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## Annual General Meeting 2015

Notice is hereby given of the twenty-fifth Annual General Meeting  
of members of PMP Limited ABN 39 050 148 644

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## Voting Entitlements

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), all ordinary shares in PMP Limited ACN 050 148 644 (PMP or the Company) that are quoted securities as at 7.00pm Australian Eastern Daylight Time on Wednesday, 18 November 2015 are taken, for the purposes of the meeting, to be held by the persons who held those shares at that time.

The 2015 PMP Annual Report is also available on PMP's internet site:

[www.pmplimited.com.au/annualreport2015](http://www.pmplimited.com.au/annualreport2015)

## Explanatory Memorandum

The Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

## Admission to Meeting

Shareholders who will be attending the meeting, and who will not be appointing a proxy, are asked to bring the proxy form to the meeting to help speed admission.

Shareholders who do not plan to attend the meeting are encouraged to complete and return the proxy form for each of their holdings of shares.

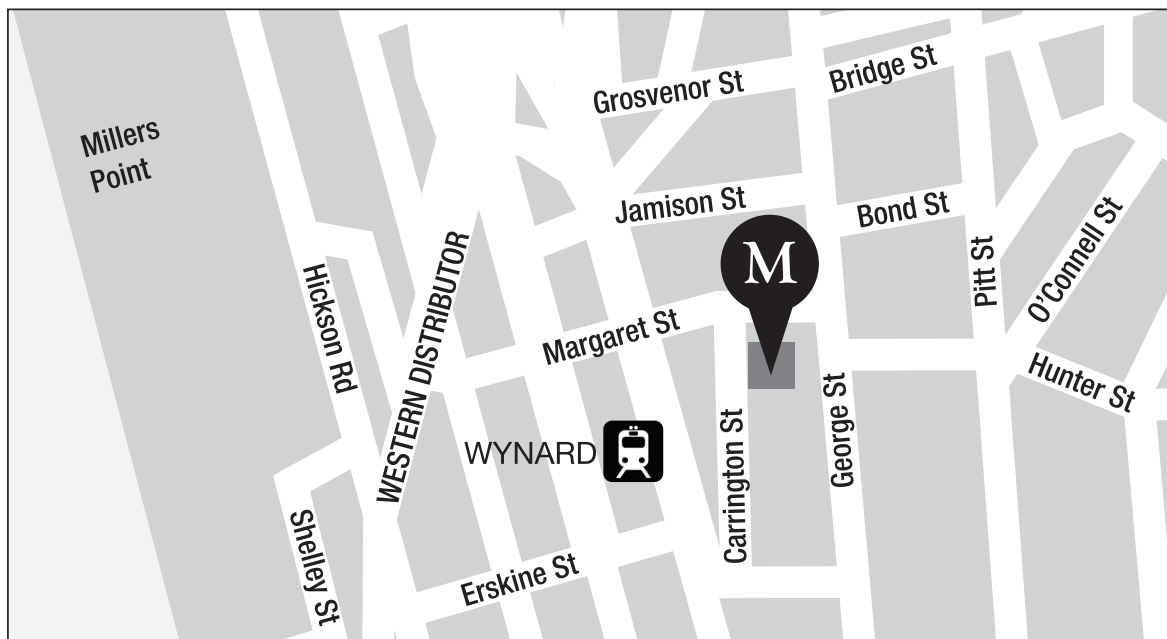
A replacement proxy form may be obtained from:

**Computershare Investor Services Pty Limited**

Enquiries within Australia:  
1300 556 161

Enquiries outside Australia:  
+61 3 9415 4000

Investor Centre contact details:  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## The Meeting

The meeting will be held at:

Menzies Hotel Sydney  
14 Carrington Street, Sydney NSW 2000

on Friday, 20 November 2015 at 11.00am

## Ordinary Business

### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements, the Directors' Report and the Independent Auditor's Report of PMP for the financial year ended 30 June 2015.

### 2. TO ADOPT THE REMUNERATION REPORT

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

*That the Remuneration Report for the year ended 30 June 2015 (set out on pages 29 to 38 of the 2015 PMP Annual Report) be adopted.*

**Note:** the vote on this Resolution is advisory only and does not bind the Directors of PMP.

**The Directors unanimously recommend you vote in favour of this resolution.**

**The Chairman intends to vote open proxies in favour of this resolution.**

### 3. ELECTION OF DIRECTORS

Re-election of Mr Peter Margin

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

*That Mr Peter Margin, retiring in accordance with the Constitution, and being eligible, be re-elected as a Director of PMP.*

Information about Mr Peter Margin appears in the Explanatory Memorandum to the Notice of Annual General Meeting convening this meeting and in the 2015 PMP Annual Report.

