



9 April 2021

ASX Limited
Market Announcement

Think Childcare Group (ASX Code: TNK)
2021 Annual General Meeting
Confirmation of Dispatch of Documentation

Attached for release to the market is the documentation for the 2021 Annual General Meeting (AGM) of Think Childcare Group (ASX: TNK) (TNK). A copy of TNK's printed Annual Report for the financial year ended 31 December 2020 was released to the market on 24 February 2021.

The 2021 AGM is scheduled to be held on Thursday, 13 May 2021 commencing at 10.30 a.m. (Melbourne time) at:

MinterEllison
Level 20
Collins Arch
447 Collins Street
Melbourne VIC 3000

Hybrid meeting

The Annual General Meeting will be conducted as a hybrid meeting. The hybrid meeting will be conducted in two (2) parts simultaneously with the physical meeting at MinterEllison in Melbourne, in combination and linked with online facilities using ZOOM technology and the Lumi AGM platform that allows remote participation.

AGM documentation

AGM documentation, inclusive of the Notice of Meeting; Explanatory Statement and Proxy Form, together with a copy of the Annual Report for those members who have opted to receive a printed copy of the Report, will be dispatched to members later today.

In addition, electronic notification of the availability of these documents will also be broadcast via the Share Registrar later today and all of the documentation can be viewed via the Company's website and following the link to the ASX announcements at:

<http://thinkchildcare.com.au/investors>



Health and wellbeing of security holders

In planning for the AGM, TNK has prioritised the health and wellbeing of its security holders, clients and employees. If it becomes necessary or appropriate for TNK to make alternative arrangements for the AGM, information will be lodged with the ASX at asx.com.au (stock code: TNK), and TNK's website at <http://thinkchildcare.com.au/investors>.

Given current uncertainty and to minimise health risks created by the rapidly evolving coronavirus (COVID 19) pandemic, **TNK strongly encourages security holders to consider lodging a directed proxy or attending the meeting virtually, rather than attending the meeting in person.**

Security holders and proxyholders attending the meeting online

Security holders and proxyholders attending the meeting online will be given reasonable opportunity to participate in the meeting equivalent to the opportunity security holders and proxyholders would have had if they had been able to attend the meeting in person.

Security holders and proxyholders may attend the virtual meeting and ask questions online (using the ZOOM chat function) by visiting:

<https://zoom.us/j/92898676469?pwd=VEVTczdSVE5qenhiWFhEeDBsZTBMQT09>

Meeting ID: 928 9867 6469

Passcode: 2047

To vote online during the meeting you must join through the Lumi AGM platform.

Security holders and proxyholders can access the Lumi AGM platform from their computer or mobile device at <https://web.lumiagm.com/313757257>

Security holders are encouraged to continue to participate in the AGM and engage with the Board by:

- lodging a directed proxy in advance of the meeting by following the instructions below; and
- lodging questions in advance of the meeting for either the Board members or the Group's Auditor by emailing questions to trinhb@thinkchildcare.com.au by 5.00 p.m. (Melbourne time) on Thursday, 6 May 2021.



How to lodge your proxy vote:

- **Online**
Go to: www.investorvote.com.au and enter the 6-digit control number noted on the front of your Proxy Form which accompanies the Explanatory Booklet and your TNK holder number;
- **By post** at the Share Registry with Computershare Investor Services Pty Ltd
GPO Box 242, Melbourne, Vic, 3001, Australia; or
- **By Facsimile:** within Australia 1800 783 447 OR outside Australia + 61 3 9473 2555.

To be valid, your Proxy Form or electronic voting instructions must be received by 10:30 a.m. (Melbourne time) on Tuesday, 11 May 2021.

Security holders and proxyholders attending the meeting physically

Security holders and proxyholders who are considering attending the AGM physically, should take note of government warnings and advice (including the size of gatherings/social distancing) and monitor TNK's website for any updates about the AGM, including with respect to the location. The Australian and the Victorian State Governments may at any time implement a range of measures to contain or delay the spread of COVID-19, which may be wide ranging and include prohibiting large gatherings.

Please note that, given the concerns noted above, food and refreshments will not be served at the AGM. Other restrictions and precautionary measures may also be imposed on attendance, including limiting or refusing entry to visitors.

If it becomes necessary or appropriate to make alternative arrangements for the meeting, we will provide further information on TNK's website www.thinkchildcare.com.au.

END

For further information:

Trinh Bui

Joint Company Secretary

T +61 2 9712 7444

E trinhb@thinkchildcare.com.au

This announcement has been authorised for release by Mathew Edwards, Managing Director and CEO, Think Childcare Limited and Director, Think Childcare Development Limited.



A stapled entity comprising
Think Childcare Limited ABN 81 600 793 388 and
Think Childcare Development Limited ABN 55 635 178 166

Notice of 2021 Annual General Meeting of security holders and Explanatory Statement

**The Annual General Meeting (being a combined meeting of each Group Entity)
is to be held on Thursday, 13 May 2021 at 10.30 a.m. (Melbourne time)
at MinterEllison,
Level 20, Collins Arch, 447 Collins Street, Melbourne, Victoria, 3000 Australia**

The Annual General Meeting will be conducted as a hybrid meeting. The hybrid meeting will be conducted in two (2) parts simultaneously with the physical meeting at MinterEllison, in combination and linked with online facilities using ZOOM technology and the Lumi AGM platform that allows remote participation.

Security Holders and proxyholders attending the meeting online

Security Holders and proxyholders attending the meeting online will be given reasonable opportunity to participate in the meeting equivalent to the opportunity Security Holders and proxyholders would have had if they had been able to attend the meeting in person.

Security Holders and proxyholders may attend the virtual meeting and ask questions online (using the ZOOM chat function) by visiting:

<https://zoom.us/j/92898676469?pwd=VEVtczdSVE5qenhIWfhEeDBsZTBMQT09>

Meeting ID: 928 9867 6469

Passcode: 2047

To vote online during the meeting you must join through the Lumi AGM platform.

Security Holders and proxyholders can access the Lumi AGM platform from their computer or mobile device at <https://web.lumiagm.com/313757257>

Important Notice

Security Holders who opted in writing to receive a printed Annual Report will have received it.

All security holders can view the Annual Report either by visiting the Group's website at:

www.thinkchildcare.com.au

OR

by visiting the Group's webpage on the ASX website under the ASX Security Code "TNK"

THIS IS AN IMPORTANT DOCUMENT

If you are in doubt as to the action you should take, please consult with your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately

Important notice

General

You should read this Notice of Annual General Meeting and accompanying Explanatory Statement (collectively, **Booklet**) in its entirety before making a decision on how to vote on the Resolutions set out in the Notice. The Notice is contained on page 4 and the Explanatory Statement on page 13 and the proxy form for this AGM accompanies this Booklet.

