

STRONGER WITH
CAPRICORN



2024

NOTICE OF ANNUAL GENERAL MEETING

Saturday, 26 October 2024

8:00am AWST | 11:00am AEDT | 1:00pm NZDT

The Annual General Meeting of Capricorn Society Limited will be held on Saturday 26 October 2024 at 8:00am AWST (11:00am AEDT and 1:00pm NZDT)

It will be held online via the Vero Voting platform. Members are also invited to attend the meeting in person at Capricorn's registered office at Level 19, 141 St Georges Terrace, Perth, Western Australia 6000

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Message from the Chair

I am pleased to invite you to Capricorn's 2024 AGM.



In light of our Members being located all over Australia and New Zealand, we have again adopted measures to allow everyone to participate in the AGM by use of online technology. The 2024 AGM will be held as a 'hybrid' meeting, which means that it will be held both by the use of technology utilising Vero Voting, an online platform for hosting meetings, and at Capricorn's head office at Level 19, 141 St Georges Terrace, Perth, Western Australia.

The AGM is an opportunity for the Members to participate, ask questions, make comments and vote electronically. **I encourage all Members to vote by use of the Vero Voting online platform.**

Detailed instructions for online participation and voting are provided with the Notice of Meeting and will also be provided to Members by notice posted on **cap.coop/AGM**. Members may also attend in person at Capricorn's head office in Perth, Western Australia.

The email providing you with the Notice of Meeting contains an explanation as to how to get to the voting page (**Vote Now** portal) via myCAP. This is where the virtual AGM will take place. **If you do plan to attend in person, we kindly ask that you RSVP via the link in the email.**

Through the **Vote Now** portal you can:

- attend the meeting virtually;
- cast your vote directly prior to the meeting;
- appoint a proxy;
- access all relevant documents;
- ask questions (either in advance or on the day); and
- view presentations from me and David Fraser, Group Chief Executive Officer.

You can access the **Vote Now** portal either through the link you have received by email, or from myCAP by logging in as a shareholder.

The motions to be passed are both ordinary and special resolutions. These items of business should be read together with the explanatory notes and other information.

One special resolution is in relation to continuing Capricorn's selective share buy-back scheme.

Members are asked to vote for the share buy-back scheme resolution. As a result of a favourable ASIC exemption Members wishing to participate in the share buy-back in the next 12 months are no longer required to abstain from voting on this resolution. Greater detail on Capricorn's share buy-back scheme can be found in the Information Statement.


The ordinary resolutions are ratifying the appointment of Independent Director Samantha Jane Martin-Williams, increasing the director remuneration pool.

I look forward to opening the AGM and sharing with you my pride in the performance of both Capricorn and its Members.

Capricorn has been able to deliver an outstanding result of a net dividend of 7% (effective 10% gross dividend yield where full franking credits are available) for Capricorn's contributed equity as at 30 June 2024.

In addition to the dividend, Capricorn delivered a trading rebate of AU\$18.5 million. This rebate was paid by way of additional Rewards Points divided amongst Member accounts in proportion to their purchases through Capricorn during FY 2023/24. Members will see these additional Rewards Points appear on their September 2024 statement. Please refer to the Chair's letter in the Annual Report for Capricorn's financial results.

You will be able to read more about the successes of the year in the Capricorn Report, which is provided as part of this pack.



The formal Notice of the Meeting is on the next page of this document.

We strongly urge you to vote on the AGM motions online prior to the AGM.

On the day, we will also let you know the outcome of our SA/NT Director Election.

The Directors and Executives of Capricorn look forward to hearing from you at the 2024 AGM.



Mark Cooper
Chair



Notice of Meeting

The 2024 Annual General Meeting (“AGM”) of Capricorn Society Limited (“Capricorn”) will be held as a ‘hybrid’ meeting, by the use of technology utilising Vero Voting, an online platform for hosting meetings, and in person at Capricorn’s registered office at Level 19, 141 St Georges Terrace, Perth, on Saturday 26 October 2024, commencing at 8:00am AWST (11:00am AEDT and 1:00pm NZDT).

The Explanatory Memorandum and Information Statement on the share buy-back scheme have been prepared to provide information to you about the above items of business. They form part of this notice and are available at cap.coop/AGM or on the voting page or can be requested from Capricorn by calling 1800 327 437 (Australia) or 0800 401 444 (New Zealand).

Items of business

Item 1. Consideration of the financial statements and reports

To consider the financial statements and directors’ report and auditor’s report for the year ended 30 June 2024.

Item 2. Approval of the selective share buy-back scheme

To approve the following resolution without modification, as a **special resolution** of Capricorn (please refer to the Information Statement for more information):

That Capricorn Society Limited (ACN 008 347 313) (“Capricorn”) is authorised to enter into the Share Buy-Back Agreements with or in respect of Members of Capricorn that at any time during the period commencing on 29 October 2024 and ending on 28 October 2025 (with each category below to be considered separately and independently):

- A. No longer meet the criteria for membership set out in the Constitution;
- B. are subject to a compulsory sale of shares by Capricorn in accordance with the Constitution with the view to Capricorn becoming the purchaser in such transaction;
- C. fail to comply with the Terms and Conditions of the Authorised Purchaser Agreement (as may be amended from time to time) or whose applicable Authorised Purchaser Agreement with Capricorn is terminated or whose credit facility with Capricorn is fully withdrawn under their Authorised Purchaser Agreement or equivalent;

- D. request to leave Capricorn;
- E. are requested in writing by Capricorn to leave Capricorn, being a request made after majority resolution of the Board of Directors of Capricorn on the basis that:
 - (i) the Member has failed to discharge their obligations to Capricorn, whether prescribed by the Constitution or arising out of any contract; or
 - (ii) the Member has engaged in conduct considered by the Board to be detrimental to Capricorn; and

after written notice of such a proposed resolution was given to the Member not less than 7 days before the meeting of the Board of Directors of Capricorn at which such a resolution was to be considered and the Member was given an opportunity of being heard at such meeting; or

- F. request a partial buy-back of their shareholding, providing that:
 - (i) the Members would still hold at least the minimum required shareholding in Capricorn; and
 - (ii) the partial buy-back is approved by the Board of Directors of Capricorn in their absolute and unfettered discretion, provided that:
 - (a) unless otherwise permitted by the Constitution, the purchase of the shares by Capricorn be on the terms set out in the share buy-back agreement, and the price payable by Capricorn per share does not exceed the issue price per share;
 - (b) purchasing the shares does not materially prejudice Capricorn’s ability to pay creditors; and
 - (c) the total number of shares bought back by Capricorn pursuant to this authority does not exceed 20% of the share capital of Capricorn at its lowest amount during the last 12 months.

As this item is a special resolution, it will only be passed if at least 75% of the votes cast on the Item are in favour of the resolution.



Item 3. Ratification of the appointment of Samantha Jane Martin-Williams as an Independent Director

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

That the appointment of Samantha Jane Martin-Williams as an Independent Director of Capricorn for a term commencing on 14 October 2024 and ending on 13 October 2028 be ratified.

Item 4. Increase of total aggregate Director remuneration

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

That, for the purposes of clause 17.1 of the Capricorn Constitution and for all other purposes, the Directors' total aggregate remuneration be increased to \$1,525,000 (including statutory superannuation entitlement) for the financial year 2024/25 and each and every subsequent financial year until otherwise determined by Company Members in a general meeting.

