



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the thirty-sixth annual general meeting of members of Cedar Woods Properties Limited will be held at 10.00 am (Perth time) on 1 November 2023 at the offices of Corrs Chambers Westgarth, Level 6, Brookfield Place Tower 2, 123 St Georges Terrace, Perth, Western Australia to conduct the business and to consider, and if thought fit, pass the resolutions set out in this Notice.

Shareholders who are unable to attend the Meeting will be able to listen to the live broadcast of the Meeting online. The live broadcast of the Meeting can be accessed online via the Open Briefing platform at <https://webcast.openbriefing.com/cwp-agm-2023/>. This platform enables shareholders to:

- see the Meeting presentation materials and listen to the live broadcast of the Meeting; and
- ask questions online during the Meeting.

Shareholders should be aware that the live broadcast of the Meeting will not have a voting function. Only those persons present at the Meeting in person at the physical venue and entitled to vote will be able to cast a vote at the Meeting. **Accordingly, if it is your preference not to, or you are unable to, attend the Meeting, we strongly encourage you to vote on the resolutions to be considered at the Meeting by completing and returning the Proxy Form in accordance with the instructions set out in this Notice and in the Proxy Form (whether you listen to the live broadcast or otherwise).** Voting on all resolutions will be conducted by a poll and the results will be announced on the ASX platform as soon as available after the conclusion of the Meeting.

If it becomes necessary or appropriate to make alternate arrangements to those set out in this Notice, the Company will notify shareholders accordingly via the Company's ASX Announcement Platform at <https://www2.asx.com.au/> (ASX: CWP) and our website at <https://www.cedarwoods.com.au/Investor-Centre/AGM>. Any shareholders who plan to attend the Meeting should closely monitor these platforms for any updates by the Company in regard to attending the Meeting in person and alternative arrangements.

Certain terms used in this Notice have the meaning given to them in Section 8 of the accompanying Explanatory Memorandum.

AGENDA

1 Ordinary Business

To receive and consider the financial statements of the Company for the year ended 30 June 2023 and the accompanying directors' report, directors' declaration and auditor's report.

2 Ordinary Resolution

To consider, and if thought fit, pass with or without amendment, the following resolution:

Re-election of retiring director – Mrs. Jane M Muirsmith

Ordinary Resolution 1

That Mrs. Jane M Muirsmith B Comm (Hons) FCA, GAICD having retired in accordance with the Constitution and, being eligible, offering herself for re-election, be re-elected as a director of the Company.

3 Ordinary Resolution

To consider, and if thought fit, pass with or without amendment, the following resolution:

Re-election of retiring director – Ms. Valerie A Davies

Ordinary Resolution 2

That Ms. Valerie A Davies FAICD, having retired and, being eligible, offering herself for re-election, be re-elected as a director of the Company.

4 Ordinary Resolution

To consider, and if thought fit, pass with or without amendment, the following resolution:

Adoption of remuneration report

Ordinary Resolution 3

That the remuneration report that forms part of the Company's directors' report for the financial year ended 30 June 2023, be adopted.

Note: The remuneration report is set out in the directors' report on pages 40 - 58 of the Company's 2023 annual report. Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

5 Ordinary Resolution

To consider, and if thought fit, to pass with or without amendment, the following resolution:

Approval of issue of Zero-Price Options (ZEPOs) under the FY23 DSTI Plan to Mr. Nathan Blackburne or his nominee

Ordinary Resolution 4

That, for the purposes of Listing Rule 10.14 and for all other purposes, shareholders of the Company authorise and approve the issue of 31,765 Zero-Price Options under the FY23 DSTI Plan by the Company to Mr. Nathan Blackburne, the Company's Managing Director, or his nominee on the terms and conditions set out in the Explanatory Memorandum.

6 Ordinary Resolution

To consider, and if thought fit, to pass with or without amendment, the following resolution:

Approval of issue of Performance Rights under the FY24 LTI Plan to Mr. Nathan Blackburne or his nominee

Ordinary Resolution 5

That, for the purposes of Listing Rule 10.14 and for all other purposes, shareholders of the Company authorise and approve the issue of 147,984 Performance Rights under the FY24 LTI Plan by the Company to Mr. Nathan Blackburne, the Company's Managing Director, or his nominee on the terms and conditions set out in the Explanatory Memorandum.

7 Ordinary Resolution

To consider, and if thought fit, pass with or without amendment, the following resolution:

Approval of an increase in the Non-Executive Directors' remuneration poolOrdinary Resolution 6

That for the purposes of ASX Listing Rule 10.17, rule 11.9 of the Constitution and for all other purposes, the maximum aggregate amount of directors' fees that may be paid to Non-Executive Directors as a whole be increased from A\$750,000 to A\$900,000 per annum (an increase of A\$150,000 per annum), effective from 1 July 2023.

Voting prohibition and exclusion statements

Ordinary Resolution 3

In accordance with the Corporations Act, the Company will disregard any votes cast on this resolution:

- by or on behalf of either a member of the Company's Key Management Personnel whose remuneration details are included in the remuneration report the subject of this resolution, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- by a proxy if that proxy is a member of the Company's Key Management Personnel at the date of the Meeting or a Closely Related Party of that member.

However, in each case above, votes will not be disregarded if they are cast as a proxy for a person who is entitled to vote on this resolution:

- in accordance with a direction as to how to vote on the Proxy Form; or
- by the Chairman pursuant to an express authorisation to exercise the proxy as the Chairman decides even if this resolution is connected with the remuneration of the Company's Key Management Personnel.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Ordinary Resolution 3 on the Proxy Form, you will be expressly authorising the Chairman to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to vote undirected proxies in favour of Ordinary Resolution 3.

Ordinary Resolution 4

A vote must not be cast on this resolution by a person appointed as a proxy if the proxy is either a member of the Key Management Personnel for the Company or any of their Closely Related Parties and the appointment does not specify the way the proxy is to vote on this resolution.

However, a person described above may cast a vote on this resolution if:

- the person is the Chairman; and
- the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

For clarity and subject to compliance with law and the above prohibitions, Key Management Personnel who are not entitled to participate in the FY23 DSTI Plan are entitled to vote on this resolution.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Ordinary Resolution 4 on the Proxy Form, you will be expressly authorising the Chairman to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to vote undirected proxies in favour of Ordinary Resolution 4.

For the purposes of the Listing Rules, the Company will disregard any votes cast in favour of Ordinary Resolution 4 by or on behalf of:

- a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the FY23 DSTI Plan (or any of their nominees); or
- an associate of that person (or persons).

However, this does not apply to a vote cast in favour of Ordinary Resolution 4 by:

- a person as a 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 Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a 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 directions given by the beneficiary to the holder to vote in that way.

