

NOTICE OF ANNUAL
GENERAL MEETING
2017



AUTOMOTIVE HOLDINGS GROUP

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NOTICE OF ANNUAL GENERAL MEETING 2017

AUTOMOTIVE HOLDINGS GROUP LIMITED ABN 35 111 470 038

Notice is given that the 2017 Annual General Meeting (**Annual General Meeting** or **Meeting**) of shareholders of Automotive Holdings Group Limited (**AHG** or **Company**), (**Shareholders**) will be held at:

Venue: **Botanical 3, Lower Level, Crown Convention Centre**
Great Eastern Highway, Burswood, Western Australia

Date: **Friday, 24th November 2017**

Time: **10.00 am (Perth time)**

This notice of meeting (**Notice**) should be read in conjunction with the Explanatory Notes accompanying this Notice.

Terms and abbreviations used in this Notice, Schedules and Explanatory Notes are defined in the Glossary.

ORDINARY BUSINESS OF THE MEETING

Annual report

To receive and consider the financial report of the Company, the Directors' report (including the remuneration report) and the auditor's report for the financial year ended 30 June 2017.

Resolution 1.1 – Re-election of Mr Howard Critchley

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

"That Mr Howard Critchley, who retires as a Director of the Company in accordance with the Company's constitution, be re-elected as a Director of the Company."

Resolution 1.2 – Re-election of Mr Giovanni (John) Groppoli

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

"That Mr Giovanni (John) Groppoli, who retires as a Director of the Company in accordance with the Company's constitution, be re-elected as a Director of the Company."

Resolution 2 – Grant of performance rights to Mr John McConnell – FY2017 STIs

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

"That, for the purpose of ASX Listing Rule 10.14 (Cth), sections 200B and 200E of the Corporations Act 2001(Cth) and for all other purposes, approval is given for the grant of 79,683 FY2017 STI performance rights by the Company to Mr John McConnell, and either the issue or transfer of ordinary shares in the Company to Mr McConnell on the vesting and exercise of those performance rights, under and in accordance with the AHG Performance Rights Plan and otherwise on the terms and conditions set out in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 4 to 5 below.

Resolution 3 – Grant of performance rights to Mr John McConnell – FY2018 LTIs

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

"That, for the purpose of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval be given for the grant of up to 249,688 FY2018 LTI performance rights by the Company to Mr John McConnell, and either the issue or transfer of ordinary shares in the Company to Mr McConnell on the vesting and exercise of those performance rights, under and in accordance with the AHG Performance Rights Plan and otherwise on the terms and conditions set out in the Explanatory Notes that accompany this Notice."

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 4 to 5 below.

Resolution 4 – Adoption of remuneration report

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

"That the remuneration report, which forms part of the Directors' report for the financial year ended 30 June 2017, be adopted."

A vote on this Resolution is advisory only and does not bind the Directors or the Company.

Please note that voting exclusions apply to this Resolution. Details of the voting exclusions applicable to this Resolution are set out in the "Voting Exclusions" section on pages 4 to 5 below.

SPECIAL BUSINESS OF THE MEETING

Resolution 5 – Adoption of proportional takeover provisions

To consider and, if thought fit, pass the following as a **special** resolution:

"That, with effect from the close of the Meeting and in accordance with sections 136 and 648D of the Corporations Act, the constitution of the Company be modified by inserting and adopting as rule 162 of the constitution of the Company, the proportional takeover approval provisions in the form set out in Schedule 3 to this Notice."

NOTES

These Notes form part of the Notice.

ENTITLEMENT TO ATTEND AND VOTE

The Company has determined that persons who are registered holders of fully paid ordinary shares of the Company (**Shares**) at 4.00 pm (Perth time) on Wednesday, 22 November 2017 will be entitled to attend and vote at the Annual General Meeting.

HOW TO VOTE

Voting in person

Shareholders who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding details may be checked against the Company's share register and attendance recorded. Please bring your personalised Proxy Form with you to assist with registration.

Corporate representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative will need to bring to the Meeting the appropriate appointment document, including any authority under which the appointment is signed, which will need to be produced prior to admission to the Meeting. A form of appointment may be obtained by telephoning the Company's share registry (1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia)) or Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website – www.linkmarketservices.com.au. Hover over 'Resources' Select the Investor Services tab and click on 'Forms' and then select 'Holding Management'.

Voting by proxy

Each Shareholder entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Annual General Meeting. A proxy need not be a Shareholder of the Company and may be an individual or a body corporate.

A Shareholder entitled to cast two or more votes may appoint up two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify this proportion, each proxy may exercise half the votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry (1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia)).

Sections 250BB and 250BC of the *Corporations Act 2001* (Cth) (**Corporations Act**) apply to voting by proxy. Generally, these sections mean that if proxy holders vote, they must cast all directed proxies as directed, and any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed. 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.

To be effective, a proxy appointment (and any power of attorney under which it is signed, or a certified copy of that authority) must be received by one of the methods below no later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

In person	Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138
By mail	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235
By fax	(02) 9287 0309 (within Australia) +61 2 9287 0309 (outside Australia)
Online	Shareholders may submit their proxy instructions electronically online to the Company's share registry by visiting www.linkmarketservices.com.au . Select 'Shareholders Login'. Refer to "Single Holding" and enter Automotive Holdings Group Limited or the ASX code (AHG) in the Issuer name field, your Holder Identification Number (HIN) or Security Reference Number (SRN) (which is shown on the front of your Proxy Form), postcode, security code which is shown on the screen, tick the terms and conditions agreement and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

Voting by attorney

A Shareholder may appoint an attorney to attend and vote on its 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 the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the Meeting.

Chairman as proxy and intentions of Chairman

The Chairman (where appropriately authorised) intends to vote all available undirected proxies **in favour of** Resolutions 1.1, 1.2, 2, 3, 4 and 5.

If you appoint the Chairman as your proxy and you do not provide a direction you will be taken to have directed the Chairman to cast your votes in accordance with his expressed intention described above, even if the Resolution is connected directly or indirectly with the remuneration of a member of KMP.

If you appoint the Chairman as your proxy and wish to direct him how to vote, you can do so by marking the boxes for the relevant Resolution (ie by directing him to vote "for", "against" or "abstain") in step 2 on the Proxy Form or online.

Other member of KMP as proxy

For the purposes of the Notice, the voting exclusions and the Explanatory Notes:

- The Key Management Personnel or **KMP** are those persons having authority and responsibility for planning, directing or controlling the activities of the Company's consolidated group, either directly or indirectly including any Director (executive and non-executive) of the Company.
- The term "closely related party" is defined in the Corporations Act and includes, for a member of the KMP:
 - a spouse or child of the member;
 - a child of the member's spouse;
 - a dependant of the member or 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; or
 - a company the member controls.

