



## FUTURE MOBILITY SOLUTIONS

### FUTURE MOBILITY SOLUTIONS LIMITED

#### Notice of Special Meeting

Notice is hereby given that a special meeting of shareholders of Future Mobility Solutions Limited ("**Company**") will be held at the offices of the Company at 5 Unity Drive South, Albany, Auckland, 0632, New Zealand on 28 April 2017, commencing at 9am.

#### **BUSINESS TO BE TRANSACTED**

The business of the meeting will be to consider and, if thought fit, to pass the following ordinary resolutions, which are resolutions passed by a simple majority of the votes of shareholders entitled to vote and voting on each resolution. The resolutions are to be voted on separately and are not interdependent. This means that it is possible for one resolution to be passed and not the others.

#### **RESOLUTIONS**

1. That, for the purposes of NZX Listing Rule 7.3.1(a), Rule 7(d) of the Takeovers Code and all relevant provisions of the Company's constitution, the shareholders approve the issue of 5,350,000 ordinary shares in the Company at an effective issue price of NZD0.25 per share to QCPM Group Limited in satisfaction of the purchase price payable in connection with the acquisition, by the Company's wholly-owned subsidiary Sealegs International Limited, of all of the shares in Sealegs Europe SAS as more particularly described in the notice of special meeting and that the directors be authorised to take all actions, do all things and execute all documents and agreements considered by the directors to be necessary or desirable in connection with the share issue.
2. That, for the purposes of NZX Listing Rule 7.3.1(a) and all relevant provisions of the Company's constitution, the shareholders approve the issue of 3,566,700 ordinary shares in the Company at an effective issue price of NZD0.25 per share to Groupe Marck Holding to satisfy the non-cash portion of the purchase price payable in connection with the acquisition by the Company of 5,432 shares in S.A.S Sillinger as more particularly described in the notice of special meeting and that the directors be authorised to take all actions, do all things and execute all documents and agreements considered by the directors to be necessary or desirable in connection with the share issue.
3. That, for the purposes of NZX Listing Rule 7.3.1(a) and all relevant provisions of the Company's constitution, the shareholders approve the issue of up to 4,300,000 ordinary shares in the Company at an effective issue price of NZD0.25 per share to one or more current shareholders of Gemini Marine (Pty) Limited (but not including any Associated Persons (as defined in the NZX Listing Rules) of the Company or any director of the Company or their Associated Persons) to satisfy the non-cash portion of the purchase price payable in connection with the acquisition by the Company of 50.1% of the shares in Gemini Marine (Pty) Limited as more particularly described in the notice of special meeting and that the directors be authorised to take all actions, do all things and execute all documents and agreements considered by the directors to be necessary or desirable in connection with the share issue.

4. That, for the purposes of NZX Listing Rule 7.3.1(a) and all relevant provisions of the Company's constitution, the shareholders approve the issue of up to 13,400,000 ordinary shares in the Company to various investors (but not including any Associated Persons (as defined in the NZX Listing Rules) of the Company or any director of the Company or their Associated Persons) at an issue price of NZD0.25 per share in order for the Company to raise capital to satisfy the cash portion of the purchase price payable in connection with the acquisition by the Company of 5,432 shares in S.A.S Sillinger and the cash portion of the purchase price payable in connection with the acquisition by the Company of 50.1% of the shares in Gemini Marine (Pty) Limited, each as more particularly described in the notice of special meeting and that the directors be authorised to take all actions, do all things and execute all documents and agreements considered by the directors to be necessary or desirable in connection with the issue of such shares.

By order of the board of directors

Paul Cooper  
Company Secretary  
10 April 2017

## EXPLANATORY NOTES TO THE RESOLUTIONS

### Resolution 1

#### *Background*

The Company proposes to acquire, through its wholly-owned subsidiary Sealegs International Limited, all of the shares in Sealegs Europe SAS ("**Sealegs Europe**") from QCPM Group Limited ("**QCPM**"), a wholly-owned subsidiary of the Company's largest ultimate shareholder, Avenport Investment Corporation ("**Avenport**"), for an effective purchase price of NZD1,337,500 ("**Sealegs Europe Acquisition**"). The purchase price will be satisfied by the issue of 5,350,000 ordinary shares in the Company to QCPM at an effective issue price of NZD0.25 per share ("**Sealegs Europe Share Issue**").