Item 5. Other Business

To deal with any other business that may properly be brought forward.

By order of the Board

Susannah Haines
Company Secretary

18 September 2024

Important Information

How to attend

Members can attend the hybrid AGM online on Saturday 26 October 2024 at 8:00am AWST (11:00am AEDT and 1:00pm NZDT) by:

1. Log in to myCAP using your Shareholder login details. From there, navigate to the “Annual General Meeting” section (found in the left-side menu). This will open the **Vote Now** portal, where you can vote and access the virtual AGM.
2. attending in person at Capricorn’s registered office at Level 19, 141 St Georges Terrace, Perth, Western Australia.

Please refer to the **CSL AGM Participation and Voting Guide** and the **CSL AGM FAQs**, both located within the corporate documents section of the public website for further information about attending and voting at the AGM.

Voting Entitlements

The Board has determined that a person’s voting entitlement at the AGM will be the entitlement of that person set out in the register of shareholders Wednesday 23 October 2024 at 5:00pm AWST.

If you are a holder of all regions class shares you are not eligible to vote on any resolutions at this AGM.

Ask a question

If you want to put a question to our Board you can do so in advance by emailing it to the AGM team at agm@capricorn.coop by 5.00pm AWST on Wednesday 23 October 2024. We will do our best to answer as many questions as we can on the day.

You will also be able to ask questions at the AGM.

Direct Voting

If you are eligible to vote on a resolution, you are entitled to vote directly ahead of the AGM. You do not need to appoint the Chair or a proxy to act on your behalf.

Voting online

You can cast your vote directly at any time prior to the AGM. Log in to myCAP using your Shareholder login details. From there, navigate to the “Annual General Meeting” section (found in the left-side menu). From there, follow the instructions on the webpage to cast your vote.

Request a paper voting form

If you cannot access the **Vote Now** portal to cast your direct vote, then contact Sarah Chamberlain direct on +61 8 6392 4068 or by calling Freecall 1800 327 437 (Australia) or 0800 401 444 (New Zealand), or via email at sarah.chamberlain@capricorn.coop to request a paper direct voting form.

Proxies

If you are unable to attend the AGM and choose not to use direct voting, you are entitled to appoint a proxy to attend and vote on your behalf.

A proxy form is available on the **Vote Now** portal to download, complete and return. If you cannot access the **Vote Now** portal, contact Sarah Chamberlain on +61 8 6392 4068 to request a paper proxy appointment form.

Express authorisation of Chair

If you appoint the Chair as your proxy or the Chair is appointed as your proxy by default, and you do not mark a voting box for an item, then by signing and returning the proxy you authorise the Chair to exercise the proxy in respect of the relevant item.

Voting intentions of the Chair

The Chair intends to vote all available proxies in favour of all items.

Time limits

If you wish to cast a direct vote, then this must be received by Capricorn no later than 5.00pm AWST on Wednesday 23 October 2024 at:

By email: votenow@capricorn.coop

By post: Capricorn Society Ltd
Locked Bag 3003
West Perth, WA 6872
AUSTRALIA
For: The Company Secretary

By hand: Capricorn Society Ltd
Level 19, 141 St Georges Terrace
Perth, WA 6000
AUSTRALIA
For: The Company Secretary

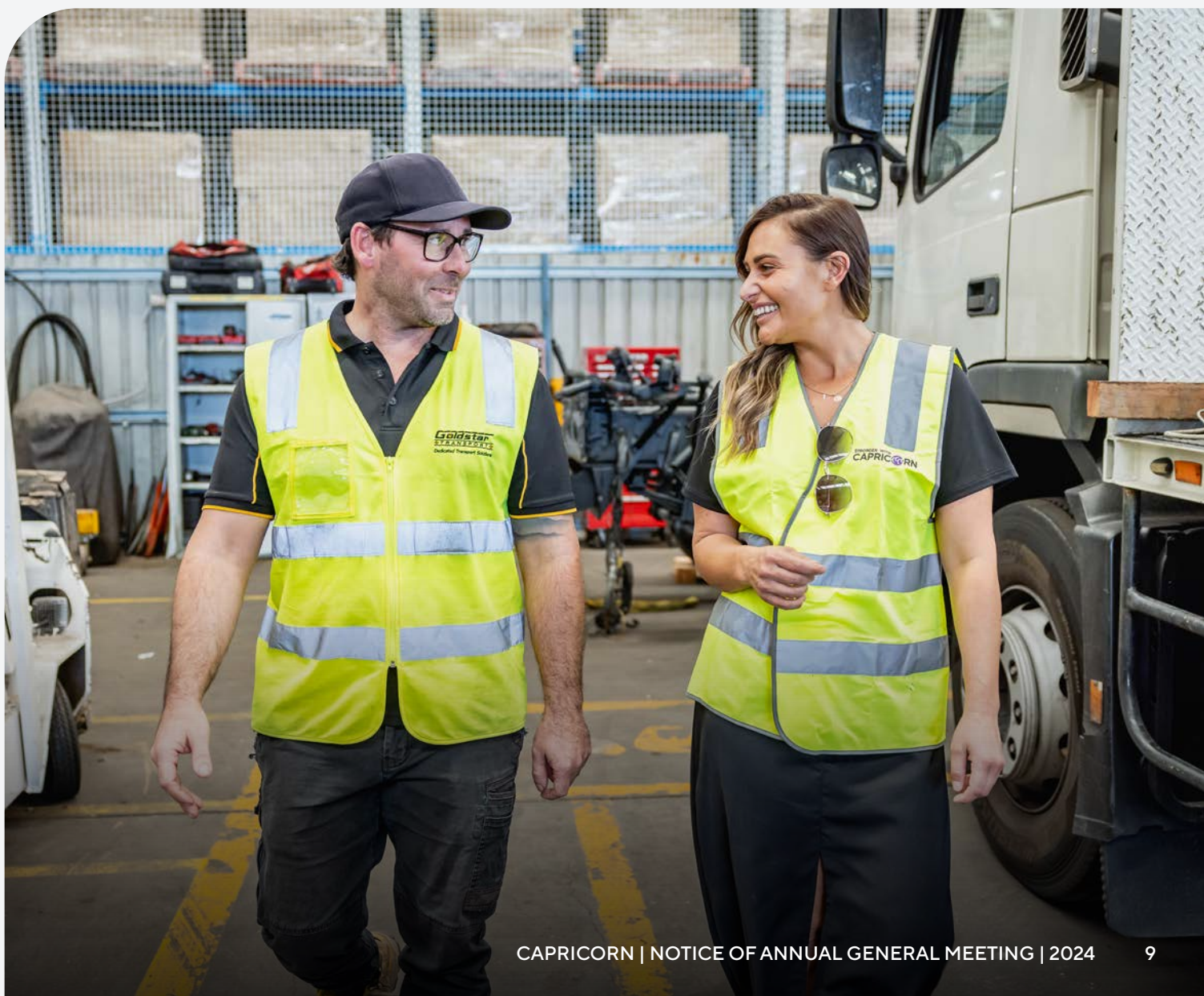
Powers of Attorney

If you are casting a direct vote or appointing a proxy under a power of attorney, then a certified copy of that power of attorney, if not already held by Capricorn, must be received by Capricorn by 5.00pm AWST on Wednesday 23 October 2024.