If you appoint:

- a member of KMP or one of their closely related parties (such as a close family member or a controlled company) as your proxy and do not direct that person how to vote on Resolution 2 (grant of performance rights to Mr John McConnell – FY2017 STIs), Resolution 3 (grant of performance rights to Mr John McConnell – FY2018 LTIs), or Resolution 4 (adoption of remuneration report); or
- Mr John McConnell or one of his closely related parties (such as a close family member and a controlled company) as your proxy and do not direct that person how to vote on Resolution 2 (grant of performance rights to Mr John McConnell – FY2017 STIs) or Resolution 3 (grant of performance rights to Mr John McConnell – FY2018 LTIs),

then that person will be restricted from voting on those Resolutions.

The remuneration report, which is set out on pages 45 to 63 of the Company's 2017 Annual Report, identifies the KMP for the financial year to 30 June 2017.

Prohibition on KMP voting

KMP and their closely related parties are prohibited under the Corporations Act from voting in a manner contrary to the Voting Exclusions for Resolutions 2, 3 and 4.

VOTING EXCLUSIONS

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons, on three of the five

Resolutions to be considered at the Annual General Meeting. These voting exclusions are described below.

Resolutions 2 and 3– Grant of performance rights to Mr John McConnell

The following persons may not vote and the Company will disregard any votes cast on Resolutions 2 or 3 by, or on behalf of:

- (a) Mr John McConnell or any of his associates; or
- (b) any Director of the Company who is eligible to participate in the AHG Performance Rights Plan or any of their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of KMP (and their closely related parties) acting as a proxy where the proxy appointment does not specify the way the proxy is to vote on the Resolutions, unless:

- (a) the proxy is the Chairman; and
- (b) the proxy appointment expressly authorises the Chairman to exercise the proxy even if that resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 4 – Adoption of remuneration report

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 4 (in any capacity) by or on behalf of any KMP of the Company's consolidated group whose remuneration details are included in the remuneration report (and any closely related party of such a KMP), unless the vote is cast:

- (a) as proxy for a person entitled to vote in accordance with a direction on the Proxy Form; or
- (b) by the Chairman as proxy for a person entitled to vote where the Proxy Form does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.

KMP and their closely related parties are prohibited under the Corporations Act from voting in a manner contrary to the above.

QUESTIONS FROM SHAREHOLDERS

The Chairman will allow a reasonable opportunity for Shareholders to ask questions and make comments about the management of the Company and the remuneration report at the Meeting.

Mr Glyn O'Brien of BDO Audit (WA) Pty Ltd (or his representative) will attend the Meeting as the auditor responsible for preparing the auditor's report for the year ended 30 June 2017. The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask the auditor questions at the Meeting about:

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

To assist the Board of Directors of the Company (**Board**) and the auditor of the Company in responding to any questions you may have, please submit questions in the manner described below by no later than 5.00 pm (Perth time) on Friday, 17 November 2017.

- By mail Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235
- By fax (02) 9287 0309 (within Australia) +61 2 9287 0309 (outside Australia)
- Online Shareholders may submit their questions electronically online to the Company's share registry by visiting www.linkmarketservices.com.au. Select Shareholders Login'. Refer to 'Single Holding' and enter Automotive Holdings Group Limited or the ASX code (AHG) in the Issuer name field, your Holder Identification Number (HIN), your Security Reference Number (SRN) (which is shown on the front of your Proxy Form), postcode, security code which is shown on the screen, tick the terms and conditions agreement and click 'Login'. Select the 'Voting' tab, click on 'Ask Question' under the 'Action' header and then follow the prompts to submit your question online.

The Company and the auditor will attempt to respond to as many of the more frequently asked questions as possible. Due to the large number of questions that may be received, the Company and the auditor will not reply on an individual basis.

By order of the Board



David Rowland

Company Secretary

Automotive Holdings Group Limited

23 October 2017

EXPLANATORY NOTES

These Explanatory Notes provide Shareholders with an explanation of, and information about, the proposed Resolutions set out in the Notice to assist Shareholders to decide how they wish to vote on those proposed Resolutions. These Explanatory Notes form part of, and should be read together with, the Notice. Capitalised terms in the Explanatory Notes are defined in the Glossary.

ORDINARY BUSINESS

Annual report

The Corporations Act requires the Directors of the Company to lay before the Annual General Meeting the financial report, the Directors' report (including the remuneration report) and the auditor's report for the last financial year that ended before the Annual General Meeting.

A copy of the Company's 2017 Annual Report, including the financial report, the Directors' report (including the remuneration report) and the auditor's report for the year ended 30 June 2017 is available on the "Reports" page of the Company's investor relations website at www.ahgir.com.au and on ASX's website www.asx.com.au.

There is no requirement for Shareholders to approve these reports. Shareholders will be given a reasonable opportunity to ask questions or make comments about these reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Company's auditor questions about the conduct of the audit and the presentation and content of the auditor's report.

Resolutions 1.1 and 1.2 – Election and re-election of Directors

In accordance with ASX Listing Rule 14.4 and rule 5.1 of the Company's constitution (**Constitution**) a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected. Rule 5.4 of the Constitution provides that a retiring Director is eligible for re-election without the necessity of giving any previous notice of his or her intention to submit him or herself for re-election. In accordance with rule 5.1 of the Constitution, Mr Howard Critchley (who was elected at the Company's 2014 annual general meeting) and Mr Giovanni (John) Groppoli (who was last re-elected at the Company's 2014 annual general meeting), will retire by rotation. Mr Howard Critchley and Mr Giovanni (John) Groppoli will offer themselves for re-election at the Annual General Meeting.

Resolutions 1.1 and 1.2 are separate Resolutions. More information about the Directors is set out below.

Resolution 1.1 – Re-election of Howard Critchley

Mr Howard Critchley was appointed as a non-executive Director on 3 April 2014.

Mr Critchley has more than 25 years of experience in the logistics and Fast Moving Consumer Goods (FMCG) sectors and was formerly managing director (Australia, Asia and China) for CEVA Logistics (formerly TNT Logistics). He is a Fellow of the Australian Institute of Company Directors and holds a Bachelor of Economics degree and a Master of Business Administration from Monash University.

Previously he has been a non-executive director with Boom Logistics Ltd. He is currently a member of the Advisory Board of TVS Logistics, a global logistics business privately owned by an Indian conglomerate. He is also a non-executive Director of Linfox Australia Pty Ltd.

Mr Critchley's executive career culminated in ten years of CEO roles in TNT/CEVA Logistics, the world's second largest integrated logistics company, with responsibility for the Australian and Asia Pacific regions.

Mr Critchley directly or indirectly holds 6,500 Shares .