Simmons Corporate Finance Limited, the independent adviser and appraiser appointed in relation to the Sealegs Europe Share Issue, observes at section 2.4 of its report that the "value of the consideration paid is lower than the value of Sealegs Europe". In doing so, Simmons Corporate Finance Limited has noted that, the NZD0.25 issue price for the Sealegs Europe Share Issue is "between 79% and 133% higher than the price at which the Company's shares have traded" during the period from 3 March 2016 to 3 March 2017 but has also noted that, in its opinion, the value of all of the shares in Sealegs Europe equates to between NZD671,000 and NZD792,000 (based on the exchange rate it has used of NZD1 = €0.662 as at 3 March 2017). Accordingly, Simmons Corporate Finance Limited has determined that "the midpoint of the assessed value of the consideration paid (in the form of the [Sealegs Europe Share Issue]) of NZD686,000 is below the midpoint of the assessed value range of Sealegs Europe of NZD732,000" and as such "there is no transfer of value from the Non-associated Shareholders to the Avenport Associates" (as those terms are defined in the report). Simmons Corporate Finance Limited has also determined at section 3.2 of its report that the consideration and terms and conditions of the Sealegs Europe Share Issue are fair to the Non-associated Shareholders.

Sealegs Europe is the master dealer that currently represents the Company in Europe, Africa and a number of other countries and territories in the Indian Ocean. In considering the Sealegs Europe Acquisition, the Company took into account a number of factors, including those set out below, that it believes will result in strong incremental returns to shareholders.

In the short term, there are the clear financial benefits of eliminating the need for the Company to pay a dealer margin in the future. This margin will all accrue to the Company post the Sealegs Europe Acquisition, providing an immediate payback on the investment. Equally, it is believed cost rationalisation can be quickly achieved, without impacting the ability of the Company to market and sell its products across a broader geography.

In addition, the Company wishes to have full control over its European and African markets in order to ensure consistency in areas such as sales, marketing and pricing. The board believes it is better for the Company to pursue the Sealegs Europe Acquisition rather than develop its own dealer platform in these markets for two reasons. First, because the cost of developing its own dealer platform is believed to outweigh that of the Sealegs Europe Acquisition. Second, because any such development would take a number of years to complete and would risk the business losing the substantial network of goodwill and relationships built by Sealegs Europe over recent years.

Accordingly, the directors of the Company that are not interested in the Sealegs Europe Acquisition are of the opinion that, in the medium to long term, the Sealegs Europe Acquisition will give the Company far greater flexibility to develop a coherent European and African strategy across all of its brands and will help to ensure the effective implementation of that strategy. This, in turn, will minimise the integration risk associated with the businesses that are proposed to be acquired by the Company currently and those that the Company may acquire in the future. Eric Series has refrained from giving the foregoing opinion because, as an indirect shareholder in QCPM, he is interested in the Sealegs Europe Acquisition.

The Sealegs Europe Acquisition is conditional upon, among other things, shareholder approval of the Sealegs Europe Share Issue.

### ***NZX Listing Rules application***

The purpose of Resolution 1 is to approve, under Listing Rule 7.3.1(a), the Sealegs Europe Share Issue to satisfy the purchase price payable in connection with the Sealegs Europe Acquisition.