**The Directors, with Mr Peter Margin abstaining, recommend you vote in favour of this resolution.**

**The Chairman intends to vote open proxies in favour of this resolution.**

### 4. APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO THE PMP MANAGING DIRECTOR, MR PETER GEORGE

To consider and, if thought fit, pass the following resolution:

*That approval be given for all purposes (including, but not limited to, part 2D.2 of the Corporations Act 2001 (Cth) and ASX Listing rule 10.14) for the Directors to grant to the PMP Managing Director, Mr Peter George performance rights to acquire fully paid ordinary shares in the capital of PMP under the PMP Long Term Incentive Plan and on the terms described in the Explanatory Memorandum to the Notice of Annual General Meeting convening this meeting.*

**The Directors recommend you vote in favour of this resolution.**

**The Chairman of the Meeting intends to vote undirected proxies in favour of Item 4.**

By Order of the Board



**Alistair Clarkson**

Company Secretary and General Counsel

22 September 2015

## Voting Exclusion Statement: Item 2

*The Corporations Act 2001 (Cth)* (Corporations Act) imposes restrictions on:

- Directors and other key management personnel (as defined in the Corporations Act) of the Company; and
- their closely related parties (as defined in the Corporations Act),

voting in any capacity (eg. as a shareholder, proxy or corporate representative) on Item 2. This restriction does not apply if the person has been appointed as a proxy which specifies how the proxy is to vote on Item 2, provided that the person who appointed the proxy is not themselves a person subject to the restriction.

Also the restrictions do not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise the proxy. Additionally, if a member appoints the Chairman of the Meeting as their proxy and the member does not direct him how to vote on Item 2, the member will be expressly authorising the Chairman of the Meeting to vote, even though Item 2 is connected directly or indirectly with the remuneration of a member of the key management personnel for PMP.

Other Directors and other key management personnel of the Company and their closely related parties will not cast any votes in respect of Item 2 that arise from any undirected proxy that they hold.

## Voting Exclusion Statement: Item 4

In accordance with ASX Listing Rules, PMP will disregard any votes cast on Item 4 by the Managing Director, Mr Peter George, and any associate of that Director. However, PMP need not disregard a vote if:

- 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
- it is cast by a person chairing the meeting 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.

For Item 4 the Corporations Act imposes restrictions. In accordance with those restrictions PMP will also disregard any votes cast on Item 4 by proxy by, or on behalf of:

- a member of the key management personnel (which includes any Director); and
- a closely related party (such as close family members and any controlled companies) of those persons, unless the vote on Item 4 is cast by a person as proxy for a person entitled to vote in accordance with a direction on the proxy form as the proxy decides.

Please Note: In accordance with the Corporations Act, the restrictions do not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise the proxy. Additionally, if a member appoints the Chairman of the Meeting as their proxy and the member does not direct him how to vote on Item 4, the member will be expressly authorising the Chairman of the Meeting to vote, even though Item 4 is connected directly or indirectly with the remuneration of a member of the key management personnel for PMP. Alternatively, Shareholders can nominate as their proxy for the purpose of Item 4 a proxy who is not a member of the Company's key management personnel. That person would be permitted to vote undirected proxies.

# Explanatory Memorandum

## ITEM 1 – REPORTS

While the Corporations Act requires the Annual Financial Report of PMP and its controlled entities (PMP Group), including the Directors' Report and the Auditor's Report, to be laid before the Annual General Meeting, neither the Corporations Act nor PMP's Constitution requires shareholders to vote on, approve or adopt those reports.

Shareholders will, however, have the opportunity at the Annual General Meeting to raise questions on those reports.

## ITEM 2 – REMUNERATION REPORT

PMP's Board of Directors is submitting its Remuneration Report to shareholders for consideration and adoption by way of a non-binding advisory ordinary resolution at the Annual General Meeting.

Under sections 250U and 250V of the Corporations Act, if at two consecutive Annual General Meetings of a listed company at least 25% of votes cast on a resolution that the Remuneration Report be adopted are against adoption of the report, at the second of these Annual General Meetings there must be put to the vote a resolution that another meeting be held within 90 days at which all Directors (except the Managing Director) who were Directors at the date the Remuneration Report was approved at the second Annual General Meeting must stand for re-election. So, in summary, shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the Remuneration Report receives 'two strikes'. The Remuneration Report did not receive a 'first strike' at the Company's 2014 Annual General Meeting.