Further information about Mr Critchley is set out in the Company's 2017 Annual Report.

Directors' recommendation: The Board, other than Mr Critchley, whose re-election is the subject of

the Resolution, is of the view that it has benefited and will continue to benefit from the skills, knowledge and experience that Mr Critchley brings to the Company and recommends that Shareholders vote **in favour** of Resolution 1.1.

Resolution 1.2 – Re-election of Mr Giovanni (John) Groppoli

Mr Groppoli was appointed to the Board on 4 July 2006.

Mr Groppoli was a partner of national law firm Deacons (now known as Norton Rose Fullbright) from 1987 to 2004 where he specialised in franchising (and related wholesale and retail distribution networks), mergers and acquisitions, and corporate governance. He was Managing Partner of the Perth office of Deacons from 1998 to 2002.

Mr Groppoli left private practice in 2004 and is currently Managing Director of RGM Equity whose business operations consist of the national distribution of international homewares, optical products and accessories and the provision of niche third party logistics/warehousing.

Mr Groppoli is also a director of ASX listed company Quintis Limited (formerly TFS Corporation Ltd) and of Senses Australia, a leading disability services provider in Western Australia.

Mr Groppoli is a member of the Board's Remuneration and Nomination Committee. He directly or indirectly holds 45,898 Shares.

Further information about Mr Groppoli is set out in the Company's 2017 Annual Report.

Directors' recommendation: The Board, other than Mr Giovanni (John) Groppoli whose re-election is the subject of the Resolution, is of the view that it has benefited and will continue to benefit from the skills, knowledge and experience that Mr Groppoli brings to the Company and recommends that Shareholders vote **in favour** of Resolution 1.2.

Resolutions 2 and 3 – Grant of performance rights to Mr John McConnell

Resolutions 2 and 3 seek Shareholder approval for the purposes of ASX Listing Rule 10.14, and for all other purposes, for the grant of the performance rights described below (**Performance Rights**) to, and the acquisition (whether by issue or transfer) of Shares on vesting and exercise of those Performance Rights, by Mr John McConnell, the Company's Managing Director, under and in accordance with the AHG Performance Rights Plan (**Plan**) and on the terms and conditions described below. A summary of the terms and conditions of the Plan is contained in Schedule 1 to this Notice.

If Shareholders approve Resolution 2, it is proposed that 79,683 STI Performance Rights (**FY2017 STI Performance Rights**) be granted to Mr McConnell shortly after the Meeting. The FY2017 STI Performance Rights form part of the STI component of Mr McConnell's remuneration package for the financial year ended 30 June 2017 (**FY2017**). See further details below.

If Shareholders approve Resolution 3, it is proposed that 249,688 LTI Performance Rights (**FY2018 LTI Performance Rights**) be granted to Mr McConnell as soon as possible after the date of the Meeting, but in any event no later than 12 months after the Meeting. The FY2018 LTI Performance Rights form part of the LTI component of Mr McConnell's remuneration package for the financial year ending 30 June 2018 (**FY2018**). See further details below.

On exercise, each Performance Right entitles Mr McConnell to one Share which will rank equally with Shares in the same class. Mr McConnell is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise.

Further details in relation to the FY2017 STI Performance Rights and FY2018 LTI Performance Rights are outlined below.

FY2017 STI Performance Rights

Details of the Company's STI program and the FY2017 STI outcome for Mr McConnell are disclosed in the Company's 2017 remuneration report (refer to pages 45 to 63 of the Company's 2017 Annual Report).

For FY2017 Mr McConnell is entitled to a total STI of \$502,000 reflecting the level of achievement of non-financial STI targets. AHG Group's operating profit for FY2017 did not achieve the STI financial performance target set by the Board and accordingly no financial STI's were payable to Mr McConnell in FY2017 (refer to pages 51 to 57 of the Company's 2017 Annual Report).

Under Mr McConnell's executive service agreement, his STI entitlement is to be paid in the form of 50% cash and 50% Performance Rights, which vest after 12 months. The amount that is to be paid in the form of Performance Rights is \$251,000.

The issue value of FY2017 STI Performance Rights is based on the Company's share price at 30 June 2017 (based on 30 day VWAP at that date). That VWAP is \$3.15, as determined independently by PwC. Accordingly, 79,683 FY2017 STI Performance Rights are to be issued to Mr McConnell, subject to Shareholder approval.

All STI Performance Rights issued are subject to a 12 month retention condition. No performance conditions apply to the exercise of STI Performance Rights, other than Mr McConnell remaining employed by AHG or its subsidiaries for 12 months after their grant.

FY2018 LTI Performance Rights

The FY2018 LTI Performance Rights are proposed to be granted as the LTI component of Mr McConnell's remuneration package for FY2018 under his executive service agreement. Mr McConnell's remuneration under this agreement comprises the following elements:

- \$1,200,000 fixed annual remuneration (being a base salary);
- \$1,200,000 STI (50% of that amount is subject to financial performance and 50% is subject to non-financial performance). Half of the total amount payable after assessment of financial and non-financial performance is deferred as STI Performance Rights; and
- \$666,667 LTI (100% of which is subject to performance based LTI Performance Rights).

The issue value of FY2018 LTI Performance Rights is based on the Company's share price at 30 June 2017 (based on 30 day VWAP at that date) discounted for ineligibility of dividends during the 3 year vesting period. That issue value is \$2.67, as determined independently by PwC. Accordingly, 249,688 FY2018 LTI Performance Rights are to be issued to Mr McConnell, subject to Shareholder approval.

Performance criteria applicable to the FY2018 LTI Performance Rights

The FY2018 LTI Performance Rights proposed to be granted to Mr McConnell will be subject to two performance criteria, which are independent and will be assessed separately over a three year performance period:

- **Relative Total Shareholder Return (TSR) performance:** 50% of the FY2018 LTI Performance Rights will be subject to TSR performance (broadly speaking, TSR measures the growth in the Company's share price plus the value of dividends and distributions), measured against a comparator peer group of companies recommended by PwC over the performance period. The comparator group for the purpose of the FY2018 LTI Performance Rights is comprised of 14 companies (disclosed in Schedule 2 of this Notice).
- **Earnings per Share (EPS) performance:** 50% of the FY2018 LTI Performance Rights will be subject to the Company achieving its specific EPS performance target over the performance period.