Ordinary Resolution 5

A vote must not be cast on this resolution by a person appointed as a proxy if the proxy is either a member of the Key Management Personnel for the Company or any of their Closely Related Parties and the appointment does not specify the way the proxy is to vote on this resolution.

However, a person described above may cast a vote on this resolution if:

- the person is the Chairman; and
- the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

For clarity and subject to compliance with law and the above prohibitions, Key Management Personnel who are not entitled to participate in the FY24 LTI Plan are entitled to vote on this resolution.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Ordinary Resolution 5 on the Proxy Form, you will be expressly authorising the Chairman to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to vote undirected proxies in favour of Ordinary Resolution 5.

For the purposes of the Listing Rules, the Company will disregard any votes cast in favour of Ordinary Resolution 5 by or on behalf of:

- a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the FY24 LTI Plan (or any of their nominees); or
- an associate of that person (or persons).

However, this does not apply to a vote cast in favour of Ordinary Resolution 5 by:

- a person as a 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 Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a 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 directions given by the beneficiary to the holder to vote in that way.

Ordinary Resolution 6

A vote must not be cast on this resolution by a person appointed as a proxy if the proxy is either a member of the Key Management Personnel for the Company or any of their Closely Related Parties and the appointment does not specify the way the proxy is to vote on this resolution.

However, a person described above may cast a vote on this resolution if:

- the person is the Chairman; and
- the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Ordinary Resolution 6 on the Proxy Form, you will be expressly authorising the Chairman to exercise your proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to vote undirected proxies in favour of Ordinary Resolution 6.

For the purposes of the Listing Rules, the Company will disregard any votes cast in favour of Ordinary Resolution 6 by or on behalf of:

- a director of the Company; or
- an associate of that person (or persons).

However, this does not apply to a vote cast in favour of Ordinary Resolution 6 by:

- a person as a 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 Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a 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 directions given by the beneficiary to the holder to vote in that way.

The attached Explanatory Memorandum forms part of this Notice. The memorandum is provided to assist shareholders in understanding the background to and the legal and other implications of this Notice and the reason for the resolutions proposed.

By Order of the Board



P S Freedman

Company Secretary

26 September 2023

VOTING BY PROXY

- (a) Each Shareholder has the right to appoint a proxy to attend and vote for the Shareholder at this Meeting.
- (b) To enable a Shareholder to divide their voting rights, a Shareholder entitled to cast two or more votes at this meeting may appoint two proxies. Where two proxies are appointed, the Proxy Form should specify the proportion, or the number of votes that each proxy may exercise, and if it does not do so each proxy may exercise half of the votes.
- (c) A Shareholder can appoint any other person to be their proxy. A proxy need not be a Shareholder. The proxy appointed can be described in the Proxy Form by an office held, for example “the Chair of the Meeting”.
- (d) In the case of Shareholders who are individuals, the Proxy Form must be signed or otherwise authenticated:
 - i. if the Shares are held by one individual, by that Shareholder;
 - ii. if the Shares are held in joint names, by all joint holders.
- (e) In the case of Shareholders who are companies, the Proxy Form must be signed or authenticated:
 - i. if it has a sole director, by that director if the director is also the sole company secretary or if the company does not have a company secretary (and stating that fact next to, or under, the signature on the Proxy Form);
 - ii. in the case of any other company, by either two directors or a director and company secretary.
- (f) If the person signing or otherwise authenticating the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign or authenticate the Proxy Form, the power of attorney or other authorisation (or a certified copy of it) as well as the Proxy Form, must be received by the Company by the time and at the place in (i) below.
- (g) Section 250BB of the Corporations Act restricts voting on a particular resolution at the Meeting by the Chairman or other holder of a directed proxy. If the appointment of a proxy specifies the way the proxy is to vote on a particular resolution, then:
 - i. a proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote as directed;
 - ii. if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
 - iii. if the proxy is the Chairman, the proxy must vote on a poll and must vote as directed; and
 - iv. if the proxy is not the Chairman, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed.

If a proxy is also a member the above provisions do not affect the way that the person can cast any votes they hold as a member.
- (h) Section 250BC of the Corporations Act provides that if:
 - i. an appointment of a proxy specifies the way the proxy is to vote on a particular resolution;
 - ii. the appointed proxy is not the Chairman;

- iii. at the Meeting a poll is duly demanded on the resolution, or is otherwise required under section 250JA of the Corporations Act; and
 - iv. either:
 - (A) if a record of attendance is made for the Meeting – the proxy is not recorded as attending; or
 - (B) the proxy does not vote on the resolution,the Chairman is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution.
- (i) A Proxy Form accompanies this Notice. To be effective, Proxy Forms (duly completed and signed) must be lodged by no later than 10.00 am (Perth time) on 30 October 2023 via one of the following methods:
- Online** – www.investorvote.com.au
 - By post to** – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 Australia
 - By fax** – 1800 783 447 (Within Australia)
+ 61 3 9473 2555 (Outside Australia)

Online Voting – Shareholders may submit their proxy instructions electronically to the Company's Share Registrar, Computershare Investor Services Pty Ltd, by visiting www.investorvote.com.au and following the instructions given there. You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website.

For intermediary online subscribers only (custodians) – www.intermediaryonline.com

SHAREHOLDERS WHO ARE ENTITLED TO VOTE

In accordance with regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Directors have determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 4.00 pm (Perth time) on 30 October 2023.

On a poll each Shareholder present in person or by proxy has one vote for each Share.

LISTENING TO THE LIVE BROADCAST OF THE MEETING

You will be able to listen to the live broadcast of the Meeting online using your computer, mobile phone or device. You can do this by entering the following link in your compatible browser:

<https://webcast.openbriefing.com/cwp-agm-2023/>

Or, by following the link that will be made available on the Company's website at:

<https://www.cedarwoods.com.au/Investor-Centre/agm>

ASKING QUESTIONS – BEFORE AND AT THE MEETING

You can submit a question or comment prior to the Meeting at www.investorvote.com.au or by email to email@cedarwoods.com.au.

You may also submit your questions and comments online during the Meeting via the Open Briefing platform <https://webcast.openbriefing.com/cwp-agm-2023/> using the 'submit a question' facility.

The Chairman will endeavour to address as many of the more frequently raised relevant questions and comments as possible during the course of the Meeting. However, there may not be sufficient time available at the Meeting to address all of the questions and comments raised. Please note that individual responses will not be sent to Shareholders.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening a meeting of members of the Company to be held at the offices of Corrs Chambers Westgarth, Level 6, Brookfield Place Tower 2, 123 St Georges Terrace, Perth, Western Australia on 1 November 2023 commencing at 10.00 am (Perth time). This memorandum is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the resolutions proposed. Certain terms used in this Explanatory Memorandum are defined in Section 8.