Company Representatives

Members that are companies are reminded that to enable a representative to attend the meeting and vote on their behalf at the AGM they must appoint a representative under section 250D of the *Corporations Act 2001*.

Alternatively, a Member that is a company may cast a direct vote prior to the AGM or appoint a proxy.



Explanatory Memorandum

Item 1: Consideration of the financial statements and reports

Capricorn's financial report, the Directors' report and the Auditor's report for the financial year ended 30 June 2024 (collectively the **Reports**) will be put before the AGM.

The Reports are contained in Capricorn's Annual Report for the financial year ended 30 June 2024 which is available on the corporate documents section of Capricorn's website at capricorn.coop and the **Vote Now** portal or can be requested by calling Capricorn on 1800 327 437 (Australia) or 0800 401 444 (New Zealand).

While Members are not required to vote on the Reports, they will be given reasonable opportunity to ask questions or make comments on the Reports, management and the business of Capricorn more generally.

Capricorn's external auditor, EY, will be present at the AGM and Members will be provided a reasonable opportunity to ask questions of the auditor relevant to the conduct of the audit, the contents of the auditor's report, the accounting policies adopted by Capricorn in the preparation of the financial statements and the independence of the auditor.

Item 2: Approval of selective share buy-back scheme

The share buy-back scheme provides a means for Members to sell their shares to Capricorn either on a partial basis to provide liquidity or in full when exiting Capricorn.

The scheme is considered under the *Corporations Act 2001* to be a "selective buy-back scheme" and therefore Capricorn must provide you with certain information about the scheme.

The information statement attached to this notice (if received electronically) contains all material information the Board believes is necessary to make an informed decision on this item.

A copy of the information statement is also available on the **Vote Now** portal, can be downloaded from the corporate documents section of Capricorn's website at capricorn.coop or can be requested from Capricorn by calling Freecall on 1800 327 437 (AUS) or 0800 401 444 (NZ).

The Board recommend that you vote in favour of this resolution.

The Chair intends to vote all undirected proxies in favour of this resolution.



Item 3. Ratification of the appointment of Samantha Jane Martin-Williams as an Independent Director

Capricorn's Constitution allows Directors to appoint or re-appoint up to three Independent Directors. This allows the appointment of Directors to the Board that have special skills and experience that other Directors may not have.

Limiting the number of Independent Directors to three means that the Board is predominantly made up of Member Directors who know just what it is like to be a Member of Capricorn and who are indeed Members of Capricorn.

Samantha Martin-Williams was first appointed as an Independent Director on 14 October 2024. Her term ends on 13 October 2028. Ms Martin-Williams currently serves on the NGM Group, Newcastle Airport, Fishburners, AICD and University of Newcastle Business School boards in various capacities, and has held a number of Non-Executive Director and committee Chair roles across a range of Boards since 2002.

Ms Martin-Williams is the Managing Director of TW Partners and has held other Executive roles in Hunter Valley Coal Chain Coordinator, Tafe NSW and University of Newcastle.

Ms Martin-Williams is a former Telstra Business Woman of the Year, a Fellow of the Australian Institute of Company Directors (FAICD), a Fellow of the Governance Institute of Australia (FGIA) and a member of Chief Executive Women. She has a Bachelor of Business, a Masters in Industrial Relations and Human Resource Management, and a Masters of Commercial Law.

In accordance with clause 15.19 of Capricorn's Constitution the appointment of Ms Martin-Williams must be ratified by Members. If the appointment is not ratified then Ms Martin-Williams will cease to be a Director at the conclusion of the AGM.

The Directors of Capricorn (other than Ms Martin-Williams) recommend that you vote in favour of and approve this resolution. Ms Martin-Williams makes no recommendation given their interest in the subject matter of the resolution.

The Chair intends to vote all undirected proxies in favour of this resolution.

Item 4. Increase of total aggregate Director remuneration

The proposal before the AGM is to increase Directors' total aggregate remuneration from \$1,265,000 to \$1,525,000 (including statutory superannuation entitlement) for financial year 2024/25 and each and every subsequent financial year until otherwise determined by Capricorn's Members in a general meeting.

The proposed amount allows for an increase of Director fees over time, which will be based off what is considered reasonable remuneration on a market basis at the relevant time.

Capricorn has recently received external independent remuneration advice (Korn Ferry) in May 2024. A full market-based review was conducted of all Director positions and took account of Director workloads and responsibilities. For FY 24/25 this represented an increase in director fees of 5.5%, inclusive of superannuation.

The Board considers it has taken a measured and responsible attitude to Director remuneration over many years and will always continue to do so. This is the first proposed increase to the overall Director fee pool since the 2021 AGM. The Board has always taken full account of Members' expectations in framing any director fee resolution and has consistently and prudently reviewed its performance to ensure maintenance of the highest governance standards for all Members and stakeholders. The Board has and will into the future add real value to Capricorn and will continue its pro-active approach so as to ensure that the Board is leading from the front delivering real Member benefit.

The Director fee pool covers all fees for services as a Director including committee fees and superannuation contributions.

The Board makes no recommendation to Members in respect of this resolution, given their interest in the matter.

The Chair intends to vote all undirected proxies in favour of this resolution.



Information Statement for Item [2]: The Approval of the Selective Share Buy-back Scheme

This document contains the information required by the *Corporations Act 2001* (Cth) ("**Corporations Act**") on the proposed resolution concerning Member Approval of Selective Share Buybacks which is to be considered as item [2] at Capricorn's Annual General Meeting (**AGM**) on Saturday 26 October 2024. The Board believe that this Information Statement contains all material information necessary for Members to make an informed decision on item [2].

The Board recommends that Members vote in favour of the resolution on item [2].

1 Introduction

- 1.1. The Directors of Capricorn propose a special resolution authorising Capricorn to buy-back ordinary shares in itself from Members of Capricorn that at any time throughout the period commencing on 29 October 2024 and ending on 28 October 2025 (**Approval Period**) are a Future Seller (as that term is defined in Annexure B) (**Share Buy-Back**).
- 1.2. Although it is not legally required to do so, Capricorn intends to enter into separate agreements with Future Sellers to buy-back ordinary shares in Capricorn and will to the extent Capricorn considers it warranted, seek appropriate relief at law or in equity compelling entry into or performance of such an agreement if any Future Sellers refuse to enter into or perform such agreement. Capricorn however can only enter into these agreements if Members approve the terms of the proposed share buy-back agreements (the **Share Buy-Back Agreement**) by resolution (the **Share Buy-Back Resolution** – as set out in the Notice of Meeting). A copy of the Share Buy-Back Agreement is attached as Annexure A.
- 1.3. Accordingly, the AGM will consider, amongst other things, the Share Buy-Back Resolution.
- 1.4. Subject to paragraph 1.5 below, the disclosure of information made in this Information Statement will apply for the whole of the Approval Period.

- 1.5. If an event occurs in the Approval Period after the Share Buy-Back Resolution is passed, which may result in the information disclosed in this Information Statement no longer adequately describing the circumstances surrounding the proposed Share Buy-Backs, Capricorn may:
 - (a) not be able to rely on the Share Buy-Back Resolution in order to carry out share buy-backs from Future Sellers; and
 - (b) be required to call a general meeting to pass a further special resolution relating to share buy-backs.
- 1.6. The Share Buy-Back Resolution only applies for the Approval Period. Therefore, Capricorn will be required by the Corporations Act to seek Member approval to buy-back shares from any Members wishing to do so after the expiry of the Approval Period (if not required by the Corporations Act to be earlier).