Defined terms

Capitalised terms in this Booklet are defined either in the Glossary or where the relevant term is first used.

Purposes of the Explanatory Statement

The purposes of the Explanatory Statement which forms part of the Notice of Annual General Meeting are to:

- (a) explain the terms and effect of each Resolution to Security Holders;
- (b) explain the manner in which each Resolution is to be considered and, if approved, implemented; and
- (c) provide such information as is prescribed by the Corporations Act, Corporations Regulations and ASX Listing Rules or as is otherwise material to the decision of security holders about how to vote on the Resolutions.

Investment decisions

This document does not take into account the investment objectives, financial situation or particular needs of any Security Holder or any other person. This document should not be relied on as the sole basis for any investment decision in relation to Stapled Securities. Security holders should consider obtaining independent advice before making any decision in relation to the Resolutions. The Group is not licensed to provide financial product advice in relation to its Stapled Securities or any other financial products.

Forward looking statements

Certain statements in this document may relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Group to be materially different from expected future results, performance or achievements expressed or implied by such statements. Such risks, uncertainties and other important factors include among other things, general economic conditions, specific market conditions, exchange rates, interest rates and regulatory changes. These statements reflect the expectations of relevant parties only as of the date of this Booklet.

Glossary

In this Booklet, including in the Notice:

AGM means the annual general meeting of the Group Security Holders, notice of which is given in the Notice, being a combined meeting of each entity in the Group.

Associate has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of that Act included a reference to this document and each Group Entity was the designated body.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, being a financial market it operates, as the context requires.

Auditor means KPMG (a firm) currently of Level 38 Tower Three, 300 Barangaroo Avenue, Sydney, NSW, 2000.

Boards means the boards of Directors of Think Childcare and Think Childcare Development.

Booklet means this Booklet, comprising the Notice of Annual General Meeting and the Explanatory Statement.

Constitution in relation to a Group Entity means the constitution of the Group Entity.

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

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

CY means a period of 12 months ended or ending on 31 December.

Director means a director of a Group Entity.

ESOP means the Think Childcare Group Employee Share Option Plan.

Explanatory Statement means the explanatory statement contained in this Booklet in relation to the Resolutions to be considered at the AGM and which accompanies and forms part of the Notice.

Group means the stapled entity comprising Think Childcare and Think Childcare Development and their respective controlled entities.

Group Entity means Think Childcare or Think Childcare Development.

Group's Security Holder Registrar means Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford, Vic 3067, Australia.

Listing Rules means the Listing Rules of ASX.

Notice means the notice of AGM contained in this Booklet.

Ordinary Stapled Security or **Stapled Security** means a fully paid ordinary stapled security comprising one fully paid ordinary share in Think Childcare stapled to one fully paid ordinary share in Think Childcare Development.

Ordinary Security Holder or **Security Holder** means a holder of at least one Ordinary Stapled Security.

Register of Members means the register of Security Holders.

Resolutions means the resolutions set out in the Notice.

Think Childcare means Think Childcare Limited ACN 600 793 388.

Think Childcare Development means Think Childcare Development Limited ACN 635 178 166.

Trading Day has the meaning given in the Listing Rules.

VWAP means the volume weighted average market price as defined in the Listing Rules of Stapled Securities.

A reference to **dollars, \$, AUD, cents, A\$ or \$A** is to the lawful currency of Australia.



Think Childcare Limited ABN 81 600 793 388
Think Childcare Development Limited ABN 55 635 178 166

Notice of Annual General Meeting

Notice is given that the 2021 Annual General Meeting (**AGM**) of Think Childcare Group (**Group**) (being a combined meeting of each Group Entity) will be held on:

Date: Thursday, 13 May 2021

Time: 10:00 a.m. Registration
10:30 a.m. Commencement of AGM

Venue: MinterEllison
Level 20, Collins Arch, 447 Collins Street,
Melbourne, Victoria 3000 Australia

The Annual General Meeting will be conducted as a hybrid meeting. The hybrid meeting will be conducted in two (2) parts simultaneously with the physical meeting at MinterEllison, in combination and linked with online facilities using ZOOM technology and the Lumi AGM platform that allows remote participation.

Security Holders and proxyholders attending the meeting online

Security Holders and proxyholders attending the meeting online will be given reasonable opportunity to participate in the meeting equivalent to the opportunity Security Holders and proxyholders would have had if they had been able to attend the meeting in person.

Security Holders and proxyholders may attend the virtual meeting and ask questions online (using the ZOOM chat function) by visiting:

<https://zoom.us/j/92898676469?pwd=VEVTczdSVE5qenhIWfHEeDBsZTBMQT09>

Meeting ID: 928 9867 6469

Passcode: 2047

To vote online during the meeting you must join through the Lumi AGM platform.

Security Holders and proxyholders can access the Lumi AGM platform from their computer or mobile device at <https://web.lumiagm.com/313757257>

ORDINARY BUSINESS

1 Financial Statements and Reports

To receive and consider the Consolidated Financial Report and the Reports of the Directors and of the Auditor for the annual financial period ended 31 December 2020 which are contained in the 2020 Annual Report.

2 Election of Directors

Resolution 1 - To consider and, if thought fit, pass the following resolution as a resolution of Think Childcare:

Election of Evonne Collier as a Director of Think Childcare

“That Evonne Collier, a Director retiring in accordance with the Constitution of Think Childcare and the Listing Rules, being eligible and having offered herself for re-appointment, is re-appointed as a Director of Think Childcare”.

Resolution 2 - To consider and, if thought fit, pass the following resolution as a resolution of Think Childcare Development:

Election of Mark Kerr as a Director of Think Childcare Development

“That Mark Kerr, a Director retiring in accordance with the Constitution of Think Childcare Development and the Listing Rules, being eligible and having offered himself for re-appointment, is re-appointed as a Director of Think Childcare Development”.

Resolution 3 - To consider and, if thought fit, pass the following resolution as a resolution of Think Childcare:

Election of James Spenceley as a Director of Think Childcare

“That James Spenceley, who was appointed as a Director of Think Childcare by the Board on 15 May 2020 retires as a Director in accordance with the Constitution and the Listing Rules and, being eligible offers himself for election, is elected as a Director of the Think Childcare”.

Resolution 4 - To consider and, if thought fit, pass the following resolution as a resolution of Think Childcare Development:

Election of Nick Anagnostou as a Director of Think Childcare Development

“That Nick Anagnostou, who was appointed as a Director of Think Childcare Development by the Board on 1 October 2020 retires as a Director in accordance with the Constitution and the Listing Rules and, being eligible offers himself for election, is elected as a Director of Think Childcare Development”.

3 Adoption of the Remuneration Report

Resolution 5 - To consider and, if thought fit, pass the following resolution as a resolution of each Group Entity:

"That the Remuneration Report for the annual financial period ended 31 December 2020 as disclosed in the Directors' Report be adopted".