The Company provides the following information for the purposes of Listing Rule 6.2.1:

- (a) **Number of shares to be issued:** 5,350,000
- (b) **Purpose of the issue:** satisfaction of the purchase price payable in connection with the Sealegs Europe Acquisition by the Company's wholly-owned subsidiary Sealegs International Limited
- (c) **Issue price:** effective issue price of NZD0.25 per share (which represents a 79% premium on the one-month volume weighted average price of the Company's ordinary shares as at 3 March 2017, the business day before the Sealegs Europe Acquisition was announced, being NZD0.136)
- (d) **Parties to whom shares will be issued:** QCPM
- (e) **Consideration for the issue:** the transfer from QCPM to the Company's wholly-owned subsidiary Sealegs International Limited, of all of the shares in Sealegs Europe
- (f) **Time period for issue:** the Sealegs Europe Share Issue will occur on completion of the Sealegs Europe Acquisition, currently expected to occur in April 2017
- (g) **Ranking of shares:** the shares will rank equally in all respects with all other ordinary shares currently on issue in the Company

### ***Takeovers Code application***

The Company is a "code company" as defined in the Takeovers Code. Rule 6 of the Takeovers Code prohibits any person (including its "associates" (as defined in the Takeovers Code)) who holds or controls 20% or more of the voting rights in a code company from becoming the holder or controller of an increased percentage of voting rights unless that person does so under an exception under Rule 7 of the Takeovers Code.

Avenport and its other wholly-owned subsidiary, Future Mobility Systems Limited (a company incorporated in Mauritius), are associates of QCPM for the purposes of the Takeovers Code.

As at the date of this notice, QCPM and its associates hold or control 32.75% of the voting rights in the Company and the Sealegs Europe Share Issue will, if approved, result in QCPM and its associates becoming the holder or controller of an increased percentage of voting rights in the Company (being

35.32%) (to avoid doubt, not taking into account any additional shares that might be issued if Resolutions 2, 3 and 4 are passed). Rule 7(d) of the Takeovers Code permits such an increase in voting rights if the allotment has first been approved by an ordinary resolution of the shareholders of the Company.

In accordance with Rule 16 of the Takeovers Code, the Company notes the following:

- (a) the allottee of the voting securities will be QCPM;
- (b) 5,350,000 ordinary shares are being allotted;
- (c) the percentage of the aggregate of all existing voting securities and all voting securities being allotted if Resolution 1 is passed that 5,350,000 represents (to avoid doubt, not taking into account any additional shares that might be issued if Resolutions 2, 3 and 4 are passed) is 3.83%;
- (d) the percentage of all voting securities that will be held or controlled by QCPM after completion of the allotment (to avoid doubt, not taking into account any additional shares that might be issued if Resolutions 2, 3 and 4 are passed) is 3.83%;
- (e) the aggregate of the percentages of all voting securities that will be held or controlled by QCPM together with its associates after completion of the allotment (to avoid doubt, not taking into account any additional shares that might be issued if Resolutions 2, 3 and 4 are passed) will be 35.32%;
- (f) the voting securities are proposed to be allotted on completion of the Sealegs Europe Acquisition. The effective issue price for the voting securities is NZD0.25 per share and will be paid on completion of the Sealegs Europe Acquisition;
- (g) the reason for the allotment is satisfaction of the purchase price payable in connection with the Sealegs Europe Acquisition;
- (h) the allotment, if approved, will be permitted under Rule 7(d) of the Takeovers Code as an exception to Rule 6 of the Takeovers Code; and
- (i) the Company has been advised by QCPM that there is no agreement or arrangement (whether legally enforceable or not) that has been, or is intended to be, entered into between QCPM (as allottee) and any other person relating to the allotment, holding, or control of the voting securities to be allotted to QCPM, or to the exercise of the voting rights in the Company.

It is noted that the percentages set out under points (c), (d) and (e) above only take account of the Sealegs Europe Share Issue and do not take account of the share issuances contemplated under Resolutions 2, 3 and 4. Assuming however that Resolutions 2, 3 and 4 are passed and the Company issues the maximum number of shares permitted under those Resolutions, the relevant percentages will be as follows:

- (a) the percentage of the aggregate of all existing voting securities and all voting securities being allotted if Resolution 1 is passed that 5,350,000 represents (when taking into account the maximum number of additional shares that might be issued pursuant to Resolutions 2, 3 and 4 if those Resolutions are passed) is 3.32%;
- (b) the percentage of all voting securities that will be held or controlled by QCPM after completion of the allotment (when taking into account the maximum number of additional shares that might be issued pursuant to Resolutions 2, 3 and 4 if those Resolutions are passed) is 3.32%; and

- (c) the aggregate of the percentages of all voting securities that will be held or controlled by QCPM together with its associates after completion of the allotment (when taking into account the maximum number of additional shares that might be issued pursuant to Resolutions 2, 3 and 4 if those Resolutions are passed) will be 30.66%.