2 Reasons for buy-back

Historically

- 2.1 Prior to Capricorn's conversion from a co-operative to a public company limited by shares, Capricorn was legally able to purchase back the shares of Members who requested to leave Capricorn and of those Members who no longer met Capricorn's membership or credit requirements.
- 2.2 As stated in clause 2 of Capricorn's constitution (**Constitution**) (which is linked to Capricorn's past as a co-operative), Capricorn's primary purpose, amongst others, is to:
 - (a) acquire commodities used in any automotive or any allied industry for disposal or distribution among;
 - (b) acquire commodities used in any automotive or any allied industry, for disposal or distribution from; and
 - (c) render services to, its Members.

2.3 Therefore, the Directors of Capricorn are of the view that it is important that Capricorn is able to buy back shares from non-active Members, Members who wish to leave, those Members who no longer meet the membership/credit requirements of Capricorn or their obligations to Capricorn, Members who have had their credit withdrawn, Members who engage in conduct detrimental to Capricorn and Members who compete with Capricorn using their membership to unfairly advance their competition to Capricorn.

2.4 As a public company however, Capricorn is required to follow the procedures for buying-back shares from its Members that are set out in the Corporations Act, which include:

- (a) the passing of a special resolution authorising the terms of the Share Buy-Back Agreements;
- (b) lodging with ASIC the documents set out in paragraph 12; and
- (c) providing an Information Statement to accompany a Notice of Meeting that deals with a special resolution to approve the terms of the Share Buy-Back.

2.5 A 'special resolution' is a resolution that is passed by at least 75% of the votes cast by Members entitled to vote on the resolution.

3 Moving forward – Proposed share buy-backs from Future Sellers

3.1 Subject to paragraph 3.2, to avoid:

- (a) the expense and inconvenience of Capricorn calling a general meeting to approve the buy-back of shares every time a Member becomes a Future Seller during the Approval Period; and
- (b) an accumulation of Members having their shares bought back by Capricorn at a single time,

the Share Buy-Back Resolution would allow Capricorn to enter into the attached Share Buy-Back Agreement with Members of Capricorn who are Future Sellers at any time in the Approval Period.

3.2 Please note however:

- (a) the purchase price payable by Capricorn per share will not be permitted to exceed the issue price per share of the shares being bought back by Capricorn;
- (b) purchasing the shares the subject of Share Buy-Back Agreements must not materially prejudice Capricorn's ability to pay creditors; and
- (c) as set out in the Share Buy-Back Resolution and in accordance with clause 12.4 of the Constitution, the total number of shares bought back by Capricorn pursuant to the proposed authority and the Share Buy-Back Agreements must not at any time exceed 20 percent of the smallest number, at any time during the last 12 months, of the share capital of Capricorn.

3.3 The terms of the Share Buy-Back resolution are consistent with published ASIC policy that a company may rely on notices on a continuous basis for a maximum period of up to 12 months.

4 Shareholder approval

4.1 Under section 257D(1) of the Corporations Act, the terms of a buy-back agreement must be approved by either:

- (a) a special resolution passed at a general meeting of Capricorn; or
- (b) a resolution agreed to by all ordinary Members at a general meeting.

4.2 In previous years Members who believed they would want to be a Future Seller were advised to abstain from voting in favour of this resolution, as a vote in favour by a Member would preclude that Member from having its Capricorn shares bought back. Capricorn has however successfully applied to ASIC for an exemption to this requirement. That exemption was granted on 2 October 2018. Members can therefore vote in favour of this resolution and still have their Capricorn shares bought back during the Approval Period.

5 Purchase price

- 5.1 Under the Share Buy-Back Agreements, Capricorn will pay Future Sellers the aggregate sum of (assuming the Member owes no amount to Capricorn):
- (a) if the share(s) being bought back by Capricorn were issued in the Australia Geographic Region or All Regions Class, the issue price per Buy-Back Share in Australian currency (with no adjustment for inflation or exchange rate conversions). This issue price has been AU\$1; and
 - (b) if the share(s) being bought back by Capricorn were issued in the New Zealand Geographic Region, the issue price per Buy-Back Share in New Zealand currency (with no adjustment for inflation or exchange rate conversions). This issue price has been NZ\$1.
- 5.2 This purchase price will apply to shares bought back by Capricorn at any time in the Approval Period.

6 Source of funds and financial effect

- 6.1 The total purchase price for shares bought back will be paid out of Capricorn's assets.
- 6.2 The financial effect on Capricorn of buying back the shares contemplated by the Share Buy-Back Resolution is anticipated to be well within its financial capacity. The payments will not adversely affect Capricorn's ability to carry on business.
- 6.3 The last set of audited financial statements of Capricorn are for the year ended 30 June 2024 and are sent to any Member who requests a copy. They may also be downloaded from the Corporate Documents section of Capricorn's website at capricorn.coop

7 Impact of the buy-back on creditors

The Directors of Capricorn do not believe the buy-back will have an adverse effect on the creditors of Capricorn.

8 Share capital details

Generally, under the Constitution each Member has one vote regardless of the number of shares that they hold in Capricorn. On the basis that the shares bought back by Capricorn cannot at any time exceed 20 percent of the smallest number, at any time during the last 12 months, of the share capital of Capricorn, it is clear that the proposed buy-backs will not affect control of Capricorn. As at 19 September 2024 the total number of shares on issue in Capricorn is 222,112,368 shares split as follows:

- (a) 184,019,853 Australian shares;
- (b) 37,216,556 New Zealand shares; and
- (c) 875,959 All Regions Class Shares.

9 Advantages of the proposed buy-backs

The Directors of Capricorn have identified the following advantages of carrying out the proposed buy-backs:

- (a) the proposed buy-backs will allow removal of Members from the register of shareholders who become Future Sellers (as described in Annexure B);
- (b) the buy backs remove Members from the register of shareholders who are no longer contributing to the dividend return to Members;
- (c) since the proposed buy-backs are not permitted to exceed 20 percent of the smallest number, at any time during the last 12 months, of the share capital of Capricorn, they:
 - (i) will not affect control of Capricorn; and
 - (ii) are unlikely to put Capricorn's assets under too much pressure as a result of too many selective share buy-backs in the Approval Period;
- (d) the proposed buy-backs provide flexibility to Capricorn to buy-back shares from its Members, including at least in part in a similar manner to when it was a co-operative for the Approval Period (subject to the limitations set out in the Share Buy-Back Resolution). This allows Members to receive proceeds from their shareholding which shares are not permitted to be quoted for sale or purchase on any stock exchange or in any other public manner whatsoever under the Constitution.

10 Disadvantages of the buy-back

The Directors of Capricorn have identified the following disadvantages of carrying out the proposed buy-backs:

- (a) Capricorn may lose its share capital represented by 20 percent of the smallest number, at any time during the last 12 months, of the share capital of Capricorn bought back;
- (b) Capricorn will incur administrative expenses in the processing of requests by Members to have their shares bought back by Capricorn; and
- (c) any Member requested to leave Capricorn may personally consider the request to leave unfair or unfounded and unsatisfactory because they wished to remain a Member of Capricorn.