Note – the vote on this Resolution is advisory only and does not bind the Directors or the Group. Voting restrictions apply to this Resolution.

Note – A voting exclusion applies to this Resolution.

SPECIAL BUSINESS

4 Grant of Performance Rights under the Employee Share and Option Plan to Executive Directors

Resolution 6 - To consider and, if thought fit, pass the following resolution as a resolution of each Group Entity:

"That, for the purposes of the ASX Listing Rule 10.14, and for all other purposes, Security Holders approve the allotment and issue to Mr Mathew Edwards (or his nominee) of a total of 278,271 Performance Rights to acquire a like number of Stapled Securities upon vesting and exercise, under the terms of the Think Childcare Group Employee Share Option Plan, as detailed in the Explanatory Statement accompanying and forming part of the notice of this meeting".

Note – A voting exclusion applies to this Resolution.

5 Approval of additional 10% placement capacity

Resolution 7 – To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution of each Group Entity:

"That for the purposes of Listing Rule 7.1A and for all other purposes, Security Holders approve that the Group have the additional capacity to issue Stapled Securities up to the maximum calculated in accordance with Listing Rule 7.1A."

Note – A voting exclusion applies to this Resolution.

OTHER BUSINESS

To transact any other business that may be legally brought forward.

Dated: 24 March 2021

BY ORDER OF THE BOARD



Mathew Edwards
Managing Director and CEO, Think Childcare Limited
Executive Director, Think Childcare Development Limited

NOTES:

1. Proxies

A member entitled to attend and vote at this meeting is entitled to appoint a proxy. If a member is entitled to cast two or more votes, the member may appoint two proxies. If two proxies are appointed, each proxy may be appointed to represent a specific proportion or number of the member's voting rights. If no proportions are specified, each proxy may exercise half the available votes. Fractions of votes are to be disregarded. A proxy need not be a member of the Group. A proxy may be an individual or a body corporate.

If members wish to appoint one proxy, please use the form provided. If you want to appoint two proxies please follow the instructions set out on the reverse side of the proxy form.

To be effective, a proxy form and an original or certified copy of the authority (if any) under which it is signed may be lodged with the Group's Security Holder Registrar as follows:

Before the AGM:

By hand or by post at the Group's Security Holder Registrar, Computershare Investor Services Pty Ltd 452 Johnston Street, Abbotsford, Vic 3067, Australia or by post- GPO Box 242, Melbourne, Vic, 3001, Australia; or

By Facsimile: within Australia 1800 783 447 OR outside Australia + 61 3 9473 2555; or

Online lodge a proxy online via www.investorvote.com.au using the control number noted on the front of your proxy form which accompanies this Explanatory Booklet along with your SRN/HIN number (as applicable) and your postcode and by following the instructions on that website or if you are a custodian (for intermediary online subscribers only), via www.intermediaryonline.com, and following the instructions on that website.

During the AGM:

Online - using the online platform as set out below under the heading "Voting via the Online Platform".

In person - You may attend the AGM in person at the date, time and place specified in this Notice.

Enquiries – call: within Australia 1300 850 505 OR outside Australia + 61 3 9415 4000.

All proxy forms must arrive (in either case) no later than 10.30 a.m. (Melbourne time) on Tuesday, 11 May 2021.

Voting via the online platform

If you wish to vote during the AGM, we recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the AGM using the instructions below:

- (a) enter <https://web.lumiagm.com/313757257> into a web browser on your computer or online device;

- (b) Security Holders wishing to vote via the online platform will need their **SRN** or **HIN** (printed at the top of the Proxy Form); and
- (c) proxyholders wishing to vote via the online platform will need their **unique username** and **password** available from the Group's Security Holder Registrar on +61 3 9415 4024 Monday to Friday during business hours, 1 hour prior to the start of the meeting.

Online voting will be open between the commencement of the AGM at 10:30am (Melbourne time) on 13 May 2021 and the time at which the Chair announces voting closure. More information about online participation in the AGM is available in the Virtual AGM Online Guide at www.computershare.com.au/onlinevotingguide.

2 Corporate Security Holders, Proxies and Attorneys

A body corporate which is a Security Holder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act.

Corporate Security Holders and proxies wishing to appoint a representative to attend and vote at the meeting on their behalf must provide the representative with:

- (a) a properly executed letter or certificate authorising the person to act as the corporate security holder's or proxy's representative; or
- (b) a copy of the resolution of the corporate Security Holder or proxy appointing the representative, certified by a secretary or director of the Security Holder or proxy.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Group.

A Security Holder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by Group's Security Holder Registrar at the address listed above for the receipt of proxy appointments by no later than 10.30am (Melbourne time) on Tuesday, 11 May 2021.

3 Explanatory Statement

An explanation of each resolution is included in the accompanying Explanatory Statement. The Explanatory Statement forms part of the Notice.

4 Voting Entitlements

The Board of Directors of the Think Childcare and Think Childcare Development, pursuant to Section 1074E(2)(g) of the *Corporations Act 2001*, Regulation 7.11.37 of the *Corporations Regulations 2001* and ASX Settlement Operating Rule 5.6.1, and as the convenor of the meeting, has determined that the security holding of each Security Holder for the purpose of ascertaining voting entitlements for the AGM will be as it appears on the Register of Security Holders at 7.00 p.m. (Melbourne time) on Tuesday, 11 May 2021.

As the meeting will be a hybrid meeting using virtual meeting technology, each resolution put to a vote at the meeting will be decided on a poll. Each poll will be conducted by the Group's Security Holder Registrar.

5 Voting Exclusion and Restriction Statements

Resolution 1: Election of Evonne Collier as a Director of Think Childcare

There are no voting exclusions in relation to Resolution 1.

Resolution 2: Election of Mark Kerr as a Director of Think Childcare Development

There are no voting exclusions in relation to Resolution 2.

Resolution 3: Election of James Spenceley as a Director of Think Childcare

There are no voting exclusions in relation to Resolution 3.

Resolution 4: Election of Nick Anagnostou as a Director of Think Childcare Development

There are no voting exclusions in relation to Resolution 4.

Resolution 5: Adoption of the Remuneration Report

The Group will disregard any votes cast on the proposed Resolution for the adoption of the Remuneration Report for (Resolution 5) by or on behalf of:

- (a) a member of the key management personnel of the Group, details of whose remuneration are included in the remuneration report for the year ended 31 December 2020 (**KMP**); or
- (b) a closely related party of the KMP,

whether the votes are cast as a Security Holder, proxy or in any other capacity.

However, the Group will not disregard a vote cast by a KMP or closely related party of the KMP if it is cast as a proxy and it is not cast on behalf of a KMP or closely related party of a KMP and either:

- (a) the proxy is appointed in writing that specifies how the proxy is to vote on Resolution 5; or
- (b) the proxy is the person chairing the meeting and the appointment of the chair as proxy does not specify the way the proxy is to vote on Resolution 5 and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the proxy.