The TSR portion of Mr McConnell's FY2018 LTI Performance Rights will vest and be capable of being exercised if the Company's relative TSR performance is equal to or greater than the median TSR performance of a comparator peer group of companies (subject to changes as may be approved by the Board after consultation with PwC given changes to the composition of the peer group companies) at the end of the three year performance period. Vesting will occur on the following basis:

AHG's TSR ranking to the comparator group	Vesting outcome of TSR portion of the FY2017 LTI Performance Rights
Below 50 th percentile	Nil
At 50 th percentile	50% vesting
Greater than 50 th percentile up to 75 th percentile	Progressive/pro-rata vesting between 50% to 100%
At or above 75 th percentile	100% vesting

The Board retains discretion to adjust the relative TSR performance criteria and the companies in the relative TSR comparator group in exceptional circumstances to ensure there is no material advantage or disadvantage due to matters outside management's control that materially affect TSR performance.

The EPS portion of Mr McConnell's FY2018 LTI Performance Rights will vest and be capable of being exercised if the Company achieves its target operating EPS compound annual growth rate for the performance period. Vesting will occur on the following basis:

Compound Annual EPS growth performance¹	Vesting outcome of the EPS portion of the FY2017 LTI Performance Rights
Below 7% per annum	Nil
At 7% per annum	50% vesting
Greater than 7% up to 10% per annum	Progressive/pro-rata vesting between 50% to 100%
At or above 10% per annum	100% vesting

The Board retains discretion to adjust the EPS performance criteria as required in exceptional circumstances to ensure there is no material advantage nor disadvantage due to matters that materially affect EPS outside management's control (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).

FY2018 STI Performance Rights

Under Mr McConnell's FY2018 remuneration package, he may become entitled to a grant of FY2018 STI Performance Rights if the financial and non-financial targets set by the board for FY2018 are achieved. This will be assessed following the completion of the FY2018 results and, if required, Shareholder approval for the grant of FY2018 STI Performance Rights will be sought next year at the Company's 2018 annual general meeting.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval prior to the issue of securities under an employee incentive scheme to a Director of a company or his or her associates. As Mr McConnell is the Managing Director of the Company, approval is being sought for the purposes of ASX Listing Rule 10.14, and for all other purposes, to grant to Mr McConnell the FY2017 STI Performance Rights and the FY2018 LTI Performance Rights (and the issue or transfer of any Shares on vesting and exercise of these Performance Rights) detailed in this Notice in accordance with the terms and conditions of the Plan.

¹ The baseline operating EPS for the performance period is set at the reporting operating EPS for FY2017 (being 31.7 cents).

Once approval is received pursuant to ASX Listing Rule 10.14 then approval is not required:

- to issue equity securities to Mr McConnell (a related party) pursuant to ASX Listing Rule 10.11; and
- under Listing Rule 7.1 (in accordance with Listing Rule 7.2, Exception 14) so the issue will not impact on the Company's ability to issue equity securities under the 15% placement capacity.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr McConnell, being the Managing Director, is a "related party" of the Company and the grant of Performance Rights pursuant to the Plan will constitute the giving of "financial benefits".

The Board (other than Mr McConnell, because of his interest in Resolutions 2 and 3) considers that the grant of FY2017 STI Performance Rights and FY2018 LTI Performance Rights to Mr McConnell is an appropriate and reasonable component of his remuneration, and that the financial benefit represented by the grant of the Performance Rights falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is unnecessary to seek specific member approval of Resolution 2 for the purposes of Chapter 2E of the Corporations Act.

Sections 200B and 200E of the Corporations Act.

The Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

The term "benefit" is open to a wide interpretation and may include the early vesting or retention of Performance Rights under the Plan. As outlined in the summary of the Plan in Schedule 1 to this Notice, the Board has the discretion under the Plan to permit early vesting of Performance Rights in limited circumstances (including death or permanent disability, resignation, retirement or redundancy). So, if Mr McConnell ceases employment with the Company, he may be entitled to retain Performance Rights granted to him under the Plan, subject to compliance with the terms of his executive service agreement (including non-compete restrictions).

Early vesting of Mr McConnell's FY2017 STI or FY2018 LTI Performance Rights may amount to the giving of a termination benefit requiring shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also sought for any such benefit which Mr McConnell may receive under the Plan on cessation of his employment with the Company.

If Shareholders approve Resolution 2, the maximum number of FY2017 STI Performance Rights that may vest and be exercised on cessation of Mr McConnell's employment will be 79,683.

If Shareholders approve Resolution 3, the maximum number of FY2018 LTI Performance Rights that may vest and be exercised on cessation of Mr McConnell's employment will be 249,688.

However, the actual number of Performance Rights that may vest on cessation of employment (if any) will depend on a range of factors. Accordingly, the value of any consequent termination benefit that may be received as a result of early vesting on cessation of employment cannot be ascertained at the present time. Apart from the future share price being unknown, the following are matters which will or are likely to affect the value of the benefit:

- the number of unvested Performance Rights held by Mr McConnell prior to the cessation of employment;
- the extent to which the relevant performance criteria are met at the time;
- the period that has elapsed at that time since the effective grant date of the Performance Rights;
- the reasons for cessation of employment;
- the number of Performance Rights that vest; and
- the exercise of the Directors' discretion at the relevant time.

The Company will calculate the value of the benefit as being equal to the value of the number of Performance Rights that vest early, where that value is determined on the basis of the prevailing share price of the Company at the time.

Specific information required by the ASX Listing Rules

The following information is provided in relation to Resolutions 2 and 3 in accordance with ASX Listing Rule 10.15A:

- Mr McConnell is the Managing Director of the Company.
- The number of securities to be issued by the Company to Mr McConnell is 79,683 FY2017 STI Performance Rights (Resolution 2) and 249,688 FY2018 LTI Performance Rights (Resolution 3) (which on vesting and exercise will result in the issue or transfer to Mr McConnell of up to the same number of Shares in AHG).
- The number of FY2017 STI Performance Rights to be granted was determined based on the level of achievement of financial and non-financial STI performance targets set by the Board for FY2017, entitling Mr McConnell to a total STI of \$502,000, 50% of which will be paid in the form of FY2017 STI Performance Rights. The issue value of FY2017 STI Performance Rights is based on the Company's share price at 30 June 2017 (based on the 30 day VWAP at that date). That VWAP is \$3.15, as determined independently by PwC.
- The number of FY2018 LTI Performance Rights to be granted was determined based on Mr McConnell's maximum LTI opportunity for FY2018 (being \$666,667 divided by the issue value of the LTI Performance Rights for FY2018). The issue value of FY2018 LTI Performance Rights is based on the Company's share price at 30 June 2017 (\$3.35; based on 30 day VWAP at that date) discounted for ineligibility of dividends during the 3 year vesting period. That issue value is \$2.67, as determined independently by PwC using Black-Scholes methodology.
- Each Performance Right will be granted to Mr McConnell for nil cash consideration and Mr McConnell will not be required to pay any amount on the grant of the STI Performance Rights or LTI Performance Rights on their vesting or exercise.
- Since the last approval given by Shareholders at the 2016 Annual General Meeting:
 - no Performance Rights or other securities have been granted to Mr John McConnell and no Shares have been issued or transferred to him; and
 - no other person referred to in ASX Listing Rule 10.14 has been issued any Performance Rights or securities under the Plan.
- Mr John McConnell is the only person of the kind referred to in ASX Listing Rule 10.14 who is entitled to participate in the Plan.
- No loan has been or will be given to Mr McConnell relating to the grant of Performance Rights under the Plan. Because the Performance Rights will be granted to Mr McConnell for nil cash consideration and Mr McConnell will not be required to pay any amount on the grant of the Performance Rights or on their vesting or exercise, no funds will be raised by the issue of the Performance Rights and no loan exists in relation to the acquisition.
- Details of any Performance Rights issued under the Plan will be published in each annual report relating to a period in which Performance Rights have been issued, and that approval for the issue of Performance Rights was obtained, if required, under ASX Listing Rule 10.14.
- Any additional people who become entitled to participate in the Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained, if required, under ASX Listing Rule 10.14.
- Should Resolution 2 be passed, the FY2017 STI Performance Rights will be granted to Mr McConnell as soon as possible after the date of the Meeting, but in any event no later than 12 months after the date of the Meeting. The FY2017 STI Performance Rights will be granted in one instalment.
- Should Resolution 3 be passed, the FY2018 LTI Performance Rights will be granted to Mr McConnell as soon as possible following the Meeting, and in any event no later than 12 months after the date of the Meeting. The FY2018 LTI Performance Rights will be granted in one instalment.

