

PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

NOTICE OF 2019
ANNUAL GENERAL
MEETING

Perpetual 



Dear Shareholder

It is my pleasure to invite you to attend the fifth Annual General Meeting (**AGM**) of Perpetual Equity Investment Company Limited (**Company**). The AGM will be held at 2.00pm (Sydney time) on Thursday, 17 October 2019 at Angel Place, Level 18, 123 Pitt Street, Sydney, New South Wales 2000.

There are a number of items on the agenda for the AGM. We will consider:

- the financial and statutory reports for the financial year ended 30 June 2019;
- the re-election of Mr John Edstein; and
- an advisory vote on the adoption of the Remuneration Report.

Full details of each item of business are set out in the enclosed Notice of Meeting and Explanatory Memorandum.

I look forward to welcoming you to the AGM and providing you with a progress report on the Company. Our Portfolio Manager, Vince Pezzullo, will also provide you with an investor update on the performance of the Company. If you are unable to attend in person, you can vote by appointing a proxy to attend and vote on your behalf. You can appoint a proxy using the enclosed proxy form or by lodging your proxy vote online at www.linkmarketservices.com.au.

We also encourage you to submit any questions you have in advance of the AGM using the enclosed form.



Nancy Fox

Nancy Fox
Chairman

11 September 2019

NOTICE OF MEETING

NOTICE IS GIVEN THAT THE FIFTH ANNUAL GENERAL MEETING (“**AGM**”) OF PERPETUAL EQUITY INVESTMENT COMPANY LIMITED ACN 601 406 419 (“**COMPANY**”) WILL BE HELD AT ANGEL PLACE, LEVEL 18, 123 PITT STREET, SYDNEY, NEW SOUTH WALES 2000 ON THURSDAY, 17 OCTOBER 2019 AT 2.00PM (SYDNEY TIME). REGISTRATION WILL OPEN AT 1.30PM. THE FOLLOWING BUSINESS WILL BE CONDUCTED:

FINANCIAL AND STATUTORY REPORTS

To receive and consider the financial report and the reports of the Directors and of the auditor for the financial year ended 30 June 2019.

RESOLUTION 1 RE-ELECTION OF DIRECTOR

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

‘That Mr John Edstein, who retires by rotation from the office of Director in accordance with the Company’s Constitution and being eligible, is re-elected as a Director of the Company.’

Mr Edstein was last elected as a Director at the Company’s 2016 AGM and is retiring by rotation.

Information about Mr Edstein appears in the Explanatory Memorandum attached to this Notice of Meeting.

RESOLUTION 2 ADOPTION OF REMUNERATION REPORT

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

‘That the Remuneration Report of the Company for the financial year ended 30 June 2019 is adopted.’

In accordance with section 250R of the Corporations Act 2001 (Cth) (“**Corporations Act**”), the vote on Resolution 2 will be advisory only.

VOTING

The Chairman intends to put Resolutions 1 and 2 to a poll at the AGM. Voting results on the resolutions that are put to the meeting (including the relevant proxy votes) will be announced to the Australian Securities Exchange (“**ASX**”) as soon as practicable after the AGM.

Voting Exclusion Statement – Resolution 2 (Remuneration Report)

For all resolutions that are directly or indirectly related to the remuneration of a member of the Key Management Personnel (“**KMP**”) of the Company, the Corporations Act restricts KMP and their closely related parties from voting in some circumstances. Closely related party is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 2 (Remuneration Report):

- by or on behalf of a KMP named in the Company’s Remuneration Report for the financial year ended 30 June 2019, or their closely related parties (regardless of the capacity in which the vote is cast); or
- as proxy for a person who is a member of the KMP on the date of the Annual General Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Resolution 2:

- in accordance with a direction on the proxy form; or
- by the Chairman of the AGM, in accordance with an express authorisation in the proxy form to exercise the proxy even though the resolution is connected with the remuneration of the Company's KMP.

Voting at the meeting

Shareholders attending the AGM in person are encouraged to bring the enclosed proxy form to the AGM to assist with registration.

Paper voting cards will be available at the AGM for shareholders.

Proxies

A shareholder who is entitled to vote at the AGM may appoint a proxy to attend and vote at the AGM on behalf of that shareholder. A proxy may be an individual or body corporate and is not required to be a shareholder of the Company.

On a poll, each proxy has one vote for each share carrying the right to vote. A shareholder may appoint two proxies and may specify the proportion or number of votes that the proxy may exercise on a poll.

If a shareholder appoints two proxies and does not specify the proportion or number of votes that the proxy may exercise, each proxy appointed may exercise half the shareholder's votes.

A shareholder who is entitled to vote on a resolution may direct their proxy how to vote on the resolution by following the instructions on the proxy form that accompanies this Notice of Meeting.