11 Directors' recommendations and interests

- 11.1 The Board recommend that Members approve the buy-back and vote in favour of the resolution set out in the Notice of Meeting.
- 11.2 Each Director of Capricorn who is also a Member of Capricorn intends to vote in favour of the resolution.
- 11.3 There are no current Directors of Capricorn that have an interest in the proposed buy-back other than being a Member of Capricorn.

12 Lodgement

- 12.1 A copy of the Notice of Meeting and this Information Statement has been lodged with ASIC in accordance with section 257F(2) of the Corporations Act.
- 12.2 A copy of the Share Buy-Back Agreement has been lodged with ASIC in accordance with section 257E of the Corporations Act.

13 Further information

If you have any questions or need more information about the share buy-back scheme, please contact the Company Secretary, Ms Susannah Haines on:

Australia: 1800 327 437

New Zealand: 0800 401 444

Date: 18 September 2024



Signed: Susannah Haines
Company Secretary
Capricorn Society Limited

Annexure A

Share Buy-Back Agreement

Annexure to Information Statement



Date:

Parties:

Name	The Member set out in item 1 (“Member”).
Notice details	The notice details set out in 3.
Name	Capricorn Society Limited ACN 008 347 313 (“ Capricorn ”)
Notice details	Locked Bag 3003 West Perth WA 6872 Facsimile (08) 6154 6451 Attention: Company Secretary Email: shares@capricorn.coop

Background:

1. The Member is the registered holder of the Buy-Back Shares and has the power to dispose of the legal and beneficial interest in the Buy-Back Shares.
2. The Member agrees to sell or is lawfully required to sell, and Capricorn agrees to buy back, the Buy-Back Shares in accordance with the Corporations Act and the terms of this agreement.

Agreed Terms:

Item 1	Name of Member:	
Item 2	ABN/ACN of Member (if applicable):	
Item 3	Notice details of Member:	
Item 4	Number of Buy-Back Shares:	
	Class of Buy-Back Shares:	
Item 5	Bank Account Details:	BSB (Branch) Number:
		Account Number:

1 Defined terms & interpretation

1.1 Defined terms

In this agreement:

Business Day means:

- (a) for receiving a notice under clause 6, a day that is not a Saturday, Sunday, public holiday or bank holiday in the place where the notice is received; and
- (b) for all other purposes, a day that is not a Saturday, Sunday, bank holiday or public holiday in Western Australia, Australia.

Business Hours means from 9.00am to 5.00pm on a Business Day.

Buy-Back Shares means the number and class of shares in Capricorn held by the Member that is set out in item 4.

Completion means completion of the sale and purchase of the Buy-Back Shares under this agreement.

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

Encumbrance means a mortgage, pledge, lien, charge, assignment by way of security, secured interest, title retention arrangement, preferential right, trust arrangement or any arrangement having the same or an equivalent commercial effect or an agreement to do any of those things.

Purchase Price means the aggregate sum of the issue price per Buy-Back Share (with no adjustment for inflation or exchange rate conversions).

1.2 Interpretation

In this agreement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this agreement, and a reference to this agreement includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to time is to Perth, Australia time;
- (f) a reference to a party is to a party to this agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (g) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re enactments or replacements of any of them;
- (i) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (j) the meaning of general words is not limited by specific examples introduced by including, for example or similar expressions;
- (k) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (l) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (m) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this agreement or any part of it;
- (n) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (o) Headings are for ease of reference only and do not affect interpretation.

2 Conditions precedent

Completion is conditional on, and this agreement does not have effect:

- (a) unless pursuant to the Corporations Act requirements, Capricorn has passed a special resolution in general meeting authorising Capricorn to enter into this agreement and Capricorn has complied with all of the Corporations Act requirements in relation to purchasing the Buy-Back Shares pursuant to this agreement and under section 257D of the Corporations Act; and
- (b) if Capricorn purchasing the Buy-Back Shares pursuant to this agreement would result in Capricorn breaching clause 12.4 of Capricorn's Constitution or could not otherwise be lawfully completed.

3 Buy-back

The Member agrees that it will sell and Capricorn agrees to buy, conditional on receipt of this Agreement validly executed by the Member, the Buy-Back Shares.

4 Purchase price

The purchase price for the Buy-Back Shares is the Purchase Price.

5 Completion

5.1 Place for Completion

Completion will take place upon Capricorn amending its share register to remove the Member as the holder of the Buy Back Shares, which must take place within 30 days of receipt of Capricorn's receipt of this Agreement validly executed by the Member.

5.2 No encumbrances

The Member must transfer the Buy-Back Shares free from any Encumbrance or third party interest with all rights, benefits and entitlements attaching or accruing to them.

5.3 Payment of purchase price

After Completion, Capricorn must pay the Member the purchase price for the Buy-Back Shares by electronic transfer (if valid bank account details are provided in Item 5) or credit to the Member's trade account as elected by the Member or by other usual payment methods.

6 Notices and other communications

6.1 Service of notices

A notice, demand, consent, approval or communication under this agreement (Notice) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or facsimile to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender; or
- (c) sent by email to the recipient's email address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

6.2 Effective on receipt

A Notice given in accordance with clause 6.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the second Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia);
- (c) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice;
- (d) if sent by email and the sending party's electronic equipment reports that the email has been sent before 5.00pm on a Business day, on that day,

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day.

7 Miscellaneous

7.1 Alterations

This agreement may be altered only in writing signed by each party.

7.2 Approvals and consents

Except where this agreement expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this agreement.

7.3 Assignment

A party may only assign this agreement or a right under this agreement with the prior written consent of each other party.

7.4 Costs

Capricorn will bear the costs of preparing this agreement.

7.5 Stamp duty

Any stamp duty, duties or other taxes of a similar nature (including fines, penalties and interest) in connection with this agreement or any transaction contemplated by this agreement, must be paid by Capricorn.

7.6 Survival

Any indemnity or any obligation of confidence under this agreement is independent and survives termination of this agreement. Any other term by its nature intended to survive termination of this agreement survives termination of this agreement.

7.7 Counterparts

This agreement may be executed in counterparts. All executed counterparts constitute one document.

7.8 No merger

The rights and obligations of the parties under this agreement do not merge on completion of any transaction contemplated by this agreement.

7.9 Entire agreement

This agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

7.10 Further action

Each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this agreement and any transaction contemplated by it.

7.11 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

7.12 Waiver

A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.

7.13 Relationship

Except where this agreement expressly states otherwise, it does not create a relationship of employment, trust, agency or partnership between the parties.

7.14 Confidentiality

A party may only use confidential information of another party for the purposes of this agreement, and must keep the existence and the terms of this agreement and any confidential information of another party confidential except where:

- (a) the information is public knowledge (but not because of a breach of this agreement) or the party has independently created the information;
- (b) disclosure is required by law or a regulatory body (including a relevant stock exchange); or
- (c) disclosure is made to a person who must know for the purposes of this agreement, on the basis that the person keeps the information confidential.

7.15 Governing law and jurisdiction

This agreement is governed by the law of Western Australia and each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Western Australia.

EXECUTED as an agreement.

