

Notice of ANNUAL GENERAL MEETING

WATERCO LIMITED ABN 62 002 070 733

Waterco Limited (Company) will hold its Annual General Meeting (AGM) on Wednesday, 27 October 2021 at 3.00pm Australian Eastern Daylight Time (AEDT) as a virtual meeting, online at <https://us02web.zoom.us/j/89483135546> for the purpose of transacting the business set out in this Notice.

Items of Business

1. Financial Report

To receive the Financial Report of the Company and its consolidated group for the financial year ended 30 June 2021 and the related Directors' Report and Independent Audit Report.

2. Remuneration Report

To consider and, if thought appropriate, to pass the following non-binding ordinary resolution:

"That the Remuneration Report contained in the Directors' Report for the year ending 30 June 2021 be adopted."

3. Re-Election of Director - (Richard) Cheng Fah Ling

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

"That (Richard) Cheng Fah Ling, who retires by rotation in accordance with Clause 6.1(f) of the Constitution, be re-elected as a Director of the Company."

4. Adoption of New Constitution

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

"That in accordance with section 136(2) of the Corporations Act, the document titled 'Constitution of Waterco Limited' tabled at the meeting and signed by the Chairman for identification purposes, be adopted as the constitution of the Company in place of the current constitution, with effect from the conclusion of the meeting."

By order of the Board



Sin Wei Yong
Company Secretary

24 September 2021

Voting Entitlements

For the purpose of the AGM, the Company has determined that all securities of the Company that are quoted securities at 7:00pm (AEDT) on 25 October 2021 will be taken, for the purpose of the AGM, to be held by the persons who were registered holders at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM. Voting restrictions apply to Item 2. These are set out in the Explanatory Notes relating to that Item below.

Proxies

A shareholder has the right to appoint a proxy who need not be a shareholder of the Company. If a shareholder is entitled to two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form (which is enclosed with this Notice of Meeting) and any power of attorney or authority under which they are signed must be received at the share registry of the Company, Computershare Investor Services Pty Ltd, at GPO Box 242, Melbourne, Victoria, 3001 or by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) at least 48 hours prior to the AGM (i.e. by no later than 3.00pm (AEDT) on 25 October 2021) or any adjournment. Any proxy form received after this deadline, including at the AGM, will be invalid.

Chairman's Voting Intentions on Undirected Proxies

Where you have appointed the Chairman as your proxy (or the Chairman becomes your proxy by default), you expressly authorise the Chairman to exercise your proxy on Item 2 (except where you have indicated a different voting intention on your Proxy Form), even though Item 2 is connected directly or indirectly with remuneration of a member of Key Management Personnel, which includes the Chairman. The Chairman intends to vote undirected proxies in favour of each item of business. If there is a change to how the Chairman intends to vote undirected proxies, an ASX announcement will be made.

Registration and Participation

Due to COVID-19 restrictions on public gatherings and for the health and safety of our stakeholders, the AGM will be held virtually and there will be no physical meeting where shareholders can attend.

Online registration will open at 2.00pm (AEDT) on the day of the AGM. The AGM will start at 3.00pm (AEDT). Information on how to log in, ask questions and vote online are set out below.

Shareholders and proxyholders will be able to participate and ask questions at the AGM online by visiting <https://us02web.zoom.us/j/89483135546> on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox).

The Meeting ID for the AGM is: 894 8313 5546

Dial by your location

+61 8 7150 1149 Australia

+61 2 8015 6011 Australia

+61 3 7018 2005 Australia

+61 7 3185 3730 Australia

+61 8 6119 3900 Australia

Find your local number: <https://us02web.zoom.us/j/kF49QZ68R>

Online Voting

Shareholders and proxyholders will be able to vote at the meeting online by:

- visiting **web.lumiagm.com** on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge and Firefox;
- using unique meeting ID **314-762-427**

Online voting registration will commence 30 minutes prior to the start of the meeting.

