shareholders holding unmarketable parcels may find it uneconomical to sell their small holdings due to selling costs, which can exceed the value of their shares. By initiating a process to sell or buy back unmarketable parcels, companies can offer these shareholders an opportunity to liquidate their holdings without incurring these fees.
- Regulatory Compliance - Companies must ensure compliance with regulatory frameworks, which include keeping an orderly and manageable shareholding structure. Addressing unmarketable parcels helps meet these standards, ensuring that the company adheres to its governance obligations.

### 5.3 Director Recommendation

Each of the directors recommend that shareholders vote in favour of Resolution 5.

## GLOSSARY

Capitalised terms used in the Notice and the Explanatory Statement have the following meanings:

**\$** means Australian dollars (unless otherwise indicated to the contrary);

**Board** means the board of Directors from time to time;

**Chairman** means the person appointed to chair the Meeting of the Company convened by the Notice;

**Company, Macarthur or MNL** means Macarthur National Limited ACN 633 180 346;

**Constitution** means the constitution of the Company as at the date of the Notice;

**Corporations Act** means the *Corporations Act 2001* (Cth);

**Director(s)** means the directors of the Company forming the board, from time to time;

**Explanatory Statement** means the explanatory statement that accompanies the Notice;

**Group** means **Macarthur and its subsidiaries**;

**LTIPDSM** means the Long-Term Incentive Plan for Directors and Senior Management approved by shareholders on 30 November 2020

**LTIFE** means the Long-Term Incentive Plan for Employees approved by shareholders on 30 November 2020

**Meeting** means the meeting of the Company to be held in person at Suite 2401, 70 Dorcas Street, Southbank VIC 3006 and via a Webinar On-line on [https://www.registrydirect.com.au/MNL\\_AGM24](https://www.registrydirect.com.au/MNL_AGM24), on Wednesday 27 November 2024 at 11:00am (AEST);

**Notice** means the notice convening the Meeting;

**Proxy Form** means the proxy form accompanying the Notice;

**Resolution** means a resolution to be voted on at the Meeting, the details of which are set out in the Notice.

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## **Annexure 1 – Key Amended terms of the LTIPDSM**

### **Eligible Participant Rights**

1. Under the LTIPDSM, the Company may offer or issue to an eligible participant, the following Eligible Participant Rights, or combination of them:

(a) performance rights: a right to be issued or provided with a Share at nil issue price on specific vesting conditions being achieved;

(b) options: a right to be issued or provided with a Share on payment of an exercise price and which can only be exercised if specific vesting conditions are achieved;

(c) loan shares: Shares issued subject to a limited recourse loan and at nil interest rate, subject to specific vesting conditions;

(d) deferred share awards: Shares issued to Eligible Participants: (i) who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or (ii) by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; or

(e) exempt share awards: Shares issued for no consideration or at an issue price which is a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) from time to time) of the total value or discount received by each Eligible Participant will be exempt from tax. Macarthur National Limited | Notice of Annual General Meeting 2020 11

2. The aggregate number of employee rights (for this purposed considered to be equivalent to shares) which can be issued under the plan in any class of shares offered by the Company from time to time, (or in combination with the associated plan for Directors, if it exists,) is no more than 10%.

### **Eligible Participants**

Eligible Participant Rights may be granted at the discretion of the Board and subject to Company shareholder approval to any person who is a director of the Company.

### **Price**

The Board has discretion to determine the issue price and/or exercise price for the Eligible Participant Rights. Any distribution paid by the Company will reduce the amount owed for the Rights by the Eligible Participant.

### **Vesting and exercise of Eligible Participant Rights**

The Eligible Participant Rights held by a participant will vest in and become exercisable by that participant upon the satisfaction of any vesting conditions specified in the offer and in accordance with the rules of the LTIPDSM. Vesting conditions may be waived at the discretion of the Board.

### **Change of control**

In the event a takeover bid is made to acquire all of the Shares on issue, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid, the Board may waive unsatisfied vesting conditions in relation to some or all Eligible Participant Rights. Further, if a takeover bid is made to acquire all of the Shares on issue, participants may accept the takeover bid in respect of any Eligible Participant Rights (other than exempt share awards) which they hold notwithstanding the restriction period in respect of those Eligible Participant Rights has not expired.