The Remuneration Report is set out on pages 29 to 38 of PMP's 2015 Annual Report.

This Remuneration Report outlines the Director and executive remuneration arrangements in accordance with the requirements of the Corporations Act and its Regulations. It covers the Directors of PMP, including the Chief Executive Officer (CEO), and other key management personnel with the authority and responsibility for planning, directing and controlling the activities of PMP. The report also contains information about the broader remuneration practices applying to management below the executive level. A reasonable opportunity will be provided for shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

**Directors' recommendation:**

**The Directors unanimously recommend you vote in favour of this resolution.**

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 2.

## ITEM 3 – ELECTION OF DIRECTORS

Re-election of Mr Peter Margin

**Biography of Mr Peter Margin BSc (Hons), MBA**

**Independent Non-Executive Director ■ Appointed 30 January 2012 ■ Age 55**

*Mr Margin has been an independent Non-Executive Director since January 2012 and Chairman of the Audit and Risk Management Committee since March 2012.*

*Mr Margin is a Non-Executive Director of Nufarm Ltd, Bega Cheese Ltd, Huon Aquaculture Ltd, Pact Group Ltd, Costa Group Holdings Ltd and was also a director of Ricegrowers Ltd from September 2012 until August 2015.*

*Mr Margin has a strong record of managing large Australian consumer food companies delivering operational efficiency, brand development and profitable growth having served amongst other things as the Chief Executive Officer and Managing Director of Goodman Fielder Ltd, and before that National Foods Ltd.*

**The Directors, with Mr Peter Margin abstaining, recommend you vote in favour of this resolution.**

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 3.

## **ITEM 4 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO THE PMP MANAGING DIRECTOR, MR PETER GEORGE**

### **(a) Background**

Subject to shareholder approval being obtained, pursuant to his employment agreement the Managing Director of PMP, Mr Peter George, will be granted performance rights to acquire fully paid ordinary shares in PMP (Performance Rights) under the PMP Long Term Incentive Plan. The number of Performance Rights to be granted to Mr George is 3,000,000 Performance Rights.

Subject to the rules of the PMP Long Term Incentive Plan and certain performance hurdles being satisfied, each Performance Right will entitle Mr George to be provided with one fully paid ordinary share in PMP (PMP Share) (by way of either, in PMP's absolute discretion, issue or transfer).

The vesting of the Performance Rights will be subject to certain performance hurdles being satisfied. If they vest, the Performance Rights will form part of Mr George's long term incentive arrangements which are designed to align Mr George's interests with those of shareholders.

No amount is payable by Mr George in respect of the grant of the Performance Rights or the exercise of a Performance Right on vesting. Mr George will be liable for income tax in respect of the Performance Rights in accordance with applicable tax laws. PMP has not provided, and will not provide, financial assistance to Mr George in respect of the tax liability arising from the grant or exercise on vesting of the Performance Rights.

Details of the terms and conditions of the conditional grant of the Performance Rights are set out below.

### **(b) What are the proposed long-term incentive arrangements?**

The Performance Rights when granted to Mr George are split evenly amongst the two categories of performance hurdles detailed below. Except in the early vesting circumstances mentioned below, the Performance Rights will only vest to the extent that:

- (i) the Total Shareholder Return (TSR) performance conditions outlined below are met. Subject to shareholder approval being obtained, 1,500,000 Performance Rights subject to TSR performance conditions will be granted to Mr George (TSR Performance Rights). This means that a maximum of 1,500,000 PMP Shares may be provided to Mr George if the TSR performance conditions are met; and
- (ii) the earnings before interest, taxes, depreciation and amortisation (EBITDA) performance conditions outlined below are met. Subject to shareholder approval being obtained, 1,500,000 Performance Rights subject to the EBITDA performance conditions will be granted to Mr George (EBITDA Performance Rights). This means that a maximum of 1,500,000 PMP Shares may be provided to Mr George if the EBITDA performance conditions are met.

### **TSR Performance Rights**

While the TSR Performance Rights will be granted to Mr George upon shareholder approval being obtained, the vesting of the TSR Performance Rights will depend on a comparison of PMP's TSR performance relative to the TSR performance of the comparator group over the performance period. As with the previous agreement, the comparator group will consist of the listed companies in the S&P/ASX 200 to 300 band of companies (excluding companies in the metals, mining and materials sectors) between 1 July 2015 and 30 June 2018 or until the occurrence of any early vesting event.