If you are a KMP or a closely related party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Group (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, whether directly or indirectly. Members of the Group's key management personnel include its directors and certain senior executives.

A closely related party of a member of the key management personnel means any of the following:

- a spouse, child or dependant of the member;
- a child or dependant of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Group; or
- a company the member controls.

The proxy form accompanying this Notice contains detailed instructions regarding how to complete the proxy form if a Security Holder wishes to appoint the chair of the meeting as his or her proxy. You should read those instructions carefully.

Resolution 6: Grant of Performance Rights under the Employee Share and Option Plan to Executive Directors

The Group will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a Director who is eligible to participate in the ESOP; and
- an Associate of such a Director.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- the holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

At present all Directors are eligible to participate in the ESOP.

In addition to the above voting exclusion, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 6 (being a resolution connected directly or indirectly with the remuneration of a member of the key management personnel for the Group) if:

- the person is either:
 - a member of the key management personnel for the Group; or
 - a closely related party of a member of the key management personnel; and
- the appointment does not specify the way the proxy is to vote on the resolution.

However this proxy voting restriction does not apply if:

- the person is the chair of the AGM; and
- the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the compensation of a member of the key management personnel for the Group.

Resolution 7: Approval of additional 10% placement capacity

The Group will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) if at the time of the AGM the Group is proposing to make an issue of Stapled Securities under Listing Rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Stapled Securities); or
- (b) an Associate of any person referred to in (a).

However, this does not apply to a vote cast in favour of the Resolution by:

- (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) the chair of the AGM as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (e) a holder acting solely as a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on, the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6 Undirected Proxies

The chairman of Think Childcare (or if he is unable to attend a Director nominated by the Boards) will chair the AGM.

If the appointment of the proxy specifies the way the proxy is to vote on the resolution the Chair of the AGM will vote in accordance with that direction. If the appointment of the proxy does not specify the way the proxy is to vote, subject to the instructions in this document and any applicable voting restrictions, the Chair will vote ***in favour*** of each resolution.

The Group recommends that Security Holders who submit proxies should consider giving 'how to vote' directions to their proxyholder on each resolution.

7 Voting – General Comment

Each resolution will be moved, and then will be open to the meeting for discussion.

Following the completion of discussion the Chair will inform the meeting of the details of the valid proxy voting received by the Group. The resolutions will then be put to the vote. All voting will be by poll.

8 Questions and Comments by members and proxyholders at the meeting

A reasonable opportunity will be given to Security Holders and proxyholders to ask questions about or make comments on the management of the Group at the meeting. Security Holders and proxyholders attending the meeting online, may ask questions about or make comments on the management of the Group using the ZOOM chat function.

Similarly, a reasonable opportunity will be given to Security Holders and proxyholders to ask the Auditor, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Group in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Security Holders may also submit a written question to the Auditor via the Group, no later than 5 business days before the meeting, if the question is relevant to the content of the Audit Report or the conduct of its audit of the Group's Financial Report for the financial period ended 31 December 2020.

Relevant written questions for the Auditor must be received no later than 5.00 p.m. (Melbourne time) on Thursday, 6 May 2021. A list of those relevant written questions will be made available to Security Holders attending the meeting. The Auditor will either answer the questions at the meeting or table written answers to them at the AGM. If written answers are tabled at the meeting, they will be made available to Security Holders as soon as practicable after the meeting.

Please send any written questions for the Auditor to the Group at the address on the proxy form of:

Think Childcare Group
Suite 3, 1 Park Avenue, Drummoyne NSW 2047

or by email to trinhb@thinkchildcare.com.au

by no later than 5.00 p.m. (Melbourne time) on Thursday, 6 May 2021.



Think Childcare Limited ABN 81 600 793 388
Think Childcare Development Limited ABN 55 635 178 166

Explanatory Statement

*This Explanatory Statement accompanies and forms part of the
Notice of Annual General Meeting dated 24 March 2021*

ORDINARY BUSINESS

Item 1 - Receive and Consider the Financial and Other Reports

The *Corporations Act 2001* (Cth) requires that the Financial Report, Directors' Report and Auditor's Report be laid before the meeting. However, there is no requirement for the Security Holders to vote on, approve or adopt these Reports. Security Holders will be given an opportunity to ask questions with respect to these reports.

Security Holders have been provided with all relevant information concerning the Group's financial statements in the Annual Report of the Group for the year ended 31 December 2020. A copy of the 2020 Annual Report has been forwarded or made available to each Security Holder. A copy of the financial statements and the associated reports will also be tabled at the meeting.

Security Holders should note that the sole purpose of tabling the financial statements of the Group at the Annual General Meeting is to provide the Security Holders with the opportunity to be able to ask questions or discuss matters arising from the financial statements at the meeting. It is not the purpose of the meeting that the financial statements be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt the Group's financial statements will be put to the Security Holders at the meeting.

Security Holders will be allowed a reasonable opportunity to ask questions about, or make comments on, the management of the Group. Security Holders and proxyholders attending the meeting online, may ask questions using the ZOOM chat function.

It is proposed that the Group's Auditor will be present at the meeting. Security Holders present at the meeting will be allowed a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Group in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

Item 2 - Election of Directors

Details of the Director seeking election and all other Directors are contained in the 2020 Annual Report.

Election of Evonne Collier as a Director of Think Childcare (Resolution 1)

Information about Mrs Collier

Mrs Collier

Non-Executive Director - Appointed 6 April 2018 by the Board of Think Childcare and elected 28 May 2019

Evonne is a professional Non-Executive Director and an experienced leader in business scale-up and transformation, branding strategies, new to world and category innovation, digital disruption and B2B and B2C customer experience.

She has 25 years' senior executive experience in bringing high growth strategic direction to organisations including commercialising transformative, new to world products and services and an expert background in driving brand profile, customer experience/journeying and growing market share and sales across channels, including digital strategy and transformation.

She has held governance roles in Finance, Insurance, Health/Wellness, eCommerce, FMCG/Packaged Goods and Government sectors in large ASX, private, mutuals and publicly unlisted companies as: Non-Executive Director, Committee Member and Elected Councillor of small to large balance sheet holding companies, insurance businesses and start-ups including e-commerce ventures.

Directors' Recommendations

The Directors of Think Childcare (with Mrs Collier abstaining) unanimously recommend that Security Holders vote in favour of the re-election of Mrs Collier.