In accordance with Rule 19 of the Takeovers Code, the directors of the Company recommend that shareholders approve Resolution 1 for the reasons set out in the Background above and because the board considers the issue of shares to be an effective way of paying for the Sealegs Europe Acquisition, as it reduces the need for significant cash outlay.

Pursuant to Listing Rule 3.4.3, Eric Series abstained from voting on the board resolution relating to the Company's proposal to acquire Sealegs Europe and has accordingly abstained from making the related recommendation to shareholders regarding shareholder approval of Resolution 1.

### ***Independent Report***

An appraisal report must accompany this notice of meeting under Listing Rule 6.2.2(b) because the Sealegs Europe Share Issue is intended or is likely to result in more than 50% of the shares to be issued being acquired by an "Associated Person" (as defined in the Listing Rules) of directors of the Company. QCPM is considered an Associated Person of Eric Series because Mr Series is an indirect shareholder of QCPM and QCPM will be acquiring all of the shares being issued under Resolution 1. The purpose of the appraisal report is to opine on the fairness of the Sealegs Europe Share Issue to the Company's shareholders (other than QCPM and any of its Associated Persons) and the sufficiency of the information provided to the Company's shareholders.

In accordance with Rule 18 of the Takeovers Code, the directors of the Company must obtain an independent adviser's report on the merits of the Sealegs Europe Share Issue, having regard to the interests of the Company's shareholders (other than QCPM and any of its associates).

Accordingly, a report prepared by Simmons Corporate Finance Limited, which comprises an appraisal report in accordance with Listing Rule 6.2.2(b), and an independent adviser's report in accordance with Rule 18 of the Takeovers Code, accompanies this notice of special meeting.

In its report, Simmons Corporate Finance Limited has observed, among other things, that the positive aspects of the Sealegs Europe Share Issue outweigh the negative aspects of the Sealegs Europe Share Issue from the perspective of the Non-associated Shareholders (as defined in the report) and is of the opinion that the consideration and the terms and conditions of the Sealegs Europe Share Issue are fair to the Non-associated Shareholders. Please note, however, that these are simply some of the conclusions reached by Simmons Corporate Finance Limited and it is recommended that you read the full report that accompanies this notice of special meeting.

## **Resolution 2**

### ***Background***

The Company announced on 20 December 2016 that it has entered into a conditional agreement for the acquisition of 70% of the shares in S.A.S Sillinger for a purchase price of €2,100,000 (being approximately NZD3,201,219 based on an illustrative only Euro/NZD exchange rate as at 3 April 2017) ("**Sillinger Acquisition**"). The purchase price consists of €1,500,000 payable in cash and €600,000 to be satisfied

by issuing ordinary shares in the Company to Groupe Marck Holding, the sole shareholder of S.A.S Sillinger, at an effective issue price of NZD0.25 per share. The Company and Groupe Marck Holding have subsequently agreed that the specific number of shares to be issued to satisfy the €600,000 non-cash portion of the purchase price is 3,566,700 shares.

S.A.S Sillinger is headquartered in France and manufactures and sells a wide range of crafts under the 'Sillinger' and 'Rafale' brand names worldwide, with a particular focus on France and its overseas territories. S.A.S Sillinger specialises in foldable and semi-rigid inflatable boats for the military and defence sectors.

### ***NZX Listing Rules application***

The purpose of Resolution 2 is to approve, under Listing Rule 7.3.1(a), the issue of 3,566,700 ordinary shares in the Company to Groupe Marck Holding to satisfy the €600,000 (being NZD891,675 based on the effective issue price of NZD0.25 per share) non-cash portion of the purchase price payable in connection with the Sillinger Acquisition.