1 ORDINARY BUSINESS ITEM 1

As required by section 317 of the Corporations Act, the financial statements for the year ended 30th June 2023 and the accompanying directors' report, directors' declaration and auditor's report will be laid before the meeting. The financial statements and reports are contained in the Company's 2023 Annual Report. *Neither the Corporations Act nor the Constitution requires a vote on the reports. However, Shareholders will have an opportunity to ask questions about the reports at the AGM.*

2 ORDINARY BUSINESS ITEM 2

(a) Ordinary Resolution 1 – Re-election of retiring director – Mrs. Jane M Muirsmith

Ordinary Resolution 1 relates to the re-election of Mrs. Jane M Muirsmith as a Director. Listing Rule 14.4 and rule 11.7 of the Constitution provide that no Director (other than a Managing Director) may retain office (without re-election) for more than three years or past the third AGM following the Director's appointment, whichever is the longer. Mrs. Muirsmith was last re-elected as a Director at the Company's 2020 AGM and, accordingly, will retire by rotation and, being eligible, offers herself for re-election.

Mrs. Muirsmith is:

- Chair of the Audit & Risk Management Committee
- A member of the Remuneration & Nominations Committee
- An independent non-executive director

Mrs. Muirsmith was appointed to the Board on 2 October 2017. She is an accomplished digital and marketing strategist, having held several executive positions in Sydney, Melbourne, Perth and New York.

She is Managing Director of Lenox Hill, a digital strategy and advisory firm and is a non-executive director of Australian Finance Group Limited (AFG), the Telethon Kids Institute and Chair of Healthdirect Australia. Mrs. Muirsmith has substantial experience serving on and chairing the risk and compliance committees in the above companies.

Mrs. Muirsmith is a Graduate of the Australian Institute of Company Directors and a Fellow of Chartered Accountants in Australia and New Zealand, with an audit and accounting background together with deep expertise in digital transformation and broad experience in Audit & Risk Committees. Mrs. Muirsmith is a member of the Ambassadorial Council UWA Business School and is a former President of the Women's Advisory Council to the WA Government.

Mrs. Muirsmith has a relevant interest in 21,914 Shares, as defined by sections 608 and 609 of the Corporations Act.

(b) Directors' recommendation on Ordinary Resolution 1

The Directors (other than Mrs. Muirsmith) unanimously support the re-election of Mrs. Jane M Muirsmith under, and recommend Shareholders vote in favour of, Resolution 1.

3 ORDINARY BUSINESS ITEM 3

(a) Ordinary Resolution 2 – Re-election of retiring director – Ms. Valerie A Davies

Ordinary Resolution 2 relates to the re-election of Ms. Valerie A Davies as a Director.

Ms. Davies is not required to retire by rotation pursuant to the Listing Rules or the Constitution, but has agreed to do so as one of the next group of directors to have served the longest since she was re-elected at the Company's 2021 AGM. This will allow for a more orderly process of Board rotation where shareholders will be given the opportunity to consider the re-election of two directors at this Meeting and, provided the Board composition remains the same, two directors will stand for re-election at next year's AGM.

Ms. Davies is:

- Chair of the Remuneration & Nominations Committee
- A member of the Audit & Risk Management Committee
- An independent non-executive director

Ms. Davies was appointed to the Board on 21 September 2015. She is a professional company director with broad experience across the spectrum of public and private companies, government boards and community organisations. Apart from Cedar Woods Properties Limited, she is also currently a non-executive director of ASX-listed EVT Limited.

Ms. Davies' previous Board positions include HBF, Iluka Resources, ASG Group, and Integrated Group (now Programmed), Tourism Western Australia, Tourism Australia, Gold Corporation and the TAB (WA), as well as Screenwest and Fremantle Hospital & Health Service. Ms. Davies has substantial experience serving on risk management and remuneration committees in listed companies.

Apart from the boardroom Ms. Davies' career spans more than 30 years across a range of industries including media, marketing and television production. A specialist provider of communications and strategic issues management services, she has worked at the highest level with numerous tier 1 national and international business organisations addressing the complexities of issues management, communications, coaching and mentoring.

Ms. Davies is a member of Chief Executive Women (CEW), a former Telstra Business Woman of the Year (WA) and a past Vice-President of the Australian Institute of Company Directors (WA).

Ms. Davies has a relevant interest in 26,000 Shares, as defined by sections 608 and 609 of the Corporations Act.

(b) Directors' recommendation on Ordinary Resolution 2

The Directors (other than Ms. Davies) unanimously support the re-election of Ms. Valerie Anne Davies under, and recommend Shareholders vote in favour of, Ordinary Resolution 2.

4 ORDINARY BUSINESS ITEM 4

(a) Ordinary Resolution 3 – Adoption of remuneration report

Shareholders are asked to adopt the Company's remuneration report. The remuneration report is set out in the directors' report on pages 40 - 58 of the Company's 2023 annual report. The remuneration report:

- Describes the policies behind, and structure of, the remuneration arrangements of the Company and the link between the remuneration of directors and executives and the Company's performance.

- Sets out the remuneration arrangements in place for each director and for the other Key Management Personnel of the Company.
- Explains the differences between the remuneration for non-executive directors and executives, including the Managing Director.

A reasonable opportunity for discussion of the remuneration report will be provided at the Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company.

(b) Board commentary in relation to Ordinary Resolution 3

The Chair of the Remuneration & Nominations Committee has provided a letter to Shareholders setting out the key highlights in relation to remuneration matters for FY2023. This is included on page 40 of the Company's 2023 annual report.

The remuneration framework and further details on the Director and executive remuneration arrangements and the remuneration outcomes for FY2023 are set out in the remuneration report on pages 40 - 58 of the annual report.

At last year's AGM, less than 3% of votes cast in respect of the adoption of the remuneration report were cast against the adoption of the remuneration report.

Members of the Company's Key Management Personnel (and their Closely Related Parties) will be prohibited from voting on Ordinary Resolution 3 at the Meeting, in accordance with the voting prohibitions detailed in the Notice.

As permitted, the Chairman intends to vote all undirected proxies in favour of Ordinary Resolution 3.

5 ORDINARY BUSINESS ITEM 5

(a) Ordinary Resolution 4 – Approval of issue of Zero-Price Options (ZEPOs) under the FY23 DSTI Plan to Mr. Nathan Blackburne or his nominee

As set out in the remuneration report, the Board reviews on an annual basis the remuneration of all executives. In doing so, the Board has regard to a range of factors including aligning remuneration with the position, responsibilities and performance within the Company of the individual and importantly within the acceptable range of market practice.