Executed by **Capricorn Society Limited ACN 008 347 313** in accordance with section 127 of the Corporations Act by authority of its directors

_____ MARK COOPER CHAIR	_____ SUSANNAH HAINES COMPANY SECRETARY
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Executed by the Member named in item 1:

_____ Signature	_____ Signature
_____ Name (print)	_____ Name (print)
_____ Individual / Joint Holder / Director / Sole Director (Delete those titles that are not applicable)	_____ Individual / Joint Holder / Director / Company Secretary (Delete those titles that are not applicable)

Signing instructions

Before signing please check the Bank Account details provided at Item 5 on the first page.
If these are not correct, please amend by hand and have all persons initial that amendment.

**Individuals
(e.g. sole trader):**

Where the shareholding is in the name of one individual, that individual must sign.

**Joint Members
(e.g. partnership)**

Where the shareholding is in a partnership, then generally 2 partners comprising the Member must sign.

Companies

Where the shareholding is held by a company, then generally a director jointly with either another director or the company secretary may sign or if the company has only one director and no company secretary then that one director may sign.

Annexure B

Identity of Future Sellers

Annexure to Information Statement



The **Future Sellers** are the Members of Capricorn that at any time during the period commencing on 29 October 2024 and ending 28 October 2025 (with each category to be considered separately and independently):

1. no longer meet the criteria for Membership set out in the Constitution;
2. are subject to a compulsory sale of shares by Capricorn in accordance with the Constitution with the view to Capricorn becoming the purchaser in such transaction;
3. fail to comply with the Terms and Conditions of the Authorised Purchaser Agreement (as may be amended from time to time) or whose applicable Authorised Purchaser Agreement with Capricorn is terminated or whose credit facility with Capricorn is fully withdrawn under their Authorised Purchaser Agreement or equivalent;
4. request to leave Capricorn;
5. are requested in writing by Capricorn to leave Capricorn, being a request made after majority resolution of the Board of Directors of Capricorn on the basis that:
 - (i) the Member has failed to discharge their obligations to Capricorn, whether prescribed by the Constitution or arising out of any contract; or
 - (ii) the Member has engaged in conduct considered by the Board to be detrimental to Capricorn; and

after written notice of such a proposed resolution was given to the Member not less than 7 days before the meeting of the Board of Directors of Capricorn at which such a resolution was to be considered and the Member was given an opportunity of being heard at such meeting;

6. request a partial buy-back of their shareholding, providing that:
 - (i) the Members would still hold at least the minimum required shareholding in Capricorn; and
 - (ii) the partial buy-back is approved by the Board of Directors of Capricorn in their absolute and unfettered discretion.

provided that:

- A. unless otherwise permitted by the Constitution, the purchase of the shares by Capricorn be on the terms set out in the share buy-back agreement, and the price payable by Capricorn per share does not exceed the issue price per share;
- B. purchasing the shares does not materially prejudice Capricorn's ability to pay creditors; and
- C. the total number of shares bought back by Capricorn pursuant to this authority does not exceed 20% of the share capital of Capricorn at its lowest amount during the last 12 months.

STRONGER WITH
CAPRICORN



2024

CAPRICORN REPORT

For the Year Ended 30 June 2024

Overview



- 23,847 Australia
- 5,470 New Zealand





2023/24 Highlights

\$34.9m

Capricorn Society's
Profit after Tax

\$56.6m

Capricorn Rewards Points
earned by Members

\$18.5m

in Trade Rebate
declared FY24

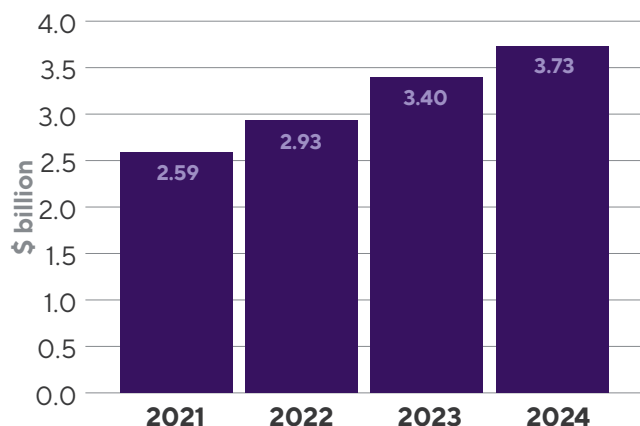
\$92.3m

was provided to Members
during the year for the FY23

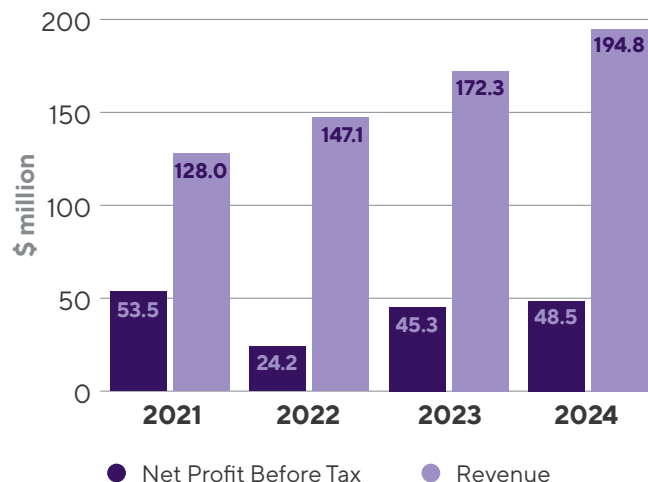
27%

Member Value Return

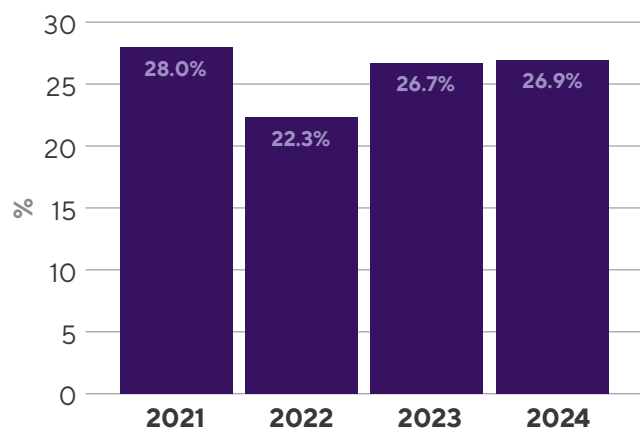
Member purchases from Preferred Suppliers (\$ billion)



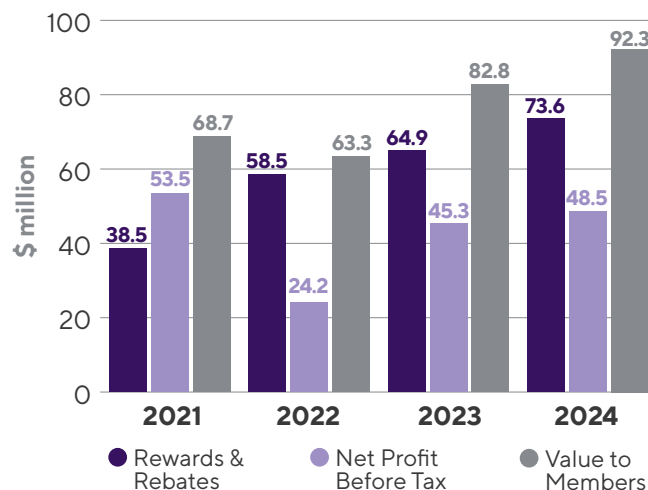
4 Year Financial Summary* (\$ million)



Member Value Return* (%)



Member Value* (\$ million)



*These results do not include Capricorn Mutual Ltd

Customer Service Team

66,300

Capricorn customer service calls

31,300

Outbound calls

Capricorn Field Team

12,000

Capricorn Area Manager phone calls

85,000

Member site visits

14,300

Preferred Supplier site visits



Rising Stars

Over 360 nominations were received in the 2024 Capricorn Rising Stars competition from Capricorn Members across Australia and New Zealand.