The Company provides the following information for the purposes of Listing Rule 6.2.1:

- (a) **Number of shares to be issued:** 3,566,700
- (a) **Purpose of the issue:** to satisfy the non-cash portion of the purchase price payable by the Company in connection with the Sillinger Acquisition
- (b) **Issue price:** effective issue price of NZD0.25 per share (which represents a 150% premium on the one-month volume weighted average price of the Company's ordinary shares as at 19 December 2016, the business day before the Sillinger Acquisition was announced, being NZD0.100)
- (c) **Parties to whom shares will be issued:** Groupe Marck Holding
- (d) **Consideration for the issue:** in conjunction with, and subject to, payment of the remaining portion of the purchase price payable in connection with the Sillinger Acquisition, the consideration for the issue will be the transfer from Groupe Marck Holding to the Company of 5,432 shares in S.A.S Sillinger
- (e) **Time period for issue:** the issue of shares will occur on completion of the Sillinger Acquisition, currently expected to occur during the second quarter of 2017
- (f) **Ranking of shares:** the shares will rank equally in all respects with all other ordinary shares currently on issue in the Company

No appraisal report is required in connection with the proposed issue of shares pursuant to Resolution 2 because none of the shares will be acquired by directors or Associated Persons of directors of the Company.

### **Resolution 3**

#### ***Background***

The Company announced on 20 December 2016 that it has entered into a conditional agreement for the acquisition of 50.1% of the shares in Gemini Marine (Pty) Limited ("**Gemini Marine**") ("**Gemini Acquisition**") for a purchase price of USD1,500,000 (being approximately NZD2,139,800 based on an

illustrative only USD/NZD exchange rate as at 3 April 2017). The purchase price consists of USD750,000 payable in cash and USD750,000 to be satisfied by the issue of ordinary shares in the Company to one or more current shareholders of Gemini Marine at an effective issue price of NZD0.25 per share, with the split of cash and ordinary shares in the Company going to the relevant current shareholders of Gemini Marine, being as determined between such shareholders.

Gemini Marine is based in South Africa and designs and manufactures a wide range of rigid-inflatable boats and inflatable boats for the rescue, military and law enforcement sectors in countries such as South Africa, New Zealand, Australia and Singapore.

### ***NZX Listing Rules application***

The purpose of Resolution 3 is to approve, under Listing Rule 7.3.1(a), the issue of shares in the Company to satisfy the USD750,000 (being approximately NZD1,069,900 based on an illustrative only USD/NZD exchange rate as at 3 April 2017) non-cash portion of the purchase price payable in connection with the Gemini Acquisition.

The Company provides the following information for the purposes of Listing Rule 6.2.1:

- (a) **Number of shares to be issued:** up to 4,300,000 (dependent on the applicable USD/NZD exchange rate at the time of satisfaction of the purchase price payable by the Company in connection with the Gemini Acquisition)
- (b) **Purpose of the issue:** to satisfy the non-cash portion of the purchase price payable by the Company in connection with the Gemini Acquisition
- (c) **Issue price:** effective issue price of NZD0.25 per share (which represents a 150% premium on the one-month volume weighted average price of the Company's ordinary shares as at 19 December 2016, the business day before the Gemini Acquisition was announced, being NZD0.100)
- (d) **Parties to whom shares will be issued:** one or more current shareholders of Gemini Marine. The shares will not be issued to any Associated Persons of the Company or any director of the Company or their Associated Persons
- (e) **Consideration for the issue:** in conjunction with, and subject to, payment of the remaining portion of the purchase price in connection with the Gemini Acquisition, the consideration for the issue will be the transfer from the relevant current shareholder(s) of Gemini Marine to the Company of 50.1% of the shares in Gemini Marine
- (f) **Time period for issue:** the issue of shares will occur on completion of the Gemini Acquisition, currently expected to occur during the second quarter of 2017
- (g) **Ranking of shares:** the shares will rank equally in all respects with all other ordinary shares currently on issue in the Company

No appraisal report is required in connection with the proposed issue of shares pursuant to Resolution 3 because none of the shares will be acquired by directors or Associated Persons of directors of the Company.