For full details on how to log on and vote online, please refer to the Online Voting Guide at www.computershare.com.au/onlinevotingguide

Questions

You are encouraged to direct questions to the Chairman or auditor by email at companysecretary@waterco.com so that they are received not later than 5 business days before the date of the AGM (i.e. by no later than 5.00pm (AEDT) on 20 October 2021. Please use the email subject "2021 AGM Questions". Questions may also be asked during the meeting.

EXPLANATORY NOTES

Item 1 - Financial Report

In accordance with section 317 of the Corporations Act 2001 (*Cth*) (**Corporations Act**), the Financial Report, Directors' Report and Independent Audit Report of the Company will be laid before the meeting for consideration. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Independent Audit Report, the Company's accounting policies and the independence of the auditor.

Shareholders may also submit written questions to the auditor in advance, relating to the content of the Independent Audit Report or the conduct of the audit.

The questions must be provided to the Company by email to companysecretary@waterco.com no later than 5 business days before the date of the AGM (i.e. by no later than 5.00pm (AEDT) on 20 October 2021.

Item 2 - Remuneration Report

The Remuneration Report for the financial year ended 30 June 2021 provides remuneration policy and payment details for persons who were members of the Key Management Personnel for the Company in the financial year ended 30 June 2021.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM.

The vote on this resolution is advisory only and will not bind the Directors or the Company. However, the Directors may take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second AGM on a further resolution that another meeting be held within 90 days (a "spill" meeting) at which all of the Company's Directors who approved the most recent remuneration report (other than the Managing Director) cease to hold office immediately before the end of the spill meeting and resolutions to re-elect those Directors to the offices be put to vote at the spill meeting. At the 2020 AGM, the Remuneration Report was unanimously adopted on a poll.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Item 2 by, or on behalf of:

- a member of the Key Management Personnel (KMP) as disclosed in the Remuneration Report; and
- a closely related party (such as spouse, parents or children) or an associate of that person (or those persons).

However, the Company need not disregard a vote cast in favour of Item 2 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Item 3 - Re-Election of Director - (Richard) Cheng Fah Ling

Mr. Ling was appointed to the Board as a Non-Executive Director in May 2009. He holds a Bachelor of Commerce degree from the University of Newcastle, Australia. He is a member of Chartered Accountants Australia and New Zealand and the Malaysian Institute of Accountants. He has experience in total logistics and corporate finance in capital markets. Mr. Ling is currently a Non-Executive Director of Tiong Nam Logistics Holdings Berhad, a public company listed on Bursa Malaysia (Malaysian Stock Exchange). He is a member of the Remuneration and Nomination Committee and Chairman of the Audit Committee of Tiong Nam Logistics Holdings Berhad.

Mr. Ling is the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

He held no other listed company directorships during the past three financial years.

In accordance with clause 6.1(f) of the Constitution, Mr Ling is required to retire at this AGM, and is eligible to offer himself for election under clause 6.1(i). Mr Ling is offering himself for re-election.

The Board has considered Mr Ling's re-election as an independent non-executive director of the Company and noted his valuable contribution to the Company stemming from his extensive knowledge of corporate finance.

The Board (other than Mr Ling) support Mr Ling's re-election and recommend that you vote in favour of Resolution 3.

Item 4 - Adoption of New Constitution

The Company's current constitution was adopted on 13 January 2006 (Current Constitution). As there have been a number of developments in law, corporate governance principles and general corporate and commercial practice

for ASX listed companies since that time, it is proposed that the Current Constitution be repealed and replaced with the proposed new constitution (New Constitution), to be tabled at the meeting.

The New Constitution reflects current market practice and terminology, as well as current laws and regulations applicable to ASX listed companies. A large number of the proposed changes are administrative or relatively minor in nature. Rules which were outdated or unnecessary have been removed to simplify the document and minimise the need for updates to the constitution in the event of future legislative updates or regulatory changes.

A complete signed copy of the New Constitution will be tabled at the meeting. Prior to the meeting, a copy of the New Constitution will be available for review by shareholders at the Company's registered office during normal business hours. A copy of the New Constitution can also be sent to shareholders upon a request being made to the Company Secretary, by email at companysecretary@waterco.com.