Election of Mark Kerr as a Director of Think Childcare Development (Resolution 2)

Information about Mr Kerr

Mr Kerr - LLB

Non-Executive Director – Appointed on the incorporation of Think Childcare Development, 29 July 2019

Mark is an experienced Director and advisor to listed and private companies. He is a Director of Berkeley Consultants Pty Ltd which specialises in public relations and reputation management consultancy. Mark also holds current directorships as executive director Hawthorn Resources Limited group (ASX: HAW) and non-executive Chairman of Contango Income Generator Ltd (ASX: CIE).

Former directorships of listed entities during the past three-year period being: non-executive director of Alice Queen Ltd (ASX: AQX) – resigned 30 June 2019.

Mark's community involvement currently extends to being a member of the Victorian Committee for the Juvenile Diabetes Research Foundation. He is also a committee member of the St. Vincent's Institute Charity Golf Day Committee and a volunteer Board Member at International Specialised Skills Institute.

Directors' Recommendations

The Directors of Think Childcare Development (with Mr Kerr abstaining) unanimously recommend that Security Holders vote in favour of the re-election of Mr Kerr.

Election of James Spenceley as a Director of Think Childcare (Resolution 3)

Clause 74.2 of the Constitution provides that unless the Director is the Managing Director and the ASX Listing Rules do not require that Director to be subject to retirement as set out in this clause, a Director appointed under clause 74.1 (being a Director appointed by the Board) will hold office until the end of the next annual general meeting of the Company, at which the Director may be re-elected.

Mr Spenceley was appointed during the year as a Director pursuant to clause 74.1 of the Think Childcare Constitution. Accordingly, Mr Spenceley retires as a Director of the Company in accordance with clause 74.2 of the Constitution and, being eligible, offers himself for election as a Director of the Company.

Information about Mr Spenceley

Mr Spenceley

Non-Executive Director - Appointed 15 May 2020 by the Board of Think Childcare

James is a well-known Australian professional investor, award-winning entrepreneur and experienced company director. He is the Chairman of Airtasker and former CEO and co-founder of MHOR asset management. In 2007 James founded Vocus Communications and went on to become the youngest Australian to create and lead an ASX100 company. James was instrumental in building the Vocus business from a market cap of \$25m at listing to a multiple billion market cap via both organic and M&A growth.

James is a two-times EY Entrepreneur of the Year winner and in 2018 was inducted into the Telecommunications Hall of Fame. James is the first ambassador for the Women on Boards program and a board member of the not for profit, Humpty Dumpty Foundation.

Directors' Recommendations

The Directors of Think Childcare (with Mr Spenceley abstaining) unanimously recommend that Security Holders vote in favour of the election of Mr Spenceley.

Election of Nick Anagnostou as a Director of Think Childcare Development (Resolution 4)

Clause 75.2 of the Constitution provides that unless the Director is the Managing Director and the ASX Listing Rules do not require that the Director to be subject to retirement as set out in that clause, a Director appointed under clause 75.1 (being a Director appointed by the Board) will hold office until the end of the next annual general meeting of the Company, at which the Director may be re-elected.

Mr Anagnostou was appointed during the year as a Director pursuant to clause 75.1 of the Think Childcare Development Constitution. Accordingly, Mr Anagnostou retires as a Director of the Company in accordance with clause 75.2 of the Constitution and, being eligible, offers himself for election as a Director of the Company.

Information about Mr Anagnostou

Mr Anagnostou

Non-Executive Director - Appointed 1 October 2020 by the Board of Think Childcare Development

Nick brings to the Company over 30 years' experience in the real estate and funds management industries and most relevantly as a senior executive in the child care sector since 2005. From 2008 to 2019 Nick was CEO of Australia's largest ASX listed child care Property Trust, the Charter Hall Social Infrastructure Trust, which was acquired from Folkestone. Nick navigated the REIT through the 2008 Global Financial Crisis and the failure of its largest tenant in 2009 and subsequently grew the child care REIT from a market capitalisation of approximately \$20m to \$1.2bn.

Nick's expertise is in real estate and site selection, corporate transactions, strategy, and capital markets, with an extensive network within the child care industry including Institutional Investors throughout Asia. In his roles, he successfully acquired over 300 child care Services and successfully developed a further 70+ child care Services.

Directors' Recommendations

The Directors of Think Childcare Development (with Mr Anagnostou abstaining) unanimously recommend that Security Holders vote in favour of the election of Mr Anagnostou.

Item 3 – Adoption of the Remuneration Report (Resolution 5)

The Group must put to a vote a resolution to adopt the Remuneration Report as disclosed in the Directors' Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Directors' Report must include a Remuneration Report containing prescribed information about the Boards' policy for determining the nature and amount of the remuneration of Directors and other key management personnel. The Remuneration Report must also explain the relationship between the remuneration policy of the Boards and the Group's performance. The Remuneration Report of the Group for the financial period ended 31 December 2020 is set out in pages 40 - 57 of the Directors' Report as incorporated in to the Group's 2020 Annual Report.

The vote on this resolution is advisory only and non-binding. However, if at least 25% of the votes cast on the resolution are voted against the Remuneration Report at the meeting, then:

- (a) if comments are made on the report at the meeting, the Group's Remuneration Report for the following financial year will be required to include an explanation of the Boards' proposed action in response or, if no action is proposed, the Boards' reasons for this; and
- (b) if at the following year's annual general meeting, at least 25% of the votes cast on the resolution for the adoption of the Remuneration Report for that year are against adoption, the Group will be required to put to Security Holders a resolution proposing that a general meeting be called to consider the election of Directors of the Group (**Spill Resolution**). If a Spill Resolution is passed, all of the Directors (other than the managing director, if any) will cease to hold office at a subsequent general meeting (**Spill Meeting**), unless re-elected at that meeting; such meeting to be held within 90 days of the Annual General Meeting (AGM) that passed the Spill Resolution.

If at the Spill Meeting, the resolutions are all passed against re-electing the relevant Directors, the legislation includes a mechanism to ensure each group entity Board continues with the statutory required minimum of 3 Directors. After the managing director, the remaining two positions will be filled by the Directors whose re-election resolutions at the Spill Meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for two Directors, the managing director and any other Director whose re-election has been confirmed at the Spill Meeting, can choose who is to become the third Director, with such appointment to be confirmed by Security Holders at the AGM following the Spill Meeting.

The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting. As noted above the Remuneration Report is set out in the Group's 2020 Annual Report at pages 40 - 57.

The report:

- explains the Boards' policies in relation to the nature and level of remuneration paid to Directors and key management personnel within Think Childcare Group;
- discusses the link between the Boards' policies and the Group's performance;
- sets out remuneration details for each Director and for each of the Group's key management personnel; and
- makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives, including executive Directors.

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

Please note that at the 2020 Annual General Meeting the number of votes cast against the adoption of the Remuneration Report for the year ended 31 December 2019 was less than 25 per cent of the total number of votes cast at the meeting on the resolution proposing the adoption of the Remuneration Report. Accordingly and as such a "first strike" was not recorded.