The performance of PMP's share price relative to the share prices of companies in the comparator group is the key determinant of PMP's TSR percentile ranking. PMP's performance ranking against the TSR performance of the comparator group at the end of the relevant performance period will determine the number of TSR Performance Rights (if any) that vest.

Under the TSR incentive arrangements, Mr George may ultimately acquire a maximum of 1,500,000 PMP Shares following the performance period commencing on 1 July 2015 and ending on 30 June 2018.

For the performance period, the TSR Performance Rights will vest in accordance with the following table:

<b>PMP TSR performance against the comparator group/% of TSR performance rights that will vest</b>	
<i>PMP TSR performance against the</i>	<i>% of TSR Performance Rights that will vest</i>
< 51st Percentile	0%
> 51st to 75th Percentile	Pro rata between 50% to 100%
≥ 75th Percentile	100%

### **EBITDA Performance Rights**

As with the TSR Performance Rights, the EBITDA Performance Rights will be granted upon shareholder approval being obtained. However, the vesting of the EBITDA Performance Rights will depend on the EBITDA of PMP measured from 1 July 2015 to 30 June 2018 or until the occurrence of an early vesting event.

PMP's EBITDA will be determined by the PMP Long Term Incentive Plan Committee having regard to the audited financial statements of PMP and its related bodies corporate. The Board believes the EBITDA performance hurdles are reasonable and a suitable stretch.

The EBITDA performance hurdles have not been included in this Explanatory Memorandum as they are commercially sensitive and may be regarded as a de facto financial forecast, which the Board is not prepared to approve as a financial forecast but will be disclosed in the Remuneration Report following the vesting of the Performance Rights.

### **(c) Early vesting**

If prior to the date on which PMP gives to ASX its Appendix 4E (preliminary final report) in respect of the financial year ending 30 June 2018, an "Early Vesting Event" occurs, or Mr George resigns and agreement is not reached with the Board as to the timing and manner of the succession planning for the appointment of the new CEO (a "Resignation"), the vesting of the Performance Rights will occur in accordance with the PMP Long Term Incentive Plan Rules and the terms summarised below.

"Early Vesting Events" include:

- (i) special circumstances arising in respect of Mr George (for example, permanent disability);
- (ii) PMP terminating Mr George's employment with notice;
- (iii) Mr George terminating his employment following a significant and material adverse change in his duties or responsibilities, or a change of control of PMP;
- (iv) Mr George giving notice of his resignation and agreement is reached with the Board as to the timing and manner of the succession planning for the appointment of the new CEO; and
- (v) other circumstances as determined by the PMP Long Term Incentive Plan Committee in its absolute discretion from time to time.

If an Early Vesting Event or Resignation occurs, the vesting of the Performance Rights will be subject to the same performance hurdles (TSR or EBITDA performance conditions as the case may be) except that TSR and EBITDA will be measured over the period beginning on 1 July 2015 and ending on the 30 June or 31 December immediately prior to the Early Vesting Event or Resignation, whichever is nearer in time, with the EBITDA performance condition adjusted pro rata to reflect the reduced performance period.

If an Early Vesting Event or Resignation occurs, the percentage of Performance Rights that will vest will be in accordance with the tables below.

In the event of an Early Vesting Event:

<b>Date of Early Vesting Event</b>	<b>% of EBITDA Performance Rights and TSR Performance Rights to vest, subject to vesting conditions</b>
Prior to 1 July 2016	25%
On 1 July 2016	67%
After 1 July 2016 but before 1 July 2017	Pro rata at the rate of 67% plus 2.75% for each whole month after 1 July 2016
On or after 1 July 2017	100%

In the event of a Resignation:

<b>Date of termination of employment</b>	<b>% of EBITDA Performance Rights and TSR Performance Rights to vest, subject to vesting conditions</b>
Prior to 1 July 2016	Nil
On 1 July 2016	33%
After 1 July 2016 but before 1 July 2017	Pro rata at the rate of 33% plus 2.75% for each whole month after 1 July 2016
On 1 July 2017	67%
After 1 July 2017 but before 1 July 2018	Pro rata at the rate of 67% plus 2.75% for each whole month after 1 July 2017

If Mr George's employment is terminated for cause, all Performance Rights will be forfeited.

**(d) Why is shareholder approval being sought?**

Shareholder approval is being sought for all purposes, including, but not limited to:

- (i) Part 2D.2 of the Corporations Act which requires shareholder approval for the giving of benefits to certain people in connection with their retirement from an office or position of employment with a company (shareholder approval is now sought for the possible early vesting of the Performance Rights in the circumstances described above); and
- (ii) ASX Listing Rule 10.14 which provides that a director may only acquire securities under an employee incentive scheme with the approval of ordinary shareholders.