The material differences between the Current Constitution and the New Constitution are outlined in the table below.

Material Differences between Current Constitution and New Constitution

Subject matter	Description of material difference
<p>Joint holders of shares</p>	<p>Under the Current Constitution, the Company is not required to record all names of joint holders of a share in its register of members if there are more than three joint holders (in which case, it will only record up to three names).</p> <p>In anticipation of the replacement of CHESSE coming into effect in the near future, and as recommended by ASX, the New Constitution increases the number of names that can be recorded in the Company's register from three to four joint holders (or any other number permitted by ASX Operating Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules), given this will be the new number permitted by the system replacing CHESSE.</p> <p>Also, under the New Constitution, the Company is required to issue certificates to each joint holder, if the joint holder so requests.</p>
<p>Maximum number of Directors</p>	<p>The maximum number of Directors under the Current Constitution is 15.</p> <p>The New Constitution proposes to reduce the maximum number of Directors from 15 to 10, ensuring that at any given time, no more than 10 Directors can be appointed to the Board.</p> <p>This new maximum reflects what would be considered appropriate by market and industry standards, having regard to the size and scale of the Company.</p>
<p>Calls for nominations of Directors</p>	<p>Under the Current Constitution, in order for a person to be validly elected as a Director, the closing date for the receipt of their nomination is 30 business days before the meeting at which the resolution to appoint the Director is to be considered.</p> <p>This timeframe has been extended to 35 business days (or 30 business days in the case of a meeting that members have requested directors to call), in accordance with ASX Listing Rule 14.3.</p>

Subject matter	Description of material difference
Restricted Securities	<p>On 1 December 2019, the ASX Listing Rules were amended to vary the regime applying to restricted securities.</p> <p>As required by ASX Listing Rule 15.2, the New Constitution provides that, if any securities of the Company on issue are classified as 'restricted securities' for the purposes of the ASX Listing Rules:</p> <ul style="list-style-type: none"> • a holder of restricted securities must not dispose of, or agree or offer to dispose of the securities during the escrow period applicable to those securities, except as permitted by the ASX Listing Rules or ASX; • if the restricted securities are in the same class as quoted securities, a holder of restricted securities will be taken to have agreed in writing that the restricted securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities; • the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules or ASX; • a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules or ASX; and • if a holder of restricted securities breaches a restriction deed or a provision of the Company's Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.
Refusal to register transfer	<p>Under the Current Constitution, the Directors can decline to register a transfer of shares where the transfer is not in registrable form or where the refusal of the transfer is permitted by the ASX Listing Rules.</p> <p>Rule 29.5 expands on the circumstances in which the Company may refuse to register a transfer, including where:</p> <ul style="list-style-type: none"> • the registration of the transfer would create a new holding of an 'unmarketable parcel' (as that term is defined in the New Constitution); or • the transfer is to a subsidiary of the Company (subject to the Corporations Act).
Suspension of transfers	<p>The Current Constitution provided Directors with discretion to suspend the registration of transfers, so long as that suspension did not exceed 30 days in any given year.</p> <p>As the ASX Listing Rules and ASX Operating Rules govern such suspensions, the Company has not included these rules in the New Constitution. This will avoid the need to update the Company's Constitution in the event there is any modification to those rules.</p>
Transmission of shares	<p>The Current Constitution provided for the transmission of shares in the case of the death of a member of the Company, however, no provisions exist in circumstances of insolvency or mental incapacity.</p> <p>The New Constitution (see Rule 30.3) includes provisions governing the transmission of shares in the event of the death, mental incapacity or insolvency of a member.</p>
Quorum	<p>The Current Constitution provides that if a quorum is not present after 15 minutes from the time at which the meeting was scheduled to commence, then quorum requirements will not be satisfied and the meeting adjourned.</p> <p>The New Constitution extends this timeframe from 15 minutes from the scheduled start time for the meeting to 30 minutes, to allow a greater grace period for quorum requirements to be satisfied.</p>
Deputy chairperson	<p>The New Constitution provides that where the Board has appointed a deputy chairperson, the deputy chairperson may preside as chair of a meeting of members if the chairperson is not present within 30 minutes, or is not willing to act as chair.</p>