The Company's objective is to position remuneration between the median and upper quartile of its direct industry peers and in doing so the Company seeks assistance from external remuneration consultants. Remuneration is generally structured as a fixed component, short term incentive and long term incentive.

(b) FY23 DSTI Plan

Consistent with market practice, the Managing Director's short term incentive (STI) component of his remuneration is structured as part cash and part deferred into an equity-based plan, rather than the STI being paid wholly in cash. Accordingly, the Board determined to split the Managing Director's STI for the 2023 financial year so that 65% of the approved STI would be paid in cash and 35% would be deferred by way of the issue of zero-price options (ZEPOs). The ZEPOs are proposed to be issued under the Company's Deferred Short Term Incentive Plan for the 2023 financial year (FY23 DSTI Plan).

The objective of the FY23 DSTI Plan is to allow the Board to grant ZEPOs to the Managing Director of the Company to assist with:

- attracting, motivating and retaining the Managing Director;
- delivering rewards to the Managing Director for individual and Company performance;
- enabling short term incentives to be settled by way of Shares in the Company; and

- aligning the interests of the Managing Director with those of Shareholders.

The FY23 DSTI Plan operates by way of a one-year performance period and a two-year service period, both of which commenced on 1 July 2022.

At the completion of the 2023 financial year the Board assessed the performance of the Company for the year ended 30 June 2023 and awarded the Managing Director a total STI of \$347,600, of which 65% (or \$225,940) is awarded in cash and 35% (or \$121,660) is deferred and awarded by way of the proposed grant of 31,765 ZEPOs, which will vest at the end of the two-year service period on 30 June 2024, subject to the rules of the FY23 DSTI Plan and shareholder approval. The number of ZEPOs awarded was based on dividing the deferred STI amount (being \$121,660) by the 5-day volume weighted average price of the Company's shares (\$3.83) up to and including 7 July 2022.

The ZEPOs are zero exercise price options meaning that Mr. Blackburne or his nominee is not required to pay any exercise price to the Company on the exercise of a ZEPO.

In addition, subject to certain exemptions in the FY23 DSTI Plan, it will be a requirement that, in order for Mr. Blackburne's 31,765 ZEPOs to vest, his employment with the Company is not terminated by his resigning or by the Company terminating for cause or underperformance prior to 30 June 2024. If Mr. Blackburne's employment terminates for any other reason, then the vesting of the ZEPOs will still be assessed against the service condition attaching to them, unless the Board determines otherwise.

Upon a ZEPO vesting, it may be exercised at any time until 30 June 2026. If a ZEPO is exercised following its vesting, and subject to any adjustments in accordance with the FY23 DSTI Plan Rules (e.g. upon a reorganisation of capital), one Share will be automatically issued to Mr. Blackburne or his nominee (unless the Board exercises its discretion below to pay a cash equivalent).

While the Board's current intention is that Mr. Blackburne or his nominee will be issued with a Share upon a ZEPO vesting, the Board retains the discretion to pay the cash equivalent of a ZEPO (being the gross value of the Shares that would have been issued to Mr. Blackburne if the Board chose to settle the ZEPOs in Shares) in lieu of issuing such Shares.

(c) Regulatory requirements

Ordinary Resolution 4 seeks Shareholder approval under Listing Rule 10.14 of the deferred short term incentive component of Mr. Blackburne's remuneration, being the issue of 31,765 ZEPOs under the FY23 DSTI Plan for the 2023 financial year.

The Company is proposing to issue short term incentive options to Mr. Blackburne under the FY23 DSTI Plan, as set out above (**STI Issue**).

Listing Rule 10.14 provides that, subject to certain exceptions, a company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the company (10.14.1);
- an associate of a director of the company (10.14.2); or
- a person whose relationship with the company or a person referred to in Listing Rules 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (10.14.3),

unless it obtains the approval of its shareholders.

The STI Issue falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

Ordinary Resolution 4 seeks the required Shareholder approval for the STI Issue under and for the purposes of Listing Rule 10.14.

Shareholders should note that, if Ordinary Resolution 4 is passed, the Company will be able to proceed with the STI Issue and approval is not required under Listing Rule 7.1 and the issue of securities pursuant to Ordinary Resolution 4 will not be included in the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders do not pass Ordinary Resolution 4, the Company will not be able to proceed with the STI Issue and therefore, in order to meet the Company's contractual obligations under Mr. Blackburne's contract, it will be necessary for the Board and Mr. Blackburne to agree an alternative remuneration structure to provide Mr. Blackburne with his contractual entitlement, which could be an alternative equity proposal to be put to Shareholders and/or an amount of cash.

For the purposes of Listing Rule 10.15, the following information is provided in relation to the issue of 31,765 ZEPOs pursuant to Ordinary Resolution 4:

The name of the person

The recipient of the ZEPOs will be Mr. Nathan Blackburne or his nominee.

Category the person falls within and why

The issue of the ZEPOs falls within Listing Rule 10.14.1 because Mr. Nathan Blackburne is the Company's Managing Director.

The number and class of securities proposed to be issued to the person under the scheme for which approval is being sought

The maximum number of Securities that may be issued to Mr. Nathan Blackburne, or his nominee, is 31,765 ZEPOs.

Details of Mr. Blackburne's current remuneration package

Mr. Blackburne's FY24 remuneration comprises:

- Fixed remuneration of \$832,000 per annum
- The ability to receive up to \$686,400 in the form of short-term incentives (65% in cash, 35% in ZEPOs)
- The ability to receive up to \$748,800 in the form of long-term incentives.

For further information, refer page 55 of the Company's 2023 annual report.

The number of securities previously issued to Mr. Blackburne under the scheme and the average acquisition price (if any) paid by Mr. Blackburne for those securities

Mr. Blackburne has previously received zero-price options pursuant to similar short term incentive plans in previous years, most recently having received 26,409 zero-price options during the financial year ending 30 June 2023 (further details of which are set out on page 49 of the Company's 2023 annual report). Mr. Blackburne was not required to pay for those options.