**(e) Additional information**

In accordance with the Corporations Act and ASX Listing Rules, PMP provides the following information concerning the Performance Rights conditionally granted to Mr George:

- (i) The maximum number of securities that may be acquired by Mr George is 3,000,000.
- (ii) No amount is payable by Mr George in respect of the grant of the Performance Rights or the exercise of a Performance Right on vesting.
- (iii) There is no loan scheme in relation to the PMP Long Term Incentive Plan (or performance rights granted under it).
- (iv) Mr George is the only person referred to in Listing Rule 10.14 entitled to participate in the PMP Long Term Incentive Plan. No other persons referred to in Listing Rule 10.14 have received securities under the PMP Long Term Incentive Plan since the last approval pursuant to Listing Rule 10.14 which was at the 2013 AGM. Mr Peter George received 918,750 shares upon the exercise of the zero priced Performance Rights on 26 August 2015, following the partial vesting of the Performance Rights approved at the 2013 AGM.
- (v) The details of any Performance Rights granted to Mr George will be published in each PMP annual report relating to a period in which Performance Rights have been issued. The relevant PMP annual report will also include a statement that approval for the grant of the Performance Rights was obtained pursuant to ASX Listing Rule 10.14.
- (vi) Any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the PMP Long Term Incentive Plan following approval of this resolution will not participate in the plan until approval is obtained as required under Listing Rule 10.14.
- (vii) The Performance Rights will be granted to Mr George upon shareholder approval being obtained pursuant to resolution 4 and within 30 days after this meeting.
- (viii) A voting exclusion statement for this resolution is contained in the Notice of Meeting.

## Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders to ask questions about, or make comments on, the management of PMP at the meeting.

A reasonable opportunity will be also be given to shareholders to ask PMP's external auditor, Deloitte Touche Tohmatsu, questions relevant to:

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

Shareholders may also submit a written question to Deloitte Touche Tohmatsu if the question is relevant to the content of Deloitte Touche Tohmatsu's audit report or the conduct of its audit of PMP's financial report for the year ended 30 June 2015

Relevant written questions for Deloitte Touche Tohmatsu must be received at least five business days prior to the Annual General Meeting (ie by no later than 11.00am AEDT Friday 13 November 2015). A list of relevant written questions will be made available to shareholders attending the Annual General Meeting. Deloitte Touche Tohmatsu will either answer the questions at the Annual General Meeting or table written answers to them at the Annual General Meeting. If written answers are tabled at the Annual General Meeting, they will be made available to shareholders as soon as practicable after the Annual General Meeting.

Please send any written questions for Deloitte Touche Tohmatsu:

■ to Computershare Investor Services Pty Limited at the address in the enclosed reply paid envelope; or

■ by facsimile to 02 9413 3942; or

■ to PMP at our registered office: PMP Limited, Level 12, 67 Albert Street, Chatswood NSW 2067.

by no later than 11.00am (AEDT) Friday 13 November 2015.

## Proxies

### **CAN I APPOINT A PROXY?**

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of PMP and can be an individual or a body corporate.

If you want to appoint one proxy, please use the form provided. If you want to appoint two proxies, please follow the instructions on the front page of the proxy form.

PMP's Constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. But your directions will be effective if a poll is required and your proxy votes.

A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the annual general meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to PMP.

### **HOW SHOULD A PROXY VOTE?**

A proxy may vote or abstain from voting as he or she chooses except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution.

If an appointment directs the way the proxy is to vote on a particular resolution:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- 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;
- if the proxy is the chair
  - the proxy must vote on a poll and must vote that way; and
- if the proxy is not the chair
  - the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

### **WHAT IS THE FINAL DATE FOR APPOINTING A PROXY?**

To record a valid vote, a shareholder will need to take the following steps:

1. cast the shareholder's vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the shareholder's Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed proxy form; or
2. complete and lodge the manual proxy form at the share registry of the Company, Computershare Investor Services Pty Limited:
  - (a) by post at the following address using the enclosed business replay paid envelope:  
Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne VIC 3001  
OR
  - (b) by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
3. for Intermediary Online subscribers only (custodians), cast the shareholder's vote online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com),

so that it is received no later than 11.00 am (AEDT) on Wednesday, 18 November 2015.



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**[pmplimited.com.au](http://pmplimited.com.au)**