Directors' Recommendation

The Directors unanimously recommend that Security Holders vote in favour of Resolution 5. The Chairman has informed the Boards that he intends to vote any open and available proxies given to him in favour of Resolution 5.

SPECIAL BUSINESS

Item 4 – Grant of Performance Rights to Mathew Edwards (Resolution 6)

Included in the Initial Public Offering Prospectus of Think Childcare dated 2 October 2014 in Section 10 – Additional Information at Item 10.11 (as amended in the stapling proposal Explanatory Booklet of Think Childcare (in Section 12 Key Documents) dated 31 October 2019) were details of the Group's Employee Share and Option Plan (**Plan** or **ESOP**) under which present and future eligible employees (**Participants**) may be granted Performance Rights (to acquire Stapled Securities upon exercise of vested Performance Rights).

The purpose of the Plan is to provide a long-term incentive to staff (as part of a focus to more closely link overall remuneration to the achievement of performance benchmarks), to encourage direct involvement and interest in the performance of the Group; to assist in the reward, motivation and retention of employees of the Group and to enable the acquisition of a long term equity interest in the Group by its staff.

All employees, including executive and non-executive Directors, and any individual whom the Board determines to be an eligible participant for the purposes of the Plan, are eligible to participate in the Plan.

The Board did not grant any securities under the Plan during the 2014 and 2015 financial years. During the 2016 financial year, 250,000 Performance Rights were issued under the Plan collectively to the Directors of Think as approved by the Security Holders on 6 May 2016 (**CY 2016 Grant**). During the 2017 financial year, 78,946 Performance rights were issued under the Plan collectively to executive directors of Think Childcare as approved by Security Holders on 5 May 2017 (**CY 2017 Grant**).

The Board did not grant any securities to the directors under the Plan during the 2018, 2019 and 2020 financial years. To ensure that securityholder returns continue to be a key focus of the executive directors, the Board has decided it is appropriate to grant further Performance Rights to Mathew Edwards and a select number of Group key executives under the Plan in 2021 (**CY 2021 Grant**).

ASX Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities. Accordingly, under Resolution 6, approval is sought for the issue of the Performance Rights (and Stapled Securities upon the vesting and exercise of the Performance Rights) to each of the executive directors as set out above. Approval for the purposes of ASX Listing Rule 10.14 falls within an exception to ASX Listing Rule 10.11 which would otherwise apply to prohibit the issue of securities to Mathew Edwards as a related party of the Group.

Resolution 6 seeks the approval of Security Holders for the purpose of ASX Listing Rule 10.14 to the issue of Performance Rights under the Plan to the Managing Director and Chief Executive Officer of Think Childcare, Mathew Edwards.

Proposed grant of Performance Rights to Mathew Edwards

Mathew Edwards is the Managing Director and Chief Executive Officer of Think Childcare. The structure of Mr Edwards' remuneration package has been reviewed against market practice to ensure that long term incentives form a key component of his total annual remuneration. A significant portion of his total annual remuneration has been placed at-risk to better align his interests with those of Security Holders, to encourage production of long-term sustainable growth and to assist with retention.

The CY21 Grant is a proposed grant of a total of 278,271 Performance Rights to Mr Edwards in two tranches as follows:

Tranche 1 – 180,566 Rights in relation the financial period ended 31 December 2019 (**CY20 Performance Rights**). Due to a range of factors, including COVID-19, the CY20 Performance Rights were not offered in 2020 in accordance with the Group's remuneration strategy intention; and

Tranche 2 – 97,705 Rights in relation to the financial period ended 31 December 2020 (**CY21 Performance Rights**).

The CY21 Grant has been determined after taking into consideration the Boards' intention to transition in elements of 'at risk' remuneration over this and subsequent years.

Select Group executives reporting to Mr Edwards will also receive the same mix of remuneration, but the amounts and values will vary depending on seniority and position.

Key terms of the Performance Rights

Equity instrument

Rights to Stapled Securities like the Performance Rights proposed to be granted to the executive directors is one of the most prevalent equity instruments used by companies in the market. Performance Rights are simple in nature and are easily understood by employees as well as by Security Holders. By issuing Performance Rights, the Directors are better able to perceive the value obtained from Performance Rights resulting in better alignment with Security Holder's interests. Subject to satisfaction of vesting conditions, upon exercise of a vested Performance Right, a participant will be issued with one fully paid ordinary stapled security in the Group. For the avoidance of doubt, no Stapled Securities will be issued in respect of vested Performance Rights unless the relevant participant elects to exercise (in whole or in part) their vested Performance Rights.

Performance criteria

Tranche 1 – TSR CAGR (Compound Annual Growth Rate in Total Security Holder Return) from a start date being the date of release to ASX of the Group's financial statements for the calendar and financial year ended 31 December 2019 to and including an end date being the date of release to ASX of the Group's financial statements for the calendar and financial year ending 31 December 2022.

Tranche 2 - TSR CAGR from a start date being the date of release to ASX of the Group's financial statements for the calendar and financial year ended 31 December 2020 to and including an end date being the date of release to ASX of the Group's financial statements for the calendar and financial year ending 31 December 2023.

In each case, TSR will be measured using the 10-trading day VWAP from the applicable start date and using a 10-trading day VWAP ending on the applicable end date.

In relation to the CY 16 Grant, EPS was chosen as an appropriate performance measure and is commonly used by companies in the ASX100.

The CY 17 Grant was subject to budgeted targets set by the non-executive Board to ensure that security holder returns continued to be a key focus of the Board.

In relation to Tranche 1, the Performance Rights have been valued at \$1.1907 each. This valuation is based on the 10-trading day VWAP from date of release of CY19 financials.

In relation to Tranche 2, the Performance Rights have been valued at \$2.2005 each. This valuation is based on the 10-trading day VWAP from date of release of CY20 financials.

Hurdle rates

Tranches 1 and 2 – threshold of 10% pa in which event 50% vest; target of 15% pa, in which event 100% vest.

Pro rata vesting on a straight-line basis between threshold and target.

Service and Performance Period

Tranche 1 – From the date of release to ASX of the Group's financial statements for the calendar and financial year ended 31 December 2019 to and including the date of release to ASX of the Group's financial statements for the calendar and financial year ending 31 December 2022.

Tranche 2 - From the date of release to ASX of the Group's financial statements for the calendar and financial year ended 31 December 2020 to and including the date of release to ASX of the Group's financial statements for the calendar and financial year ending 31 December 2023.

Mr Edwards must be in a position of employment with the Group or a Good Leaver during the relevant period. Vesting of unvested Performance Rights at termination of employment will be tested as if Mr Edwards continued in office until the end of the Service and Performance Period and vesting will occur as if Mr Edwards so continued in office.

The final testing date for the Boards' assessment of whether the performance criteria and the service condition has been satisfied will be 31 March 2023 for Tranche 1 and 31 March 2024 for Tranche 2.