Summary of the material terms of the securities, an explanation of why that type of security is being used and the value the Company attributes to that security and its basis

- A summary of the material terms of the ZEPOs is set out in the "FY23 DSTI Plan" section above and in "The material terms of the scheme" section below.
- The Board has determined to issue ZEPOs (in lieu of, for example, settling more of Mr. Blackburne's deferred STI amount in cash) because the Board considers that ZEPOs will assist in:
 - attracting, motivating and retaining Mr. Blackburne;
 - delivering rewards to Mr. Blackburne for individual and Company performance;

- enabling short term incentives to be settled by way of Shares in the Company; and
- aligning the interests of Mr. Blackburne with those of Shareholders.
- The Company attributes a value of \$121,660 to the ZEPOs. The number of ZEPOs awarded was based on dividing Mr. Blackburne’s deferred STI amount (being \$121,660) by the 5-day volume weighted average price of the Company’s shares (\$3.83) up to and including 7 July 2022.

The date or dates on or by which the Company will issue the securities

If Shareholders pass Ordinary Resolution 4, the ZEPOs will be issued to Mr. Nathan Blackburne or his nominee as soon as practicable after the date of the Meeting and in any event within 3 years of the Meeting. It is anticipated that all the ZEPOs will be issued on the same date.

The price at which the Company will issue the securities

No price will be paid for the ZEPOs upon their issue, or for the Shares upon the exercise of any ZEPO.

The material terms of the scheme

The material terms attaching to the ZEPOs are set out in the “FY23 DSTI Plan” section above.

Further, pursuant to the FY23 DSTI Plan Rules:

- The ZEPOs are non-transferable (unless the Board determines otherwise), carry no right to vote or receive dividends or any of the other rights of Shareholders and will (subject to the Board’s overriding discretion) lapse if they do not vest.
- Vested or unvested ZEPOs may be clawed back under the Company’s Clawback Policy (**Clawback Policy**). The underlying principle of the Clawback Policy is that an employee should not receive performance-based remuneration if the Board considers that such remuneration would be an “inappropriate benefit”.
- Under the Clawback Policy the Board, in its absolute discretion, may take such clawback actions as it deems necessary or appropriate to address events that give rise to an “inappropriate benefit”. Such actions may include:
 - cancelling or requiring the forfeiture of some or all of the employee’s unvested or deferred short term incentives;
 - adjusting the employee’s future performance-based remuneration;
 - recovering a short term incentive or long term incentive award previously paid to the employee; and
 - any other action the Board considers appropriate.
- Upon the exercise of a ZEPO, the Company must issue or procure the transfer of the relevant number of Shares (or applicable cash amount) to the holder.
- If the holder ceases to be an employee of the Company then:
 - any of their unvested ZEPOs will vest as follows:
 - where the ZEPOs have performance conditions attached to them, those ZEPOs will be tested as at the date of cessation of employment and vest to the extent that the conditions have been satisfied or deemed satisfied in accordance with the terms of the FY23 DSTI Plan Rules; and/or
 - where the ZEPOs have service conditions attached to them, a pro rata number (based on the portion of the period that has elapsed at the time of cessation of employment) of those ZEPOs will vest; and

- any vested ZEPOs will not lapse on cessation of employment but those ZEPOs must be exercised within 120 days of such cessation.
- The above rules that apply upon cessation of employment are subject to the following rules:
 - if the holder resigns, any unvested ZEPOs will lapse immediately (subject to the Board's overriding discretion set out below) and any ZEPOs which have vested but remain unexercised must be exercised within 120 days of cessation of employment; or
 - if the holder is terminated for cause or poor performance, any ZEPOs which have not been exercised at the time the termination notice is given will lapse immediately (subject to the Board's overriding discretion set out below).

If the holder ceases to be an employee for any reason, the Board may (in respect of any ZEPOs which have not been exercised) determine any treatment it considers to be appropriate in the circumstances. In making the determination, the Board may have regard to any matter the Board considers relevant, including the proportion of the performance period that has elapsed at the time of cessation of employment and the degree to which the applicable conditions have been (or are estimated to have been) satisfied, and the Company's obligations under the Corporations Act and Listing Rules, including any requirements for Shareholder approval;

- On certain change of control transactions occurring in relation to the Company (such as a person acquiring more than 50% of the voting power in the Company), unvested ZEPOs will, unless the Board determines otherwise, vest in proportion to the amount of the performance period that has elapsed and any estimate of any performance conditions being satisfied.
- There can be an adjustment of ZEPOs in certain circumstances, including in the event of any capital reorganisation (such as a subdivision or consolidation) or pro-rata or bonus issue. The number of ZEPOs to which each holder is entitled, or the exercise price, may be adjusted in the manner determined by the Board, provided that:
 - if there is a reorganisation of capital, the rights of each holder who has been allocated ZEPOs will be adjusted in the manner required by the Listing Rules applying at the time of the reorganisation; and
 - where the Company issues new securities:
 - a holder of ZEPOs will not be entitled to participate in the issue of new securities under a rights issue or bonus issue or other form of pro-rata issue in relation to the ZEPOs held by them until his or her ZEPOs have vested and been exercised; and
 - the exercise price, or number of securities over which the ZEPOs may be exercised, will, in the case of a pro-rata issue, be adjusted in accordance with Listing Rule 6.22.2 (or any replacement rule) and, in the case of a bonus issue, be adjusted in accordance with Listing Rule 6.22.3 (or any replacement rule).

It is intended that the Board would exercise its discretion in this regard to ensure that holders do not enjoy a windfall gain and do not suffer a material detriment as a result of any corporate action.

- The Board administers the FY23 DSTI Plan Rules and has absolute and unfettered discretion in exercising any power or discretion containing the FY23 DSTI Plan. The Board may at any time in its sole discretion amend, supplement or revoke all or any of the FY23 DSTI Plan Rules, the terms of any ZEPO or all or any of the rights or obligations of the holder of a ZEPO. However, the Board will not undertake such actions where it may materially reduce the rights of the holder of a ZEPO, unless the amendment is made primarily for the purposes of complying with applicable law, to correct any manifest error or mistake, or with the consent of the relevant

holder. Such actions are also subject to any applicable restrictions or procedural requirements required by law or the Listing Rules.

A summary of the material terms of any loan that will be made in relation to the acquisition

There are no loans being made in relation to the acquisition of the ZEPOs.

Disclosure statement

Details of any securities issued under the FY23 DSTI Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the FY23 DSTI Plan after Ordinary Resolution 4 is approved and who are not named in the Notice will not participate until approval is obtained under that rule.

A voting exclusion statement

A voting exclusion statement with regards to Resolution 4 is included in the Notice.

(d) Directors' recommendation on Ordinary Resolution 4

The Directors (other than Mr. Blackburne) recommend that Shareholders vote in favour of Ordinary Resolution 4.

As permitted, the Chairman intends to vote all undirected proxies in favour of Ordinary Resolution 4.