#### **Resolution 4**

The Company requires capital to fund the €1,500,000 (being approximately NZD2,286,585 based on an illustrative only Euro/NZD exchange rate as at 3 April 2017) cash portion of the purchase price payable by the Company in connection with the Sillinger Acquisition and to fund the USD750,000 (being approximately NZD1,069,900 based on an illustrative only USD/NZD exchange rate as at 3 April 2017) cash portion of the purchase price payable by the Company in connection with the Gemini Acquisition.

#### ***NZX Listing Rules application***

The purpose of Resolution 4 is to approve, under Listing Rule 7.3.1(a), the issue of up to 13,400,000 shares in the Company to raise capital to satisfy the cash portion of the purchase price payable in connection with each of the Sillinger Acquisition and the Gemini Acquisition.

The Company provides the following information for the purposes of Listing Rule 6.2.1:

- (a) **Number of shares to be issued:** up to 13,400,000 (dependent on the applicable Euro/NZD exchange rate and USD/NZD exchange rate at the time of satisfaction of the cash portion of the purchase price payable by the Company in connection with the Sillinger Acquisition and the Gemini Acquisition respectively)
- (b) **Purpose of the issue:** to raise capital to satisfy the cash portion of the purchase price payable by the Company in connection with each of the Sillinger Acquisition and the Gemini Acquisition
- (c) **Issue price:** NZD0.25 per share (which represents a 150% premium on the one-month volume weighted average price of the Company's ordinary shares as at 19 December 2016, the business day before the Sillinger and Gemini Acquisitions were announced, being NZD0.100)
- (d) **Parties to whom shares will be issued:** the identity of the investors and each investment amount are unknown at this stage but the investors are currently expected to be made up of institutional investors and/or high net worth individuals. The shares will not be issued to any Associated Persons of the Company or any director of the Company or their Associated Persons or to QCPM or any of its associates
- (e) **Consideration for issue:** up to NZD3,350,000 in cash (assuming the maximum number of shares to be issued pursuant to this Resolution are issued). The cash will be applied in satisfaction of the cash portion of the purchase price payable by the Company in connection with each of the Sillinger Acquisition and the Gemini Acquisition
- (f) **Time period for issue:** the issue of shares will occur on or prior to completion of each of the Sillinger Acquisition and the Gemini Acquisition, each currently expected to occur during the second quarter of 2017
- (g) **Ranking of shares:** the shares will rank equally in all respects with all other ordinary shares currently on issue in the Company

No appraisal report is required in connection with the proposed issue of shares pursuant to Resolution 4 because none of the shares will be acquired by directors or Associated Persons of directors of the Company.

### **Dilution effect on current shareholders**

The maximum total number of shares in the Company that could be issued if all of the Resolutions are passed is 26,616,700. Assuming that all of those 26,616,700 shares are issued by the Company pursuant to the Resolutions, any shareholder that is not issued any of those shares will have their shareholding in the Company diluted by approximately 16.52%.

### **What if the Resolutions are not passed?**

#### ***Resolution 1***

As stated in the Background section for Resolution 1, the Sealegs Europe Acquisition is conditional upon, among other things, shareholder approval of the Sealegs Europe Share Issue. Without shareholder approval, the Sealegs Europe Acquisition could not proceed as it is currently formulated. Although shareholder approval would be required in order to acquire Sealegs Europe under the current formulation where the consideration is paid by way of the issue of shares in the Company, shareholder approval would not be required if the consideration were to be paid in cash. Accordingly, the board may consider whether the Company would acquire Sealegs Europe for cash consideration and, if so, how such cash would be raised.

If the Sealegs Europe Acquisition does not proceed, one alternative is that the Company could consider developing its own dealer platform in the relevant markets. However, for the reasons stated in the Background section for Resolution 1, the board believes it is better for the Company to pursue the Sealegs Europe Acquisition as a way to control its European and African markets.

#### **Resolutions 2, 3 and 4**

Without shareholder approval, the Company will still be able to issue shares in reliance on Listing Rule 7.3.5. This Listing Rule essentially allows a company to issue no more than 20% of the total ordinary shares on issue at the start of a 12 month period together with 20% of those ordinary shares issued during that period pursuant to specific rules or approvals. For the Company, this means that the board would be able to issue approximately 26,903,559 shares on or before the end of the second quarter of 2017. Therefore, the Company may still be able to effect the Sillinger Acquisition and the Gemini Acquisition by way of share issuances if desired but would have less flexibility in relation to the issuance of shares in connection with the pursuit of other opportunities in the future.