Directors' recommendation: The Directors (other than Mr McConnell because of his interest in the outcome of the Resolution) recommend that Shareholders vote **in favour** of both Resolution 2 and Resolution 3.

Resolution 4 – Adoption of remuneration report

The Corporations Act requires that a resolution that the remuneration report be adopted must be put to a vote at the Company's annual general meeting.

AHG's 2017 remuneration report is set out on pages 45 to 63 of the Company's 2017 Annual Report, which may be accessed by visiting the "Reports" section of the Company's investor relations website at www.ahgir.com.au, or from ASX's website at www.asx.com.au. The remuneration report contains:

- details of the voting on the Company's remuneration report at the last annual general meeting;
- a summary of the independent review of the Company's remuneration policies and PwC recommendations from that review;
- details of the Company's executive remuneration structure for FY2017;
- details of the executive service agreement for the Managing Director;
- information about the Board's policy for determining the nature and amount of remuneration of Directors and senior executives of the Company;
- details of the remuneration of, and performance rights held by, Directors and senior executives of the Company; and
- a summary of the terms of any contract under which any Director or senior executive is engaged, including the period of notice required to terminate the contract and any termination payments provided for under the contract.

Further details about the Company's remuneration structure are described in the Company's Remuneration Report (see specifically pages 47 to 50 of the Company's 2017 Annual Report).

Shareholders will be provided with a reasonable opportunity to ask questions about, or make comments on, the remuneration report.

Section 250R(3) of the Corporations Act notes that the vote on the adoption of the remuneration report is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 4 will not require the Directors to alter any of the arrangements in the 2017 remuneration report.

Consequence of voting against Resolution 4

If at least 25% of the votes cast on Resolution 4 are against the adoption of the 2017 remuneration report, and at least 25% of the votes cast at the next annual general meeting of the Company (**2018 AGM**) on a resolution that the 2018 remuneration report be adopted is against the adoption of the report, then the Company will be required under section 250V of the Corporations Act to put to the vote at the 2018 AGM a spill resolution (**Spill Resolution**) to decide whether or not to convene another general meeting within 90 days of the 2018 AGM (the **Spill Meeting**) where:

- (a) all the Directors of the Company who were Directors at the time of the 2018 AGM (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting; and
- (b) a resolution to fill the position of each of the Directors referred to in (a) by re-election or otherwise will be put to the vote at the Spill Meeting.

As the votes cast against the remuneration report at the Company's 2016 Annual General Meeting were less than 25%, a Spill Resolution is not relevant for this Meeting.

Directors' Recommendation: Since Resolution 4 deals with remuneration of KMP, and in light of the provisions in the Corporations Act relating to voting by KMP and their closely related parties on such remuneration related resolutions, the Board does not make a recommendation about how Shareholders should vote on this Resolution 4.

SPECIAL BUSINESS OF THE MEETING

Resolution 5 – Adoption of proportional takeover provisions

Under the Corporations Act, a company is empowered to include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer.

It is a requirement of the Corporations Act that proportional takeover bid approval rules apply for a maximum period of three years unless renewed. The Constitution previously contained proportional takeover provisions that enabled the Company to refuse to register Shares acquired under a proportional takeover bid unless a resolution to approve the bid is passed (or deemed to have been passed) by holders of shares in the relevant bid class. However, as these provisions were not renewed within a three year period, by operation of section 648G of the Corporations Act, the provisions have ceased to apply and are deemed to have been omitted from the Constitution.

In the Directors' view, it is appropriate to consider the reinsertion of proportional takeover provisions (in the form of the proposed rule 162 set out in Schedule 3 to this Notice) (**Proposed Proportional Takeover Provisions**) in the Constitution. The proportional takeover provisions proposed to be inserted in the Constitution are in the same form as those which were previously included in the Constitution until they ceased to apply by operation of the Corporations Act.

Resolution 5 is a special resolution which means that it must be passed by at least 75% of the votes cast by Shareholders entitled to vote on this Resolution.

If Resolution 5 is passed and not set aside by the court, the Proposed Proportional Takeover Provisions will operate for three years, and would then cease to apply unless renewed by a further special resolution of Shareholders.

If Resolution 5 is passed, then for 21 days after the Meeting, Shareholders holding 10% or more of the Company's Shares would have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

The Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its shareholders to adopt proportional takeover provisions. This information is set out below.

Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of that Shareholder's shares. If a Shareholder accepts, the Shareholder disposes of that specified portion and retains the balance.

Effects of the Proposed Proportional Takeover Provisions

The effects of the Proposed Proportional Takeover Provisions are that:

- If a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a meeting of members of that class is convened where a resolution to approve the proportional takeover bid is voted on. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution.
- The meeting and the vote on the approving resolution must take place more than 14 days before the last day of the bid period.
- If the approving resolution is rejected before the deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded.
- If the approving resolution is not voted on, the bid will be taken to have been approved.
- If the approving resolution is passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution).

The Proposed Proportional Takeover Provisions do not apply to full takeover bids.

Reasons for the proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a proportional bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as a minority Shareholder in the Company. The bidder may be able to acquire control of the Company without payment of an adequate control premium.