6 ORDINARY BUSINESS ITEM 6

(a) Ordinary Resolution 5 – Approval of issue of Performance Rights under the FY24 LTI Plan to Mr. Nathan Blackburne or his nominee

Resolution 5 seeks Shareholder approval of the long term incentive (**LTI**) component of Mr. Blackburne's remuneration through the issue of 147,984 Performance Rights under the Company's Long Term Incentive Plan for the 2024 financial year (**FY24 LTI Plan**).

The objective of the FY24 LTI Plan is to allow the Board to grant Performance Rights to executives of the Company to assist with:

- attracting, motivating and retaining executives;
- delivering rewards to executives for individual and Company performance;
- allowing executives the opportunity to become Shareholders;
- enabling long term incentives to be settled by way of Shares in the Company, and
- aligning the interests of executives with those of Shareholders.

(b) FY24 LTI Plan

The Board is responsible for administering the FY24 LTI Plan in accordance with the FY24 LTI Plan Rules and the terms and conditions of the specific grants to participants under the FY24 LTI Plan.

The Board is cognisant of general Shareholder opinion that long-term equity-based rewards for staff should be linked to the achievement by the Company of performance conditions.

The Board has offered 147,984 Performance Rights to the Managing Director based on his LTI opportunity for the FY24 LTI Plan. The number of Performance Rights awarded was based on dividing the LTI opportunity amount (being \$748,800) by the 5-day volume weighted average price of the Company's shares (\$5.06) up to and including 7 July 2023.

The Performance Rights that the Board has offered to Mr. Blackburne under the FY24 LTI Plan for the 2024 financial year are subject to the two performance conditions outlined below. These

performance conditions must be satisfied in order for the Performance Rights to vest. The two performance conditions are equally weighted and operate independently of each other so that Performance Rights can vest under either or both categories (with 50% of the 147,984 Performance Rights capable of vesting under each of the two performance conditions). The Board currently expects that it will determine whether or not the performance conditions have been satisfied by 30 August 2026. In the absence of determining that the performance conditions have been satisfied and subject to the terms of the FY24 LTI Plan, the Performance Rights will automatically expire on 28 October 2026.

In addition, subject to certain exemptions in the FY24 LTI Plan, it will be a requirement, in order for Mr. Blackburne's 147,984 Performance Rights to vest, that his employment with the Company is not terminated by his resigning or by the Company terminating for cause or underperformance prior to 30 June 2026. If Mr. Blackburne's employment terminates for any other reason, then the vesting of the Performance Rights will still be assessed against the performance conditions attaching to them unless the Board determines otherwise.

Upon a Performance Right vesting, and subject to any adjustments in accordance with the FY24 LTI Plan Rules (e.g. upon a reorganisation of capital), one Share will be automatically issued to Mr. Blackburne or his nominee (unless the Board exercises its discretion below to pay a cash equivalent). Mr. Blackburne or his nominee is not required to pay any exercise price to the Company on the vesting of a Performance Right.

While the Board's current intention is that Mr. Blackburne or his nominee will be issued with a Share upon a Performance Right vesting, the Board retains the discretion to pay the cash equivalent of a Performance Right (being the gross value of the Shares that would have been issued to Mr. Blackburne if the Board chose to settle the Performance Rights in Shares) in lieu of issuing Shares.

Relative TSR hurdle (50% of Performance Rights)

Total shareholder return (**TSR**) is a method of calculating the return Shareholders would earn if they held a notional number of Shares over a period of time. TSR measures the growth in the Company's Share price together with the value of dividends during the period, assuming that all of those dividends are re-invested into new Shares. The percentage of Performance Rights out of this tranche that vest, if any, will be determined by reference to the relative TSR of the Company achieved over a three-year performance period commencing 1 July 2023 and ending 30 June 2026 (**Performance Period**), compared to the TSR comparator group of companies in the ASX Small Industrials Index (ASX.XSIAL) (**Index TSR**), as follows:

CWP's TSR for Performance Period	Percentage of TSR-tested Performance Rights vesting
Less than Index TSR	Nil
Equal to Index TSR	50%
Greater than Index TSR up to 5% above Index TSR	Pro-rata between 50% and 100%
Greater than 5% above Index TSR	100%

Threshold vesting of this tranche of the Performance Rights occurs where the Company's TSR equals the ASX Small Industrials Index TSR over the Performance Period. For the whole tranche of Performance Rights to vest, the Company's TSR must exceed the TSR of the ASX Small Industrials Index over the Performance Period by 5%.

The criteria for TSR vesting are considered and set at the start of the plan. The relevant inputs when setting the criteria are:

- the outlook for the Australian economy and the property sector;
- the Company’s most recent internal five-year financial forecasts;
- benchmarking of criteria to relevant peer companies; and
- Shareholders return expectations.

EPS compound annual growth rate hurdle (50% of Performance Rights)

Earnings per share (**EPS**) is a method of calculating the performance of an organisation, capturing information regarding an organisation’s net profit after tax in proportion to the total number of shares issued by the organisation.

The percentage of Performance Rights out of this tranche that vest, if any, will be determined by reference to the EPS compound growth rate of the Company achieved over a three-year performance period commencing 1 July 2023 and ending 30 June 2026 (**Performance Period**), as follows:

CWP’s EPS Compound Growth for Performance Period	Percentage of EPS-tested Performance Rights vesting
Less than 3%	Nil
Equal to or greater than 3% and less than 5%	Pro-rata between 50% and 100%
Greater than or equal to 5%	100%

The target range for EPS vesting is considered and set at the start of the plan. The relevant inputs when setting the EPS target range are:

- the earnings and EPS targets contained in the Corporate Plan, particularly with reference to the most recent internal five-year forecasts;
- the level of stretch associated with those Corporate Plan targets
- any earnings guidance that has been provided to the market;
- Shareholder and analyst (individual and consensus) expectations; and
- the rate of growth in the Australian economy and the performance of the property sector.

EPS is based on statutory profit, calculated in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act.

The Remuneration & Nominations Committee has sought to ensure that the targets strike an appropriate balance between being achievable yet sufficiently challenging, given the anticipated performance of the Company.

Further details of the Company’s LTI Plan are included in the remuneration report in the Company’s 2023 annual report.

(c) Regulatory requirements

Ordinary Resolution 5 seeks Shareholder approval under Listing Rule 10.14 of the long term incentive component of Mr. Blackburne's remuneration, being the issue of 147,984 Performance Rights under the FY24 LTI Plan for the 2024 financial year.

The Company is proposing to issue long term Performance Rights to Mr. Blackburne under the FY24 LTI Plan, as set out above (**LTI Issue**).

As noted previously in this Explanatory Memorandum in relation to Ordinary Resolution 4, Listing Rule 10.14 restricts certain categories of persons from acquiring equity securities under an employee incentive scheme.