Potential claw back

The granting and vesting of Performance Rights will be subject to claw back in accordance with the Group's Clawback Policy. The Policy allows the Company the ability to claw back certain elements of an executive's remuneration (including incentives paid) in relation to a material misstatement in the Group's financial statement due to material non-compliance with financial reporting requirements or misconduct of an executive or of an employee, contractor or adviser as a result of (lack of) direction from an executive of the Group.

Change of control

The Performance Rights may be subject to immediate and early vesting, pro rata with respect to the Service and Performance Period, in accordance with the rules of the ESOP and the terms of grant and at the discretion of the Boards, if a change of control of the Group occurs or is likely, including as a result of a takeover bid or scheme of arrangement.

Other terms and conditions

Other terms and conditions include a prohibition on assigning, hedging or securitising unvested Performance Rights and Mathew Edwards may only appoint a nominee to hold Performance Rights with the prior approval of the Board.

Proposed date of grant

As soon as practicable and in any event no later than 1 month after the passing of Resolution 6.

ASX Listing Rule 10.15 disclosures

For the purposes of the approval sought under ASX Listing Rules 10.14 and for all other purposes, the following information is provided to Security Holders in respect of the Performance Rights to be granted to the executive director, Mathew Edwards:

- (a) The Performance Rights will be granted to the director or, with the prior approval of the Board, his nominee.
- (b) Subject to Security Holder approval being obtained, the maximum number of Performance Rights granted to Mr Edwards will be a total of 278,271. Subject to the satisfaction of vesting conditions, upon exercise, one Stapled Security will be issued or transferred (as determined by the Board) for each vested Performance Right.
- (c) No consideration is payable by the director or his nominee at the time of grant of the Performance Rights or upon the issue of Stapled Securities to which he may become entitled to on the vesting and exercise of some or all of the Performance Rights. The grant of Performance Rights will have the performance hurdles attached to it described above.

- (d) A total of 328,946 Performance Rights has been previously issued to the Directors or their respective nominees (for no monetary consideration) under the Plan as follows:
- CY 2016 - 100,000 Performance Rights issued to Isamax Pty Ltd <ATF The Edwards Family Trust> (a nominee of Mathew Edwards);
 - CY 2016 - 80,000 Performance Rights issued to Segue Corp Pty Ltd <ATF Segue Investment Trust> (a nominee of Paul Gwilym, former director);
 - CY 2016 - 40,000 Performance Rights issued to Paradyce Pty Ltd (a nominee of Mark Kerr);
 - CY 2016 - 30,000 Performance Rights issued to HFT Holding Company Pty Ltd <ATF Hanson Family Trust> (a nominee of Andrew Hanson, former director);
 - CY 2017 – 43,859 Performance Rights issued to Isamax Pty Ltd <ATF The Edwards Family Trust> (a nominee of Mathew Edwards);
 - CY 2017 – 35,087 Performance Rights issued to Segue Corp Pty Ltd <ATF Segue Investment Trust> (a nominee of Paul Gwilym, former director).
- (e) The executive director (namely Mathew Edwards) is entitled to participate in the Plan and Security Holder approval is sought in respect of the proposed grant of Performance Rights to Mathew Edwards or his nominee as set out above.
- (f) No loans will be made by the Group in connection with the acquisition of the Performance Rights by Mathew Edwards or his nominee.
- (g) It is expected that the Performance Rights will be granted to the director or his nominee as soon as practicable after Security Holder approval is received and in any event no later than 1 month from the date of the AGM.
- (h) Details of any securities issued under the ESOP will be published in the annual report of the Group relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (i) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the ESOP after Resolution 6 is passed and who were not named in the Notice of Annual General Meeting will not participate until approval is obtained under that Listing Rule.
- (j) A voting exclusion statement for Resolution 6 is included in the Notice of Annual General Meeting.

Effect if Resolution 6 is not passed

If Resolution 6 is not passed, the Group will not be able to grant to Mathew Edwards or his nominee the Performance Rights as currently proposed. In this event the Board will be required to consider alternative means of providing adequate remuneration to Mr Edwards for his services as Managing Director and Chief Executive Officer.

Directors' Recommendation

In respect of Resolution 6, the Board (excluding Mathew Edwards) recommends that Security Holders vote in favour of the Resolution to approve the grant of Performance Rights under the Plan to the executive directors or their respective nominees. Mathew Edwards is interested in the outcome of this Resolution and therefore does not consider it appropriate to make a recommendation to Security Holders.

The Chairman has informed the Board that he intends to vote any open and available proxies given to him in favour of Resolution 6.

Item 5 - Approval of additional 10% placement capacity (Resolution 7)

1. General

Listing Rule 7.1A enables the Group to issue Stapled Securities up to 10% of its issued Stapled Security capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Group's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Group is an eligible entity. Securities may only be issued under the 10% Placement Facility for cash consideration.

By proposing Resolution 7, the Group seeks Security Holder approval by way of a special resolution to have the ability to issue Stapled Securities under the 10% Placement Facility. The exact number of Stapled Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2. The Group may use funds raised from any 10% Placement Facility for funding of further childcare centre acquisitions to further strengthen the balance sheet and/or general working capital.

2. Description of ASX Listing Rule 7.1A

(a) Security Holder approval

The ability to issue Stapled Securities under the 10% Placement Facility is subject to Security Holder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Stapled Securities issued under the 10% Placement Facility must be in the same class as existing quoted Stapled Securities.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Security Holder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of Stapled Securities on issue 12 months before the date of the issue or agreement:

- (A) plus the number of fully paid Stapled Securities issued in the period under an exception in Listing Rule 7.2 other than exception 9 (conversion of convertible securities), 16 (issue under an agreement) or 17 (issue subject to security holder approval);
- (B) plus the number of fully paid Stapled Securities issued in that period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (I) the convertible securities were issued or agreed to be issued before the commencement of that period; or
 - (II) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing rules to have been approved under Listing Rule 7.1 or 7.4;

- (C) plus the number of fully paid Stapled Securities issued in the period under an agreement to issue Stapled Securities where:
 - (I) the agreement was entered into before the commencement of the period; or
 - (II) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- (D) plus the number of any other fully paid Stapled Securities issued in the period with approval of holders of Stapled Securities under Listing Rule 7.1 or 7.4;
- (E) plus the number of partly paid Stapled Securities that became fully paid in the period;
- (F) less the number of fully paid Stapled Securities cancelled in the periods.

Note that A is has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 period where the issue or agreement to issue has not been subsequently approved by the holders of Stapled Securities under Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1, with the exception that Equity Securities issued under Listing Rule 7.1A may only be issued for cash consideration.

