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ASX RELEASE

11 February 2020

SCHEME OF ARRANGEMENT BECOMES EFFECTIVE

Further to its announcement on Monday, 10 February 2020, QMS Media Limited (**ASX:QMS**) is pleased to announce that today it has lodged with the Australian Securities and Investments Commission (**ASIC**) the orders of the Federal Court of Australia (**Court**) approving the scheme of arrangement between QMS and its shareholders, pursuant to which Shelley BidCo Pty Ltd (an entity controlled by Quadrant Private Equity) is to acquire 100% of the shares in QMS (**Scheme**).

As a result, the Scheme is now legally effective. A copy of the Court orders approving the Scheme is attached to this announcement.

It is expected that trading in QMS' shares on the ASX will be suspended from close of trading today.

The Scheme is expected to be implemented on Friday, 21 February 2020.

Further information

QMS shareholders can obtain further information in relation to the Scheme by calling the QMS Shareholder Information Line on 1300 069 339 (within Australia) or +61 3 9415 4275 (outside Australia) between 8.30am and 5.00pm (Melbourne time) on business days.

For more information, please contact:

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About QMS

QMS Media Limited is a publicly listed company on the Australian Stock Exchange. QMS is a leading outdoor media company in Australia, New Zealand and Indonesia, specialising in premium landmark digital and static billboards, street furniture, sport, airport and transit media.

QMS three distinct business segments of QMS Australia, Mediaworks and QMS Sport continues to set QMS apart from the rest of the industry with each of the business segments having its own unique value proposition, growth profile and scalability.



Federal Court of Australia District Registry: Victoria Division: General

No: VID1280/2019

QMS MEDIA LIMITED and another named in the schedule Plaintiff

ORDER

JUDGE:JUSTICE O'CALLAGHANDATE OF ORDER:10 February 2020WHERE MADE:Melbourne

OTHER MATTERS:

A. There has been produced to the Court a statement in writing by the Australian Securities and Investments Commission (ASIC) dated 10 February 2020 in accordance with subsection 411(17)(b) of the *Corporations Act 2001* (Cth) (Act) stating that ASIC has no objection to the Scheme of Arrangement referred to in these Orders.

THE COURT ORDERS THAT:

- Pursuant to subsection 411(4)(b) of the Act, the Scheme of Arrangement between the Plaintiff and its members agreed to by the said members at the General Scheme Meeting and Rollover Shareholders Scheme Meeting held on 6 February 2020 (the terms of which are as set out in Annexure A to these Orders) (Scheme) be and is hereby approved.
- 2. Pursuant to subsection 411(12) of the Act, the Plaintiff be exempted from compliance with subsection 411(11) of the Act in relation to the Scheme.
- 3. Pursuant to rule 39.34 of the *Federal Court Rules 2011* (Cth), these Orders be entered forthwith.

Date that entry is stamped: 10 February 2020

Sia Lagos Registrar



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Annexure A

Scheme of Arrangement





Scheme of arrangement

QMS Media Limited Each person registered as a holder of fully paid ordinary shares in QMS as at the Scheme Record Date



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Parties

1 QMS Media Limited ACN 603 037 341 of 214-220 Park Street, South Melbourne, Victoria 3205 (QMS)

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2 Each person registered as a holder of fully paid ordinary shares in QMS as at the Scheme Record Date (**Scheme Shareholders**)

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this Scheme.

2 Preliminary matters

- (a) QMS is an Australian public company limited by shares, and has been admitted to the official list of ASX. QMS Shares are quoted for trading on the ASX.
- (b) As at 28 October 2019, there were 344,737,836 QMS Shares that are quoted for trading on the ASX.
- (c) Bidder is an Australian proprietary company limited by shares and incorporated in New South Wales.
- (d) If this Scheme becomes Effective:
 - Bidder must provide or procure the provision of the Scheme Consideration to Scheme Shareholders in accordance with this Scheme and the Deed Poll; and
 - (ii) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder and QMS will enter the name of Bidder in the QMS Share Register in respect of all the Scheme Shares.
- (e) Bidder and QMS have entered into the Scheme Implementation Deed in respect of (among other things) the implementation of this Scheme.
- (f) This Scheme attributes actions to Bidder and Holdco but does not itself impose any obligations on it to perform those actions. By executing the Deed Poll, Bidder and Holdco have agreed to perform the actions attributed to them under this Scheme. By executing the Deed Poll, Bidder and Holdco agree to perform their obligations under the Deed Poll, including delivery of the Scheme Consideration in accordance with the terms of this Scheme.