A proxy may decide whether or not to vote on any proposed resolution, except where required by law or the Company's Constitution to vote. If the shareholder appointing the proxy:

- directs the proxy how to vote on a proposed resolution, then the proxy may vote on that resolution only in the way directed; or
- does not direct the proxy how to vote on a proposed resolution, then the proxy may vote on that resolution as the proxy thinks fit (subject to any voting exclusions that apply to the proxy) and may abstain from voting.

If a shareholder appoints the Chairman of the AGM as proxy, or the Chairman is appointed by default, and the Chairman is not directed how to vote on a resolution, then, on the poll for that resolution, the Chairman intends to vote all available proxies for that shareholder in favour of that resolution. Please note that if the Chairman of the AGM is a shareholder's proxy and the shareholder does not direct the Chairman how to vote on Resolution 2 (Remuneration Report), then by completing and submitting the proxy form the shareholder will be expressly authorising the Chairman to exercise their proxy on the resolution even though it is connected with the remuneration of the Company's KMP.

If a shareholder does direct the Chairman how to vote on a resolution, the Chairman must vote on a poll in accordance with that direction.

If you wish to appoint a proxy, you must complete the proxy form accompanying this Notice of Meeting and return the completed proxy form to the Company's share registrar by:

- hand delivery at Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138
- post to Perpetual Equity Investment Company Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW, 1235
- facsimile to +61 2 9287 0309

- by lodging the proxy appointment online through the Company's share registry website at www.linkmarketservices.com.au. To use the online proxy appointment facility, you will need your Securityholder Reference Number ("SRN") or Holder Identification Number ("HIN"), which is shown on the top right-hand side of your personalised proxy form accompanying this Notice of Meeting and then follow the prompts and instructions

or to the Company's registered office by:

- hand delivery or post to Angel Place, Level 18, 123 Pitt Street, Sydney, NSW, 2000
- facsimile to +61 2 9287 0303

Duly completed proxy forms (and any necessary supporting documents) must be received by the Company at an address or facsimile number specified above, or by online lodgement at the website specified above, by no later than **2.00pm (Sydney time) on Tuesday, 15 October 2019**. Proxy forms received after this time will not be effective.

Corporate representatives

A body corporate that is a shareholder, or that has been appointed as a proxy of a shareholder, may appoint an individual to act as representative at the AGM. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the AGM evidence of his or her appointment, including the authority under which the appointment is signed, unless that evidence has previously been given to the Company.

NOTICE OF MEETING (CONTINUED)

Determination of entitlement to attend and vote at the AGM

The Company has determined that for the purpose of ascertaining entitlements to attend and vote at the AGM, the shares in the Company on issue as at 7.00pm (Sydney time) on Tuesday, 15 October 2019 (**Entitlement Time**) will be taken, for the purposes of the AGM, to be held by the persons who hold them as registered holders at that time.

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to attend or vote at the AGM.

Shareholder questions

The Company is offering a facility for shareholders to submit written questions in advance of the AGM.

To submit a written question, please complete and return the accompanying form, or submit the question online through the share registrar's website, in accordance with the instructions on the form. The form must be received by the Company's share registrar by no later than 5.00pm (Sydney Time) on Thursday, 10 October 2019. Questions should relate to matters that are relevant to the business of the AGM, as outlined in this Notice of Meeting and the attached Explanatory Memorandum.

Questions that are relevant to:

- the contents of the auditor's report; or
- the conduct of the audit of the Company's financial report

may be addressed to the Company's auditor.

Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible and, where appropriate, will give a representative of KPMG, the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

Explanatory Memorandum is part of this Notice of Meeting

Please refer to the Explanatory Memorandum attached to this Notice of Meeting for further details in relation to the items of business set out in this Notice.

By order of the Board.



Sylvie Dimarco
Company Secretary
11 September 2019

EXPLANATORY MEMORANDUM

FINANCIAL AND STATUTORY REPORTS

The financial report and the reports of the Directors and of the auditor for the financial year ended 30 June 2019 will be laid before the AGM, as required by section 317 of the Corporations Act. The Corporations Act does not require a vote of shareholders on these reports.

The Company's 2019 Annual Report (which includes the Directors', auditor's and financial reports) is available on the Company's website: www.perpetualequity.com.au.

During this item of business, shareholders as a whole at the AGM will be given a reasonable opportunity to ask questions about, and make comments on, those reports and the business and management of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditor, KPMG, questions relevant to the conduct of the audit, the preparation and the content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1:

RE-ELECTION OF MR JOHN EDSTEIN, INDEPENDENT NON-EXECUTIVE DIRECTOR BEC, LLB, LLM (HONS)

John Edstein has been an Independent Non-executive Director of the Company since 26 September 2014. John is Chairman of the Nomination and Corporate Governance Committee and is a member of the Company's Audit and Risk Committee.