### **Claw-back**

If any vesting conditions of an Eligible Participant Rights are mistakenly waived or deemed satisfied when in fact they were not satisfied, then in accordance with the terms of the LTIPDSM, the Board may determine that the relevant

Eligible Participant Rights expire (if not yet exercised), or it may otherwise recover from the participant some or all Shares issued upon exercise of the Eligible Participant Rights or any proceeds received from the sale of those shares.

### **Variation of Share capital**

If prior to the exercise of an Eligible Participant Right, the Company undergoes a reorganisation of capital or bonus issue, the terms of the Eligible Participant Right will be changed to the extent necessary to comply with the ASX Listing Rules (if those Rules apply to Macarthur at the relevant time). Copies of the plan are available on request

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## **Annexure 2 – Key Amended Terms of the LTIPE**

### **Employee Rights**

1 Under the LTIPE, the Company may offer or issue to Eligible Employees, the following Employee Rights, or combination of them:

(a) performance rights: a right to be issued or provided with a Share at nil issue price on specific vesting conditions being achieved;

(b) options: a right to be issued or provided with a Share on payment of an exercise price and which can only be exercised if specific vesting conditions are achieved;

(c) loan shares: Shares issued subject to a limited recourse loan and at nil interest rate, subject to specific vesting conditions;

(d) deferred share awards: Shares issued to Eligible Employees: (i) who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or (ii) by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; or

(e) exempt share awards: Shares issued for no consideration or at an issue price which is a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) from time to time) of the total value or discount received by each employee will be exempt from tax.

2. The aggregate number of employee rights (for this purposed considered to be equivalent to shares) which can be issued under the plan in any class of shares offered by the Company from time to time, (or in combination with the associated plan for Directors and Senior Management, if it exists,) is no more than 10%.

### **Eligible Employees**

Employee Rights may be granted at the discretion of the Board to any person who is senior management, employee, officer, director or consultant of a member of the Group.

### **Price**

The Board has discretion to determine the issue price and/or exercise price for the Employee Rights. Any distribution paid by the Company will reduce the amount owed for the Employee Rights by the Eligible Employee.

### **Vesting and exercise of Employee Rights**

The Employee Rights held by a participant will vest in and become exercisable by that participant upon the satisfaction of any vesting conditions specified in the offer and in accordance with the rules of the LTIP. Vesting conditions may be waived at the discretion of the Board.

### **Change of control**

In the event a takeover bid is made to acquire all of the Shares on issue, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid, the Board may

waive unsatisfied vesting conditions in relation to some or all Employee Rights. Further, if a takeover bid is made to acquire all of the Shares on issue, participants may accept the takeover bid in respect of any Employee Rights (other than exempt share awards) which they hold notwithstanding the restriction period in respect of those Employee Rights has not expired.

#### **Claw-back**

If any vesting conditions of an Employee Rights are mistakenly waived or deemed satisfied when in fact they were not satisfied, then in accordance with the terms of the LTIP, the Board may determine that the relevant Employee Rights expire (if not yet exercised), or it may otherwise recover from the participant some or all Shares issued upon exercise of the Employee Rights or any proceeds received from the sale of those shares.

#### **Variation of Share capital**

If prior to the exercise of an Employee Right, the Company undergoes a reorganisation of capital or bonus issue, the terms of the Employee Right will be changed to the extent necessary to comply with the ASX Listing Rules (if those Rules apply to Macarthur at the relevant time).

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### **Annexure 3 – Key Amended Constitution Articles**

The Amended Constitution is available on request.

An extract of the amended terms are as follows:

The current relevant definitions are as follows:

- **Authorised Price** means i) in the event that the Company is listed on the Official List of the ASX or any financial market, the price per Share equal to the average of the last sale price of the Shares of the Company quoted on the Ordinary Official List for each of the 10 days on which trading has taken place on the Ordinary Official List immediately preceding the date of any offer to purchase Unmarketable Parcels accepted by the Company; and ii) if the Company is unlisted on the Official List of the ASX or any financial market, to be the price set by the Board having regard to the Net Assets of the Company based on the latest available audited accounts, pursuant to this article 14.