The LTI Issue falls within Listing Rule 10.14.1 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

Ordinary Resolution 5 seeks the required shareholder approval to the LTI Issue under and for the purposes of Listing Rule 10.14.

Shareholders should note that, if Ordinary Resolution 5 is passed, the Company will be able to proceed with the LTI Issue and approval is not required under Listing Rule 7.1 and the issue of securities pursuant to Ordinary Resolution 5 will not be included in the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders do not pass Ordinary Resolution 5, the Company will not be able to proceed with the LTI Issue and, therefore, in order to meet the Company's contractual obligations under Mr. Blackburne's contract, it will be necessary for the Board and Mr. Blackburne to agree an alternative remuneration structure to provide Mr. Blackburne with his contractual entitlement, which could be an alternative equity proposal to be put to Shareholders and/or an amount of cash.

For the purposes of Listing Rule 10.15, the following information is provided in relation to the issue of 147,984 Performance Rights pursuant to Ordinary Resolution 5:

The name of the person

The recipient of the Performance Rights will be Mr. Nathan Blackburne or his nominee.

Category the person falls within and why

The issue of the Performance Rights falls within Listing Rule 10.14.1 because Mr. Nathan Blackburne is the Company's Managing Director.

The number and class of securities proposed to be issued to the person under the scheme for which approval is being sought

The maximum number of Securities that may be issued to Mr. Blackburne, or his nominee, is 147,984 Performance Rights.

Details of Mr. Blackburne's current remuneration package

Mr. Blackburne's FY24 remuneration comprises:

- Fixed remuneration of \$832,000 per annum
- The ability to receive up to \$686,400 in the form of short term incentives (65% in cash, 35% in ZEPOs)
- The ability to receive up to \$748,800 in the form of long term incentives.

For further information, refer page 55 of the Company's 2023 annual report.

The number of securities previously issued to Mr. Blackburne under the scheme and the average acquisition price (if any) paid by Mr. Blackburne for those securities

Mr. Blackburne has previously received performance rights pursuant to similar long term incentive plans in previous years, most recently having received 187,989 performance rights during the financial year ending 30 June 2023 (further details of which are set out on page 51 of the Company's 2023 annual report). Mr. Blackburne was not required to pay for those performance rights.

Summary of the material terms of the securities, an explanation of why that type of security is being used and the value the Company attributes to that security and its basis

- A summary of the material terms of the Performance Rights is set out in the "FY24 LTI Plan" section above and in "The material terms of the scheme" section below.
- The Board has determined to issue Performance Rights because the Board considers that Performance Rights will assist in:
 - attracting, motivating and retaining Mr. Blackburne;
 - delivering rewards to Mr. Blackburne for individual and Company performance;
 - allowing Mr. Blackburne the opportunity to increase his shareholding in the Company;
 - enabling long term incentives to be settled by way of Shares in the Company; and
 - aligning the interests Mr. Blackburne with those of Shareholders,in each case over the longer term.
- The Company attributes a value of \$748,800 to the Performance Rights. The number of Performance Rights awarded was based on dividing Mr. Blackburne's LTI opportunity amount (being \$748,800) by the 5-day volume weighted average price of the Company's shares (\$5.06) up to and including 7 July 2023.

The date or dates on or by which the Company will issue the securities

If Shareholders pass Ordinary Resolution 5, the Performance Rights will be issued to Mr. Nathan Blackburne or his nominee as soon as practicable after the date of the Meeting and in any event within 3 years of the Meeting. It is anticipated that all the Performance Rights will be issued on the same date.

The price at which the Company will issue the securities

No price will be paid for the Performance Rights upon their issue, or for the Shares upon vesting of any Performance Right.

The material terms of the scheme

The material terms attaching to the Performance Rights are set out in the "FY24 LTI Plan" section above.

Further, pursuant to the FY24 LTI Plan Rules:

- The Performance Rights are non-transferable (unless the Board determines otherwise), carry no right to vote or receive dividends or any of the other rights of Shareholders and will (subject to the Board's overriding discretion) lapse if they do not vest.
- Vested or unvested Performance Rights may be clawed back under the Company's clawback policy (**Clawback Policy**). The underlying principle of the Clawback Policy is that an employee should not receive performance-based remuneration if the Board considers that such remuneration would be an "inappropriate benefit".
- Under the Clawback Policy the Board, in its absolute discretion, may take such clawback actions as it deems necessary or appropriate to address events that give rise to an "inappropriate benefit". Such actions may include:

- cancelling or requiring the forfeiture of some or all of the employee's unvested or deferred short term incentive;
- adjusting the employee's future performance-based remuneration;
- recovering a short term incentive or long term incentive award previously paid to the employee; and
- any other action the Board considers appropriate.
- Upon the vesting of a Performance Right, the Company must issue or procure the transfer of the relevant number of Shares (or applicable cash amount) to the holder.
- If the holder ceases to be an employee of the Company then any unvested Performance Rights will not lapse on cessation and:
 - where the Performance Rights have performance conditions attaching to them, those Performance Rights will be tested following the end of the performance period and vest to the extent that the conditions have been satisfied; and
 - where the Performance Rights have service conditions attaching to them, those Performance Rights will vest following the end of the performance period.
- The above rules that apply upon cessation of employment are subject to the following rules:
 - if the holder ceases to be an employee prior to the Performance Rights vesting by reason of resignation or termination for cause or poor performance, any Performance Rights which have not vested at the time of cessation of employment will lapse upon such cessation (subject to the Board's overriding discretion set out below); and
 - if the holder ceases to be an employee for any reason, the Board may (in respect of any Performance Rights which have not vested) determine any treatment it considers to be appropriate in the circumstances. In making the determination, the Board may have regard to any matter the Board considers relevant, including the proportion of the performance period that has elapsed at the time of cessation of employment and the degree to which the applicable conditions have been (or are estimated to have been) satisfied, and the Company's obligations under the Corporations Act and Listing Rules, including any requirements for Shareholder approval.
- On certain change of control transactions occurring in relation to the Company (such as a person acquiring more than 50% of the voting power in the Company), unvested Performance Rights will, unless the Board determines otherwise, vest in proportion to the amount of the performance period that has elapsed and any estimate of the performance conditions being satisfied.
- There can be an adjustment of Performance Rights in certain circumstances, including in the event of any capital reorganisation (such as a subdivision or consolidation) or pro-rata or bonus issue. The number of Performance Rights to which each holder is entitled, or the exercise price, may be adjusted in the manner determined by the Board, provided that:
 - if there is a reorganisation of capital, the rights of each holder who has been allocated Performance Rights will be adjusted in the manner required by the Listing Rules applying at the time of the reorganisation; and
 - where the Company issues new securities:
 - a holder of Performance Rights will not be entitled to participate in the new issue until his or her Performance Rights have vested and been exercised; and

- the exercise price, or number of securities over which the Performance Rights may be exercised, will, in the case of a pro-rata issue, be adjusted in accordance with Listing Rule 6.22.2 (or any replacement rule) and, in the case of a bonus issue, be adjusted in accordance with Listing Rule 6.22.3 (or any replacement rule).