This highlights the impressive amount of talent that exists and offers a major boost of confidence in the future of the industry. Narrowing down the field to the five most outstanding nominees was a very difficult task, undertaken by three separate rounds of judging, with the final round involving industry experts.

Congratulations to the following apprentices who are the 2024 Capricorn Rising Stars top five finalists:

Cooper Bullin – Road Runner Mechanical Services

Dylan Sneddon – Auto Response

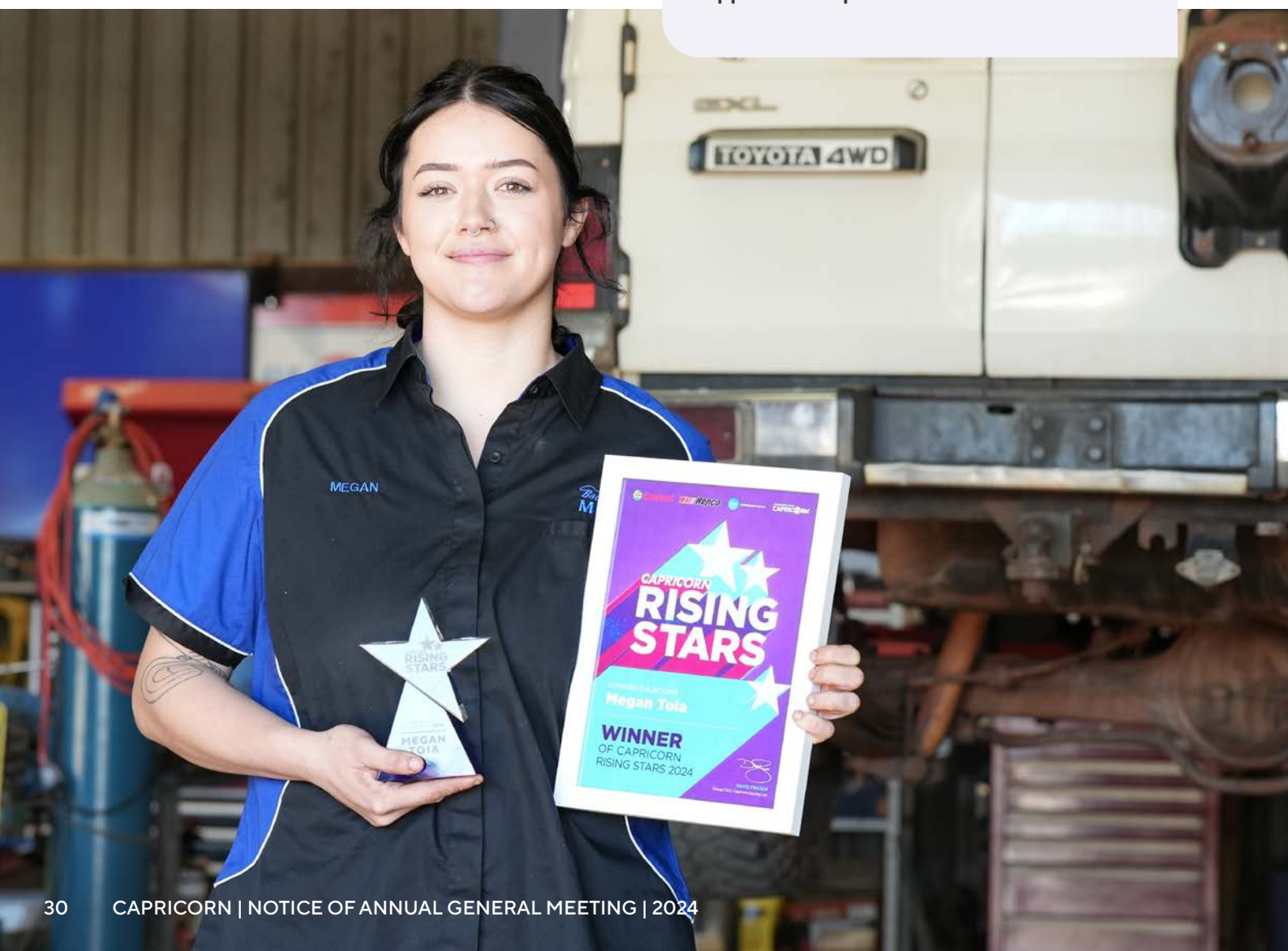
Marko Graovac – Hagans Auto Electrical Service

Megan Toia – Badgingarra Motors

Shalako Hauraki – Ultra Tune Balcatta

The Rising Stars competition not only recognises hardworking and passionate apprentices but also helps to develop a pipeline of talent that will become the highly skilled technicians and business owners of tomorrow. Apprentices nominated for the competition are the future leaders of our industry, and we are proud to celebrate them on their journey.

A huge congratulations to the 2024 Rising Stars winner, Megan Toia from Badgingarra Motors. Megan's love of learning and constant pursuit of excellence highly impressed the multiple rounds of judges. We look forward to seeing where Megan's apprenticeship takes her.



MTAQ

Capricorn and Motor Trades Association Queensland (MTAQ) have joined forces to encourage high school students to consider a career in automotive.

Over the past year, hundreds of high school aged kids have attended MTAQ and Capricorn Career expos prior to Capricorn Trade Shows. This has been a great success with Members and Suppliers showcasing the breadth of careers available in the industry.

Capricorn is a proud sponsor of the MTAQ's Auto Women program. This year we saw a number of Members, Capricorn field team and two previous Capricorn Rising Stars winners connecting at the Auto Women Social in Brisbane. Jacky Mills (Chief Experience Officer) said, "Feeling connected and part of the automotive industry, beyond the workshop, is really valuable to women who work in any kind of role in automotive. These events provide a supportive environment where women can share advice, ideas, their passion for the industry, and just get to know each other".

State of the Nation – Skills Shortage 2023

Our Members told us that the skills shortage was the biggest challenge they face in running their businesses, so we researched and prepared a special report on this issue to help us understand it better.

1,887 Members across Australia and New Zealand took part in the 2023 State of the Nation survey to share their thoughts on the situation.

The key findings of the special report highlighted that finding good staff is causing operational, financial, mental and emotional stress for Members. However, Members are increasingly confident in the future of their own businesses, even though they are slightly less confident in the future of the industry as a whole.

The good news is the work to secure the long-term future of our industry has already begun. Members are doing their best to secure the industry's pipeline of future talent. While training apprentices isn't a quick fix to the issues created by the skills shortage, it is a solid path towards securing the long-term future of our industry.



Gala Dinner & Tradeshows

Getting Members, Preferred Suppliers and the Capricorn Team together at the annual Gala Dinner & Tradeshows is always a highlight of the Capricorn calendar.