The Directors believe that the Proposed Proportional Takeover Provisions are desirable to give Shareholders protection from these risks inherent in proportional takeover bids – this is protection that the Corporations Act provisions are intended to provide.

The Proposed Proportional Takeover Provisions allow Shareholders to decide if a proportional takeover bid is acceptable in principle, and may assist in ensuring that any proportional takeover bid is appropriately priced.

To assess the merits of the Proposed Proportional Takeover Provisions, Shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of the Proposed Proportional Takeover Provisions.

Potential advantages and disadvantages

The Directors consider that the Proposed Proportional Takeover Provisions have no potential advantages or disadvantages for any of them, and that they would remain free to make a recommendation on whether or not an offer under a proportional takeover bid should be accepted.

The Directors note that it could be argued that the Proposed Proportional Takeover Provisions are an advantage to them as a takeover response mechanism that could be exploited to entrench the incumbent Board. However, the Directors believe this argument ignores the basic object of the Proposed Proportional Takeover Provisions which is to empower Shareholders, not the Directors.

The potential advantages for Shareholders of the Proposed Proportional Takeover Provisions include the following:

- Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed.
- The provisions may assist Shareholders and protect them from being locked in as a minority.
- The provisions increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced.
- Each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include the following:

- Proportional takeover bids for Shares in the Company may be discouraged.
- Shareholders may lose an opportunity to sell some of their Shares at a premium.
- Individual Shareholders may consider that the Proposed Proportional Takeover Provisions would restrict their ability to deal with their Shares as they see fit.
- The likelihood of a proportional takeover bid succeeding may be reduced.

Operation of proportional takeover provisions previously included in the Constitution

While the previous proportional takeover provisions were in effect, there were no proportional takeover bids for the Company. The Directors are therefore unable to point to any more specific advantages or disadvantages evident from the operation of the provisions during that period. The

Directors are not aware of any potential takeover bid that was discouraged by the proportional takeover provisions previously included in the Constitution.

Knowledge of any acquisition proposals

Apart from the general considerations above, as at the day on which this Notice was prepared, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Those Directors who are also Shareholders have the same interest in Resolution 5 as all Shareholders have. Details of the shareholdings of Directors are contained in the Company's 2017 Annual Report.

Directors' recommendation: The Directors recommend that Shareholders vote in favour of Resolution 5.

GLOSSARY

2017 Annual Report	the Annual Report of the Company for the year ended 30 June 2017.
A\$ or \$	Australian dollars.
ASX	ASX Limited (ABN 98 008 624 691) or the financial market conducted by it (the Australian Securities Exchange), as the context requires.
Board	the board of Directors.
Chairman	the chair of the Meeting.
Company or AHG	Automotive Holdings Group Limited ABN 35 111 470 038.
Constitution	the constitution of the Company, as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth).
Director	director of the Company.
Explanatory Notes	the explanatory notes that accompany the Notice.
FY2017	the financial year ended 30 June 2017.
FY2018	the financial year ending 30 June 2018.
Key Management Personnel or KMP	those persons having authority and responsibility for planning, directing or controlling the activities of the Company's consolidated group, either directly or indirectly including any Director (executive and non-executive) of the Company.
Listing Rules	the Listing Rules of the ASX.
LTI	long term incentive.
Meeting or General Meeting or Annual General Meeting or AGM	the meeting convened by the Notice of Meeting.
Notice or Notice of Meeting	this Notice of Annual General Meeting.
Performance Right	an entitlement granted to a participant on the terms set out in the Plan to receive one Share subject to the satisfaction of applicable vesting conditions and/or performance hurdles.
Perth time	Australian Western Standard Time.
Plan	the AHG Performance Rights Plan, a summary of which is set out in Schedule 1 to this Notice.
Proxy Form	the proxy form enclosed with and forming part of this Notice.
Resolutions	the resolutions set out in this Notice.
Schedule	a schedule to this Notice and Explanatory Notes.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of a Share in the Company.
STI	short term incentive.

SCHEDULE 1: SUMMARY OF THE TERMS AND CONDITIONS OF THE AHG PERFORMANCE RIGHTS PLAN

	Term	Detail
1.	Purpose of the Plan	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> • align participants interests with shareholders; • reward sustained long-term performance; and • assist in the retention of key talent.
2.	Plan vehicle	<p>The Plan Rules enable the grant of Performance Rights.</p> <p>Each Performance Right is a right to receive one share in the Company (or a cash equivalent value in respect of the Performance Rights that vest), subject to the applicable vesting conditions being satisfied.</p> <p>The Board may determine the terms of the Performance Rights, including the vesting conditions.</p>
3.	Eligible participants	<p>The Board may grant Performance Rights to the executive leadership group and other selected employees of the Company or any Group Entity.</p> <p>In general, the Board and/or the CEO will invite those executives and employees who are key to the long-term success of the Company.</p>
6.	Vesting conditions and performance period	<p>The Board determines the vesting conditions, which may include performance and/or service conditions that must be satisfied before the Performance Rights vest.</p> <p>The vesting conditions will be measured and tested over a period determined by the Board, which is generally a minimum of three years.</p>
7.	Price payable	<p>The Board may determine whether any price is payable for the grant of Performance Rights or on exercise of Performance Rights into Shares.</p>
8.	Entitlements	<p>Performance Rights do not carry a right to vote or a right to dividends. Performance Rights are non-transferrable, except in limited circumstances or within the consent of the Board.</p> <p>Upon vesting of Performance Rights, the Company may provide participants with an entitlement to receive a cash payment or shares equivalent to the dividends payable during the period between the vesting date and exercise date in respect of the number of Performance Rights that vest. No dividend equivalents are provided on Performance Rights (or portion thereof) which are unvested or which do not vest.</p>
9.	Allocation of shares on vesting	<p>The Company may issue new shares or procure the acquisition of shares on-market to satisfy vested Performance Rights that have been exercised.</p> <p>The Company may also operate an employee share trust to acquire, hold or provide shares for the purposes of the Plan.</p> <p>Unless the Board determines otherwise, a Participant may be restricted from disposing of any shares that they acquire under the Plan for a period of up to three years subject to the Company's share trading policy.</p>