Subject matter	Description of material difference
<p>Representation at general meetings</p>	<p>The New Constitution permits proxy forms to be emailed to the Company at the address specified in the notice, as opposed to the physical place required by the Current Constitution.</p> <p>Under the Current Constitution, a proxy or attorney appointed by a member can still vote in accordance with the terms of their appointment if the member that appointed them is present at the meeting. However, the proxy or attorney must not vote on the member's behalf if the member votes at the meeting. This may cause confusion between proxies, attorneys and members, particularly in circumstances where it is becoming increasingly common to hold meetings in more than one location.</p> <p>To clarify proxy and attorney arrangements in circumstances where a member is present at the meeting, the New Constitution provides that a proxy or attorney will have no power to act for a member at a meeting at which that member is present.</p>
<p>Remuneration of Alternate Directors</p>	<p>Under the Current Constitution, the Company may remunerate Alternate Directors as the Directors see fit, either as an addition or reduction to the remuneration for the Director that appointed the Alternate Director.</p> <p>Clause 4.3 of the New Constitution clarifies the arrangements relating to the remuneration of Alternate Directors. It provides that an Alternate Director is not entitled to any remuneration from the Company, unless the Director that appointed the Alternate Director instructs the Company to pay the Appointor's remuneration, or any part of it, to the Alternate Director for the duration of their appointment.</p>
<p>Financial Reports and Audits</p>	<p>As a publicly listed entity, the Company is subject to stringent financial reporting and audit requirements, which the Company takes seriously.</p> <p>The New Constitution includes provisions which provide constitutional support for the Company's financial reporting obligations. These new provisions reference the Company's obligations to:</p> <ul style="list-style-type: none"> • keep written financial records; • ensure the financial records kept by the Company can explain the Company's financial position and performance; • ensure the financial records kept by the Company are capable of enabling true and fair financial statements to be prepared and audited; • prepare financial reports in compliance with Part 2M.3 of the Corporations Act (by the time required by section 315 of the Corporations Act); and • cause for the Company's financial reports to be audited for each financial year and obtain an auditor's report.
<p>Proportional Takeovers</p>	<p>The Current Constitution does not include any takeover approval provisions.</p> <p>Rule 37 of the New Constitution specifies that where an offer is made under a proportional takeover bid (being an off market bid for a specified portion of shares) the registration of the transfer giving effect to a takeover contract arising from the proportional takeover bid is prohibited until it has been approved by a resolution passed by at least 50% of members at a meeting of the Company.</p> <p>The inclusion of this new rule relating to takeover bids allows members to decide whether a proportional takeover bid is acceptable in principle. It also assists in ensuring that any proportional takeover bid is appropriately priced.</p>

The above is a summary only and does not set out all differences between the Current Constitution and New Constitution. It is recommended that shareholders review the New Constitution in its entirety.

In accordance with section 136(2) of the Corporations Act, the Company may replace the Current Constitution by special resolution of its shareholders that are entitled to vote on the resolution. The resolution can only be passed if at least 75% of the total votes cast are in favour of the resolution.


If shareholders approve this resolution, the New Constitution will come into effect from the conclusion of the meeting. The validity of acts and appointments made under the Current Constitution will not be affected.


The Current Constitution is available for viewing on the Company's website: <https://www.waterco.com.au/corporate-section/investor/constitution-of-waterco-limited>.

The Board recommends that shareholders vote to replace the Current Constitution of the Company with the New Constitution, effective from the conclusion of the meeting.

WAT
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

 **Phone:**
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AEDT) on Monday, 25 October 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

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I/we being a member/s of Waterco Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Waterco Limited to be held as a virtual meeting on Wednesday, 27 October 2021 at 3:00pm (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 2 (except where I/we have indicated a different voting intention in step 2) even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 2 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Director - (Richard) Cheng Fah Ling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

WAT

999999A



Computershare