At the date of this Notice, the Group has on issue 61,094,868 Stapled Securities and therefore has a capacity to issue:

- (i) 9,164,230 Stapled Securities and other equity securities under the 15% placement limit in Listing Rule 7.1; and
- (ii) Stapled Securities under Listing Rule 7.1A.

The actual number of Stapled Securities that the Group will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Stapled Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) Minimum Issue Price

The issue price of Stapled Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Stapled Securities calculated over the 15 Trading Days on which trades in Stapled Securities were recorded immediately before:

- (i) the date on which the price at which the Stapled Securities are to be issued is agreed; or
- (ii) if the Stapled Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Stapled Securities are issued.

(f) 10% Placement Period

Security Holder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earliest to occur of the following:

- (i) the date that is 12 months after the date of this meeting;
- (ii) the time and date of the Group's next AGM; and
- (iii) if applicable, the date of the approval by Security Holders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

3. ASX Listing Rule 7.1A

The effect of the passing of Resolution 7 will be to allow the Directors to issue Stapled Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 7 is not passed, the Group will not be able to issue Stapled Securities in reliance on Listing Rule 7.1A but instead will need to rely on Listing Rule 7.1 or an exception to it.

Resolution 7 is a special resolution and therefore requires that at least 75% of the votes cast by Security Holders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Security Holder or proxy, by a corporate representative) are cast in favour of the Resolution.

4. Additional Information required by Listing Rule 7.3A

As required by Listing Rule 7.3A, the following additional information (not disclosed above) is provided:

- (a) If Resolution 7 is passed by the Security Holders and the Group issues Stapled Securities under the 10% Placement Facility, the existing Security Holders' voting power in the Group will be diluted as shown in the below table (in the case of unlisted options, only if the unlisted options are exercised). There is a risk that:
 - (i) the market price for the Group's Stapled Securities may be significantly lower on the date of the issue of the Stapled Securities than on the date of this meeting; and
 - (ii) the Stapled Securities may be issued at a price that is at a discount to the market price for the Stapled Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Stapled Securities.

The table below shows the dilution of existing Security Holders on the basis of the current market price of Stapled Securities and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Meeting.

The table also shows:

- (iii) two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of ordinary Stapled Securities the Group has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Security Holder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer that is required to comply with Chapter 6 of the Corporations Act) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Security Holders’ meeting; and
- (iv) two examples of where the price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

		Dilution		
Variable “A” in ASX Listing Rule 7.1A.2		\$1.11 50% decrease in Deemed Price	\$2.22 Deemed Price	\$4.44 100% Increase in Deemed Price
Current Variable A 61,094,868 Stapled Securities	10% Voting Dilution	6,109,487	6,109,487	6,109,487
	Funds raised	\$6,781,530	\$13,563,061	\$27,126,121
50% increase in current Variable A 91,642,302 Stapled Securities	10% Voting Dilution	9,164,230	9,164,230	9,164,230
	Funds raised	\$10,172,296	\$20,344,591	\$40,689,182
100% increase in current Variable A 122,189,736 Stapled Securities	10% Voting Dilution	12,218,974	12,218,974	12,218,974
	Funds raised	\$13,563,061	\$27,126,121	\$54,252,243

The table has been prepared on the following assumptions:

- (v) The Group issues the maximum Stapled Securities available under the ASX Listing Rule 7.1A being 10% of the Stapled Securities on issue at the date of the Meeting;
- (vi) No unlisted options or performance rights are exercised into fully paid Stapled Securities before the date of the issue of Stapled Securities under Listing Rule 7.1A. The Group has nil unlisted options and 52,105 performance rights on issue at the date of this Notice of Meeting. A further 478,638 performance rights may be issued if Resolution 6 is passed;
- (vii) The table does not demonstrate an example of dilution that may be caused to a particular Security Holder by reason of placements under Listing Rule 7.1A, based on that Security Holder’s holding at the date of the Meeting;
- (viii) The table only demonstrates the effect of issues of Stapled Securities under Listing Rule 7.1A. It does not consider placements made under Listing Rule 7.1, the “15% rule”;
- (ix) The price of Stapled Securities is deemed for the purposes of the table above to be \$2.22, being approximately, the closing price of the Company’s listed securities on ASX on Tuesday, 23 March 2021 (**Deemed Price**). The Deemed Price is indicative only and does not consider the 25% discount to market that the Stapled Securities may be placed; and

- (x) The table does not demonstrate the effect of listed or unlisted options being issued under Listing Rule 7.1A, it only considers the issue of the fully paid ordinary securities.
- (b) The Group will only issue and allot the Stapled Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid if Security Holders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (c) The Group may seek to issue the Stapled Securities for the following purposes:
 - (i) to (part) fund cash consideration for childcare centre acquisitions. In such circumstances, the Group intends to use the funds raised towards funding the purchase price of childcare centre acquisitions; and
 - (ii) further strengthening the Company's balance sheet, including general working capital, including retirement of debt.

The Group will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (d) The Group's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Stapled Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Group, including but not limited to, rights issues or other issues (such as a security purchase plan) in which existing security holders can participate;
 - (ii) the effect of the issue of the Stapled Securities on the control of the Group;
 - (iii) the financial situation and solvency of the Group; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Security Holders and/or new Security Holders who are not related parties or associates of a related party of the Group.

- (e) Think Childcare (then being an unstapled entity) has previously obtained Security Holder approval under Listing Rule 7.1A at its 2020 AGM but has not yet issued or agreed to issue any equity securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the AGM. Securities were not so issued as the Group's key focuses in the 12 months preceding the date of the meeting were shifted to responding to the potential impact on the Group with respect to COVID-19.
- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Group has not approached any particular existing Security Holder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Security Holder's votes will therefore be excluded under the voting exclusion in the Notice.

Directors' recommendation

The Directors unanimously recommend Security Holders vote in favour of Resolution 7.



A stapled entity comprising
Think Childcare Limited ABN 81 600 793 388 and
Think Childcare Development Limited ABN 55 635 178 166

Need assistance?



Phone:
1300 850 505 (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 **10.30 a.m. (Melbourne time) Tuesday 11 May 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:

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: 135057

SRN/HIN:

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.

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.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Think Childcare Group 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 Think Childcare Group to be held as a hybrid meeting with the physical meeting at MinterEllison, Level 20, Collins Arch, 447 Collins Street, Melbourne Victoria, in combination and linked with online facilities using ZOOM technology and the Lumi AGM platform on Thursday, 13 May 2021 at 10.30 a.m. (Melbourne time) 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 resolutions 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though resolutions 5 and 6 are 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 resolutions 5 and 6 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
Resolution 1	Election of Evonne Collier as a Director of Think Childcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mark Kerr as a Director of Think Childcare Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of James Spenceley as a Director of Think Childcare	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Nick Anagnostou as a Director of Think Childcare Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Grant of Performance Rights under the Employee Share and Option Plan to Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of additional 10% placement capacity	<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 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director 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