It is noted that the board has approved the Sillinger Acquisition and the Gemini Acquisition and is seeking shareholder approval of Resolutions 2, 3 and 4 solely in respect of the issuance of shares to partially satisfy the purchase price in connection with each acquisition.

The board considers the issue of shares to be an effective way of paying for the acquisitions as it reduces the need for significant cash outlay.

Shareholder approval for each share issue is being sought to retain the Company's capacity to issue shares in the future under the 20% cap under Listing Rule 7.3.5, which allows the Company greater flexibility in relation to the issuance of shares in the future.

## **PROXIES AND CORPORATE REPRESENTATIVES**

Votes may be exercised by shareholders at the special meeting by either being present in person or by appointing a proxy. A proxy form is enclosed with this notice of special meeting.

If you wish to vote by proxy you must complete the proxy form and ensure it is received by the Company no later than 9am on 26 April 2017. You can also lodge your proxy online or by fax. See the proxy form for lodgement details.

A proxy need not be a shareholder. You may direct your proxy how to vote, or give your proxy discretion to vote as they see fit. If you wish to give your proxy that discretion, you should mark the appropriate box on the proxy form. If you do not mark any appropriate box on the proxy form then your proxy may vote or abstain from voting as they see fit, subject to any voting restrictions.

The Chairman of the meeting is prepared to act as a proxy for any shareholder(s). Please write "the Chairman" in the space provided in the proxy form if you wish to appoint the Chairman and direct the Chairman how to vote. If the Chairman is not given a direction as to how to vote, he will vote in favour of the Resolutions.

The proxy form must be signed by you or your attorney. If the proxy form has been signed under a power of attorney, a copy of the power of attorney appointing the attorney under which it is signed, together with a certificate of non-revocation, must be produced to the Company with the proxy form unless already deposited with the Company.

In the case of a corporate shareholder appointing a representative to attend the meeting to vote on its behalf, you must provide a copy of the enclosed proxy form, completed as if that representative were a proxy, together with a certified copy of the resolution passed by the corporation appointing the representative.

In the case of joint holdings, all joint holders must sign the enclosed proxy form.

## **VOTING RESTRICTIONS**

Rule 17 of the Takeovers Code prohibits QCPM and any associates of QCPM (including Eric Series, Avenport and Future Mobility Systems Limited) from voting on Resolution 1.

Listing Rule 9.3.1 prohibits:

- (a) QCPM or any of its Associated Persons (including Eric Series) from voting on Resolution 1;
- (b) Groupe Marck Holding or any of its Associated Persons from voting on Resolution 2;
- (c) the relevant current shareholder(s) of Gemini Marine to whom shares are issued pursuant to Resolution 3 or any of their Associated Persons from voting on Resolution 3; and
- (d) the investors to whom shares are issued pursuant to Resolution 4 or any of their Associated Persons from voting on Resolution 4.

However:

- (a) QCPM or any of its Associated Persons may act as a proxy where they have been given an express direction as to how to vote on Resolution 1. Any discretionary proxies given to them will not be able to be cast on Resolution 1;

- (b) Groupe Marck Holding or any of its Associated Persons may act as a proxy where they have been given an express direction as to how to vote on Resolution 2. Any discretionary proxies given to them will not be able to be cast on Resolution 2;
- (c) the relevant current shareholder(s) of Gemini Marine to whom shares are issued pursuant to Resolution 3 or any of their Associated Persons may act as a proxy where they have been given an express direction as to how to vote on Resolution 3. Any discretionary proxies given to them will not be able to be cast on Resolution 3; and
- (d) the investors to whom shares are issued pursuant to Resolution 4 or any of their Associated Persons may act as a proxy where they have been given an express direction as to how to vote on Resolution 4. Any discretionary proxies given to them will not be able to be cast on Resolution 4.