John is currently a Director and Chairman of Macquarie Investment Management Limited and is a Director of Retail Employees Superannuation Pty Ltd (Trustee of the Retail Employees Superannuation Trust).

John is also a Senior Legal Consultant for Carroll O'Dea Lawyers and Special Counsel for Walsh Bay Partners Pty Ltd (a family office for high net worth individuals families and foundations).

John has more than 40 years of experience as a legal practitioner. His primary practice areas have been superannuation, life insurance and trusts and the tax aspects of those areas. That experience has included extensive consideration of corporate law, corporate governance and the legal aspects of investment structures. John was formerly a partner in the Tax and Superannuation Group of King & Wood Mallesons (formerly Mallesons Stephen Jaques) from 1990 to 2012 and was National Practice Team Leader of that group from 2006 to 2011. He was a member of the Law Council of Australia Superannuation Committee from 1988 to 2008 and is now an Emeritus Member and is a member of the Tax Institute of Australia and is a Chartered Tax Adviser.

Board recommendation

The Directors have reviewed the performance of Mr Edstein and believe that Mr Edstein continues to provide a valuable contribution to the Board, including his extensive knowledge of corporate law, corporate governance and the legal aspects of investment structures.

Accordingly, the Directors (with Mr Edstein abstaining) strongly support the re-election of Mr Edstein, and unanimously recommend that shareholders vote in favour of Resolution 1.

RESOLUTION 2:

ADOPTION OF REMUNERATION REPORT

The Company's Remuneration Report for the financial year ended 30 June 2019 contains details of the remuneration paid by the Company to its Directors, who are the Company's key management personnel. The Company currently has no paid employees.

Non-executive Directors do not receive performance-related remuneration and are not entitled to participate in equity-based incentive plans. The Executive Director, David Lane, is not entitled to Directors' fees or any other form of remuneration from the Company for his services. Accordingly, the Remuneration Report for 2019 is simple and brief.

The Company's Remuneration Report for the financial year ended 30 June 2019 is set out on pages 20 to 21 of the Annual Report 2019, which is available at www.perpetualequity.com.au.

In accordance with section 250R of the Corporations Act, the vote on Resolution 2 will be advisory only and does not bind the Company or its Directors. Notwithstanding the 'advisory' status of the vote, the Board will take the outcome of the vote into account when considering the future remuneration arrangements of the Company.

Shareholders will be given a reasonable opportunity at the AGM to ask questions about, and make comments on, the Remuneration Report.

The voting exclusion statement for this resolution is set out on page 4 of this Notice of Meeting.

Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 2.


Perpetual 

LODGE YOUR VOTE


 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Perpetual Equity Investment Company Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia; or

Angel Place
Level 18, 123 Pitt Street
Sydney NSW 2000 Australia

 **BY FAX**
+61 2 9287 0303

 **BY HAND**
Angel Place
Level 18, 123 Pitt Street, Sydney, NSW, 2000; or
Angel Place, Level 18, 123 Pitt Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 732 806



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PROXY FORM

I/We being a member(s) of Perpetual Equity Investment Company Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (Sydney time) on Thursday, 17 October 2019 at Angel Place, Level 18, 123 Pitt Street, Sydney, New South Wales (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 2: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, then by submitting this Proxy Form you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Re-Election of Director Mr John Edstein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Sydney time) on Tuesday, 15 October 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Perpetual Equity Investment Company Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

or

Perpetual Equity Investment Company Limited
Angel Place
Level 18, 123 Pitt Street
Sydney NSW 2000



BY FAX

+61 2 9287 0303



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

or

to the Company's registered office*
Angel Place
Level 18, 123 Pitt Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Perpetual Equity Investment Company Limited
Angel Place
Level 18, 123 Pitt Street
Sydney NSW 2000 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Angel Place
Level 18, 123 Pitt Street, Sydney, NSW, 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 732 806



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SHAREHOLDER QUESTION FORM

Please use this form to submit any questions about Perpetual Equity Investment Company Limited (“the Company”) that you would like us to respond to at the Company’s 2019 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company’s auditor it should be relevant to the content of the auditor’s report, or the conduct of the audit of the financial report.

This form must be received by the Company’s Share registrar, Link Market Services Limited, by **5:00pm (Sydney time) on Thursday 10 October 2019**.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised Shareholder topics as possible and, where appropriate, will give a representative of the Company’s auditor the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to Shareholders.

My question relates to *(please mark the most appropriate box)*

- | | | |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report | <input type="checkbox"/> Sustainability/Environment | <input type="checkbox"/> Other |
| <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Future direction | |

- | | | |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report | <input type="checkbox"/> Sustainability/Environment | <input type="checkbox"/> Other |
| <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Future direction | |

QUESTIONS