10.	Cessation of employment	<p>Where a participant ceases employment with the Company prior to the end of the vesting period, the treatment will depend on the circumstances of cessation as follows:</p> <ul style="list-style-type: none"> • Where the participant ceases employment due to resignation or termination for cause, all unvested Performance Rights will lapse at cessation. • Where a participant ceases employment for any other reason prior to Performance Rights vesting, a pro-rata portion of unvested Performance Rights (based on the period of time employed during the vesting period) will generally continue on-foot and be tested at the original vesting date against the relevant vesting conditions. <p>The Board also has the discretion to apply any another treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all of the Performance Rights lapse).</p>
11.	Change of control	<p>Where an event occurs which is likely to result in a change of control, the Board has discretion to determine whether any unvested Performance Rights should ultimately vest, lapse, become subject to different vesting conditions, or be settled in shares, cash or securities other than shares.</p> <p>In making such a determination, the Board may have regard to any factors that the Board considers relevant, including the performance period elapsed at the time of the event, the extent to which the vesting conditions have been satisfied at the time of event and the circumstances of the event.</p> <p>The Rules also provide for a 'default' treatment such that if the Board does not exercise its discretion and an actual change in control occurs, a pro-rata amount of the Participant's unvested Performance Rights (based on the proportion of the performance period that has elapsed at the time of the change of control) will vest. The amount that may vest is based on the extent to which any applicable performance conditions have been satisfied (or are estimated to have been satisfied) at that time.</p>
12.	Clawback	<p>The Board has the discretion to determine the treatment of Performance Rights which would not have otherwise vested, vest or may vest as a result (directly or indirectly) of fraud, dishonesty or breach of obligations.</p>
13.	Administration of the Plan	<p>The Board has broad powers of management in connection with the Plan. Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Board may amend or supplement the rules of the Plan by Board resolution at any time.</p> <p>However, any amendment or supplementation to the rules will not apply to any Performance Rights or shares already granted or acquired, respectively, under the Plan unless an express resolution of the Board states otherwise.</p>

**SCHEDULE 2: KEY TERMS AND CONDITIONS OF THE MANAGING DIRECTOR'S
LTI GRANT UNDER THE AHG PERFORMANCE RIGHTS PLAN**

	Term	Detail
1.	Details of the proposed FY2018 LTI grant	<p>The FY2018 LTI Performance Rights granted to Mr McConnell represent the LTI component of Mr McConnell's remuneration package for the financial year ending 30 June 2018 (FY2018).</p> <p>Mr McConnell will be granted 249,688 Performance Rights. The number of Performance Rights granted was determined based on Mr McConnell's maximum LTI opportunity for FY2018 (being \$666,667 divided by the face value discounted for dividends of the LTI Performance Right as at 1 July 2017 (calculated by PwC to be \$2.67).</p> <p>Mr McConnell's LTI opportunity has been approved by the Board.</p>
2.	Entitlements	<p>Each Performance Right is a right to acquire one share in the Company, subject to the achievement of the relevant performance conditions over the performance period.</p> <p>Performance Rights do not carry a right to vote or a right to dividends. Performance Rights are non-transferrable, except in limited circumstances or within the consent of the Board.</p> <p>Upon vesting of Performance Rights, the Company may provide Mr McConnell with an entitlement to receive a cash payment or shares equivalent to the dividends payable during the period between the vesting date and exercise date in respect of the number of Performance Rights that vest. No dividend equivalents are provided on Performance Rights (or portion thereof) which are unvested or which do not vest.</p>
3.	Date of grant	<p>If shareholder approval is obtained, the Performance Rights will be granted to Mr McConnell after the Meeting, but in any event, within 12 months of the Meeting.</p>
4.	Performance period and vesting	<p>The FY2018 LTI Performance Rights will be subject to a three year performance period commencing on 1 July 2017 (i.e. ending on 30 June 2020).</p> <p>Any Performance Rights that do not vest following testing of the vesting conditions at the end of the performance period will lapse.</p>
5.	Relative TSR comparator group	<p>The comparator group for the purpose of the FY2018 LTI Performance Rights is comprised of the following 14 companies:</p> <ul style="list-style-type: none"> • AMA Group Limited • AP Eagers Ltd. • Apollo Tourism & Leisure Ltd • ARB Corporation Limited • Autosports Group Limited • Bapcor Limited • Breville Group Limited • Flight Centre Travel Group Limited • Harvey Norman Holdings Limited • JB Hi-Fi Limited • Myer Holdings Limited • Nick Scali Limited • Super Retail Group Limited • Thorn Group Limited

6.	Allocation of shares on vesting	<p>Following testing of the applicable performance conditions and determination of the level of vesting of Performance Rights, one fully paid share in the Company will be allocated in relation to each Performance Right which vests and is exercised.</p> <p>The Company's obligation to allocate shares on vesting and exercise may be satisfied by issuing new shares or acquiring shares on market. The Company may also operate an employee share trust to acquire, hold or provide shares for the purposes of the Plan.</p>
7.	Trading restrictions	<p>Shares allocated on vesting of Performance Rights will not be subject to any further trading restrictions, subject to complying with the Company's Share Trading Policy.</p>
8.	Price payable for securities	<p>No amount will be payable in respect of the allocation of Performance Rights, nor in respect of any shares granted on vesting and exercise of the Performance Rights.</p>
9.	Cessation of employment	<p>If Mr McConnell ceases employment with the Company before the end of the performance period, the treatment will depend on the circumstances of cessation.</p> <ul style="list-style-type: none"> • Where Mr McConnell ceases employment due to resignation or termination for cause (including gross misconduct), all unvested Performance Rights will lapse at cessation. • Where Mr McConnell ceases employment for any other reason prior to Performance Rights vesting, a pro-rata portion of unvested Performance Rights (based on the period of time employed during the vesting period) will generally continue on-foot and be tested at the original vesting date against the relevant vesting conditions. <p>However, the Board retains a broader discretion to apply any another treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all of the Performance Rights lapse).</p>

SCHEDULE 3: PROPOSED PROPORTIONAL TAKEOVER APPROVAL PROVISIONS

162 Proportional takeover bids

162.1 Special definitions

The following definitions apply in this rule.

- (a) **Accepted Offer** means an offer under a proportional takeover bid that has been accepted and from the acceptance of which a binding contract has not resulted as at the end of the Resolution Deadline.
- (b) **Approving Resolution** means a resolution to approve the proportional takeover bid passed in accordance with rule 162.4.
- (c) **Resolution Deadline** means the day that is 14 days before the last day of the bid period of the proportional takeover bid.

A reference to "an associate of" another person is a reference to a person who is an associate of the first person because of sections 11, 12 or 15 of the Corporations Act.

162.2 Limited life of rule

This rule ceases to apply by force of section 648G(1) of the Corporations Act at the end of three years starting when this rule was inserted in the constitution or starting when this rule was last renewed in accordance with that section.

162.3 Restriction on registration of transfers

The Company must not register a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid until an Approving Resolution is passed.

162.4 Approving Resolution

If offers have been made under a proportional takeover bid for securities in a class issued by the Company:

- (a) an Approving Resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the Approving Resolution;
- (b) the directors must ensure that an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the bid;
- (c) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the bid was made, held securities included in that class is entitled to vote on an Approving Resolution;
- (d) the bidder or an associate of the bidder is not entitled to vote on an Approving Resolution; and
- (e) an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.