With over 4,000 attendees across the six events, it was amazing to network and celebrate with the community. The Hawaiian theme added a fun element to the night, and with tropical décor and themed entertainment it was a great night for everyone who attended.



- 1,255 Western Australia
- 567 South Australia / Northern Territory
- 864 Queensland
- 544 New South Wales / Australian Capital Territory
- 1,149 Victoria / Tasmania
- 343 New Zealand



650

Convention attendees



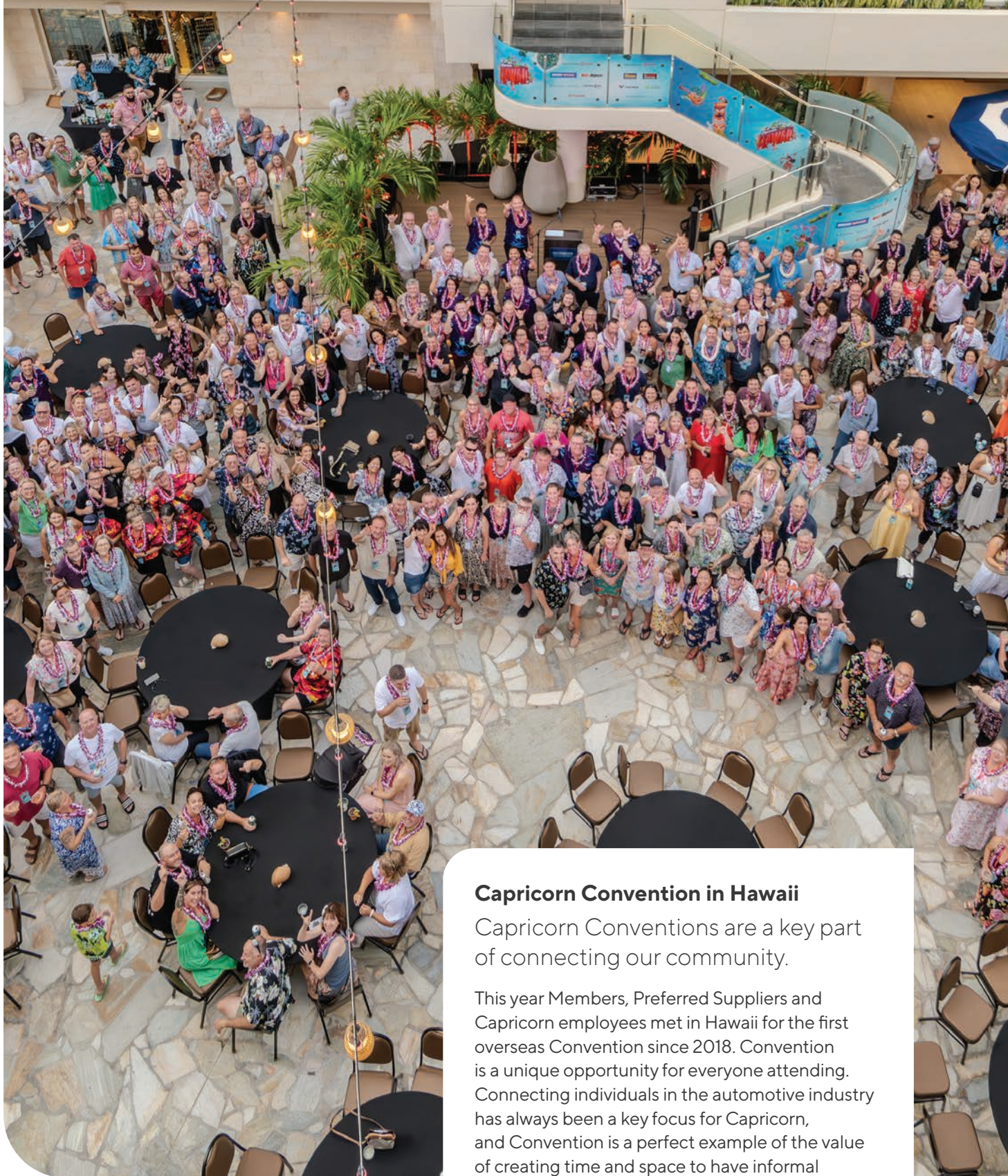
557

Golf Day attendees



3,245

Regional Trade Show attendees



Capricorn Convention in Hawaii

Capricorn Conventions are a key part of connecting our community.

This year Members, Preferred Suppliers and Capricorn employees met in Hawaii for the first overseas Convention since 2018. Convention is a unique opportunity for everyone attending. Connecting individuals in the automotive industry has always been a key focus for Capricorn, and Convention is a perfect example of the value of creating time and space to have informal chats and share stories. The keynote speaker, Malcolm Dix, an experienced presenter, engaged Members and Preferred Suppliers alike with an educational and entertaining training day.

Attendees enjoyed six nights at a beachfront resort in Waikiki, reconnecting with old and meeting new friends in the automotive industry. Other than enjoying a well-deserved break, attendees filled their days with networking events, the Gala Dinner and a number of adventure tours and cultural activities.

Vehicle Finance

In 2023, CAP ezi-finance expanded its finance products to include the purchasing of vehicles.

Our business vehicle finance loans cover everything from cars to utes, trucks, vans, and anything else Members need to keep their businesses moving. A total of 467 vehicle settlements were made in the past financial year in Australia and New Zealand.

604

Vehicle settlements
made in FY24



Head Office Move – Perth

Capricorn's growth in recent years has been evident in both Member and employee numbers.

After outgrowing our offices in West Perth, Capricorn made the decision to relocate into the Perth CBD. The new office allowed us to move to an activity-based working model, which allows flexibility and collaboration between our teams. The new office also puts us right in the heart of the city, with all the decision-makers, and will aid us in attracting and retaining the best talent. As always, this was a strategic decision that will lead to an even better experience for Members and Preferred Suppliers.

Capricorn Rewards Points

Capricorn Rewards introduced an exciting new redemption method, Rewards+, giving Members the opportunity to use their Capricorn Rewards Points to buy (almost) anything.

Members have used their rewards points for items previously not available, including specialised mountain and road bicycles, entertainment systems and even a brand new motorbike!

Victoria Member, Chris, owner of Autoline Service Centre, used the new service and his saved Capricorn Rewards Points to purchase a limited-edition Yamaha YZ520. Chris shared that the 'not exactly essential' purchase was hard to justify as it was going to bite into the family savings, but Capricorn Rewards meant his dream toy was purchased without a single cent being paid. Rewards+ has expanded the benefit of earning Capricorn Rewards Points, allowing Members like Chris to use their rewards points in the way that benefits and rewards them most.



Rewards+

Launched

E-statements

A more secure, more convenient and more environmentally friendly way to provide Members with their monthly statements. Offering Members the option of digital statements, downloaded via myCAP, means Members can now access and review their statements online. Over 8,000 Members have already made the switch.

Upgraded myCAP

Easy access to key information can save hours for Members in the office. Capricorn updated the look and feel of myCAP to elevate the Member experience, making navigation smoother and information more accessible. The introduction of credit card self-service payments and direct debit self service provided Members with an increased range of payment methods, saving them time in paying their Capricorn Trade Account.

1,600

Members using card payment self-service

22,200

myCAP unique Member logins





Capricorn Society Limited

ABN 29 008 347 313

capricorn.coop | **1800 327 437** (AU)
| **0800 401 444** (NZ)