It is intended that the Board would exercise its discretion in this regard to ensure that holders do not enjoy a windfall gain and do not suffer a material detriment as a result of any corporate action.

- The Board administers the FY24 LTI Plan Rules and has absolute and unfettered discretion in exercising any power or discretion containing the FY24 LTI Plan. The Board may at any time in its sole discretion amend, supplement or revoke all or any of the FY24 LTI Plan Rules, the terms of any Performance Right or all or any of the rights or obligations of the holder of a Performance Right. However, the Board will not undertake such actions where it may materially reduce the rights of the holder of a Performance Right, unless the amendment is made primarily for the purposes of complying with applicable law, to correct any manifest error or mistake, or with the consent of the relevant holder. Such actions are also subject to any applicable restrictions or procedural requirements required by law or the Listing Rules.

A summary of the material terms of any loan that will be made in relation to the acquisition

There are no loans being made in relation to the acquisition of the Performance Rights.

Disclosure statement

Details of any securities issued under the FY24 LTI Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the FY24 LTI Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under that rule.

A voting exclusion statement

A voting exclusion statement with regards to Ordinary Resolution 5 is included in the Notice.

(d) Directors' recommendation on Ordinary Resolution 5

The Directors (other than Mr. Blackburne) recommend that Shareholders vote in favour of Ordinary Resolution 5.

As permitted, the Chairman intends to vote all undirected proxies in favour of Ordinary Resolution 5.

7 ORDINARY BUSINESS ITEM 7

(a) Ordinary Resolution 6 – Approval of an increase in the Non-Executive Directors' remuneration pool

Ordinary Resolution 6 has been proposed so that Shareholders can consider, and if thought fit, approve an increase to the maximum aggregate amount of Directors' fees which is available to the Company to secure the services of its Non-Executive Directors.

Listing Rule 10.17 and rule 11.9 of the Constitution provide that the Company must obtain the approval of its Shareholders before increasing the total aggregate amount of directors' fees payable by the Company or its subsidiaries to its Non-Executive Directors.

At present, the maximum aggregate amount of directors' fees which can be paid to the Company's Non-Executive Directors is capped at A\$750,000. It is proposed that this maximum amount be increased to A\$900,000 per annum (an increase of A\$150,000 per annum), effective from 1 July 2023. The fee pool is inclusive of statutory entitlements (including superannuation).

The reasons for the proposed increase are as follows:

- the current maximum aggregate amount of A\$750,000 per annum was set in 2014. The Board has not sought to increase the total fee pool since then;
- based on the current composition of the Board, the total fees payable to Non-Executive Directors for the 2023/24 financial year will be approximately \$701,000, which represents 94% of the total current fee pool;
- to facilitate orderly Board succession and allow for a situation where an additional Non-Executive Director is appointed prior to an existing Non-Executive Director transitioning to retirement; and
- to ensure that the Company has the ability to remunerate competitively and attract and retain high-calibre Non-Executive Directors in the future.

In accordance with Listing Rule 10.17 and rule 11.7 of the Constitution, the following information is provided:

- the amount of the proposed increase is A\$150,000 per annum;
- the proposed maximum aggregate of Directors' fees that may be paid to all of the Company's Non-Executive Directors is A\$900,000 per annum, effective from 1 July 2023;
- no securities have been issued to a Non-Executive Director under Listing Rule 10.11 or 10.14 with shareholder approval at any time within the preceding three years; and
- a voting exclusion statement is included in the Notice.

8 INTERPRETATION

In this Explanatory Memorandum:

“**AGM**” means Annual General Meeting;

“**Associate**” has the meaning given in the Listing Rules;

“**ASX**” means ASX Limited ACN 008 624 691;

“**Board**” means the board of Directors of the Company;

“**Chairman**” means the chairman of the Meeting;

“**Closely Related Parties**” of a member of the Key Management Personnel means:

- a spouse or child of the member;
- a child of the member’s spouse;
- a dependent of the member of the member’s spouse;
- anyone else who is one of the member’s family and may be expected to influence the member or be influenced by the member in the member’s dealings with the Company;
- a company the member control; or
- a person prescribed by the Corporations Regulations 2001 (Cth);

“**Company**” and “**CWP**” means Cedar Woods Properties Limited;

“**Constitution**” means the constitution of the Company as amended from time to time;

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

“**Director**” means a director of the Company;

“**Explanatory Memorandum**” means this explanatory memorandum;

“**FY23 DSTI Plan**” means the Deferred Short Term Incentive Plan established by the Company in relation to the potential offer of Zero-Price Options to executives of the Company;

“**FY23 DSTI Plan Rules**” means the rules of the FY23 DSTI Plan;

“**FY24 LTI Plan**” means the Long Term Incentive Plan established by the Company in relation to the potential offer of Performance Rights to executives of the Company;

“**FY24 LTI Plan Rules**” means the rules of the FY24 LTI Plan;

“**Key Management Personnel**” has the same meaning given in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Directors;

“**Listing Rules**” means the official listing rules of the ASX;

“**Managing Director**” means the managing director of the Company from time to time;

“**Meeting**” means the meeting of Shareholders convened by the Notice;

“**Non-Executive Director**” means a non-executive director of the Company;

“**Notice**” means the notice of meeting to which this Explanatory Memorandum is attached;

“**Ordinary Resolution**” means a resolution set out in the Notice;

“**Performance Right**” means a right to be issued a Share granted under the FY24 LTI Plan on the terms and conditions that are set out in the relevant offer letter given to the recipient and that are contained in the FY24 LTI Plan;

“Proxy Form” means the form attached to this Explanatory Memorandum;

“Section” means a section of this Explanatory Memorandum;

“Securities” has the meaning ascribed to it in the Listing Rules and includes ZEPOs and Performance Rights;

“Share” means an ordinary fully paid share in the capital of the Company;

“Shareholder” means a holder of Shares; and

“ZEPO” means a Zero-Price Option to be issued a Share granted under the FY23 DSTI Plan on the terms and conditions that are set out in the relevant offer letter given to the recipient and that are contained in the FY23 DSTI Plan.