162.5 General meeting provisions apply

The rules in this constitution relating to general meetings apply, modified as necessary, to any meeting convened under this rule, except that:

- (a) a meeting may be convened on less than 28 days' notice and on at least 14 days' notice if the directors considers that should be done to ensure that the meeting is held before the Resolution Deadline; and
- (b) the holder of a security that carries no right to vote at a general meeting of the Company has one vote for each security held at a meeting convened under this rule.

162.6 Notice of meeting outcome

If an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the proportional takeover bid, the Company must, on or before the Resolution Deadline give a written notice stating that an Approving Resolution has been voted on and that the resolution has been passed or rejected to:

- (a) the bidder; and
- (b) ASX and any other relevant financial market.

162.7 Failure to propose resolution

If, as at the end of the day before the Resolution Deadline for a proportional takeover bid, no Approving Resolution has been voted on in accordance with this rule, an Approving Resolution is taken to have been passed in accordance with this rule.

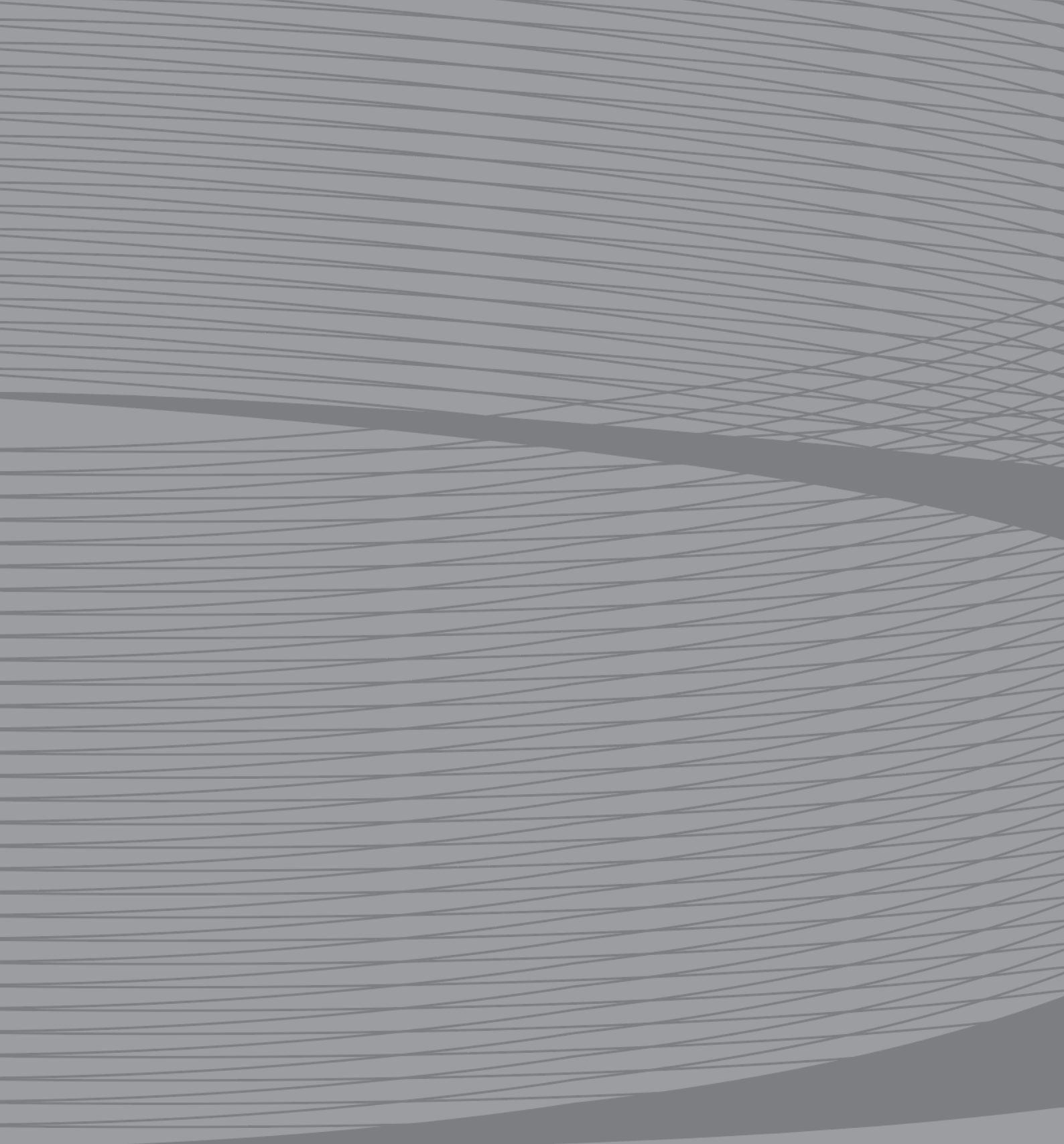
162.8 Rejected resolution

If an Approving Resolution is voted on, in accordance with this rule, before the Resolution Deadline for the proportional takeover bid and is rejected:

- (a) despite section 652A of the Corporations Act, all offers under the bid that have not, as at the end of the Resolution Deadline, been accepted, and all Accepted Offers are taken to be withdrawn at the end of the Resolution Deadline;
- (b) as soon as practical after the Resolution Deadline, the bidder must return to each person who accepted an Accepted Offer any documents that were sent by the person to the bidder with the acceptance of the offer;
- (c) the bidder may rescind, and must rescind, as soon as practical after the Resolution Deadline, each contract resulting from the acceptance of an offer made under the bid; and
- (d) a person who has accepted an offer made under the bid may rescind the contract (if any) resulting from that acceptance.

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AUTOMOTIVE HOLDINGS GROUP



AUTOMOTIVE HOLDINGS GROUP

Automotive Holdings Group Limited
ABN 35 111 470 038

LODGE YOUR VOTE

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Automotive Holdings Group Limited
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BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Automotive Holdings Group Limited (the **Company**) and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Perth time) on Friday, 24 November 2017 at Botanical 3, Lower Level, Crown Convention Centre, Great Eastern Highway, Burswood, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 2, 3 & 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 3 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote all eligible undirected proxies in favour of each Resolution. 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.

VOTING DIRECTIONS

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

STEP 2

Resolutions

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1.1 Re-election of Mr Howard Critchley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4 Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2 Re-election of Mr Giovanni (John) Groppoli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Adoption of proportional takeover provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Grant of performance rights to Mr John McConnell – FY2017 STIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Grant of performance rights to Mr John McConnell – FY2018 LTIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

STEP 3

AHG PRX1701C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON RESOLUTIONS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Perth time) on Wednesday, 22 November 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MAIL

Automotive Holdings Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

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

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



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

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