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3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will not become Effective until and unless the following conditions precedent are satisfied:

- (a) all the conditions in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(f) of the Scheme Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Scheme Implementation Deed by the Delivery Time;
- (b) neither the Scheme Implementation Deed nor the Deed Poll is terminated in accordance with its terms by the Delivery Time;
- (c) this Scheme is approved by the Court at the Second Court Hearing under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to QMS and Bidder;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme as are acceptable to QMS and Bidder are satisfied (each acting reasonably); and
- (e) the order of the Court made under section 411(4)(b) of the Corporations Act approving this Scheme comes into effect pursuant to section 411(10) of the Corporations Act on or before the End Date.

3.2 Conditions precedent and operation of clause 4

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clauses 4.2 and 5 of this Scheme.

3.3 Joint Certificates

- (a) QMS and Bidder will provide a joint certificate to the Court at the Second Court Hearing confirming whether or not the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.
- (b) The joint certificate given by QMS and Bidder constitutes conclusive evidence that the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.

3.4 Termination and End Date

Without limiting any rights under the Scheme Implementation Deed, if:

- (a) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective; or
- (b) the Effective Date has not occurred on or before the End Date,

then the Scheme will lapse and each of Bidder and QMS are released from any further obligation to take steps to implement the Scheme.

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4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e)) are satisfied, QMS must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme before 5:00pm on the Business Day following the day on which such office copy is received by QMS or such later date as QMS and Bidder agree in writing.

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4.2 Transfer of Scheme Shares

Subject to the Scheme becoming Effective, the following will occur on the Implementation Date in the order set out below:

- (a) Bidder confirming in writing to QMS that:
 - the Cash Consideration has been provided in accordance with clause 5.4(a); and
 - (ii) the Scrip Consideration has been provided in accordance with clause 5.5;
- (b) payment by QMS of the Cash Consideration in the manner contemplated by clause 5.4(b); and
- (c) subject to the matters in clauses 4.2(a) and 4.2(b) of this clause being satisfied, , all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder without the need for any further act by any Scheme Shareholder (other than acts performed by QMS as attorney and agent for Scheme Shareholders under clause 8 of this Scheme) by:
 - QMS delivering to Bidder a duly completed and executed Scheme Transfer, executed on behalf of the Scheme Shareholders by QMS as their attorney and agent; and
 - (ii) Bidder duly executing the Scheme Transfer and delivering the executed and, if necessary, stamped Scheme Transfer to QMS for registration; and
 - (iii) immediately following receipt of the duly executed Scheme Transfer in accordance with clause 4.2(c)(ii), QMS entering, or procuring the entry of, the name of Bidder in the QMS Share Register in respect of all of the Scheme Shares transferred to Bidder in accordance with this Scheme.

5 Scheme Consideration

5.1 Entitlement to Scheme Consideration

Subject to the terms of this Scheme, on the Implementation Date, in consideration for the transfer to Bidder of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clauses 5.2 to 5.5 and the Deed Poll.

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5.2 Election procedure

- (a) QMS must provide or procure the provision of an Election Form to each Relevant Shareholder, with the Scheme Booklet that is sent to them.
- (b) Subject to clauses 5.2(c), 5.2(d) and 5.2(e), each of the Relevant Shareholders will be entitled to make an Election. All Elections will take effect in accordance with this Scheme (provided that any Relevant Shareholder who makes an Election also qualifies as a Scheme Shareholder).
- (c) For an Election to be valid:
 - (i) the Relevant Shareholder must complete and sign the Election Form in accordance with the terms and conditions of the Election Form, the instructions in the Scheme Booklet and this clause 5.2; and
 - the Election Form must be received by the Share Registry at the address specified on the Election Form before the Election Time,

unless Bidder and QMS agree otherwise, in their absolute discretion.

- (d) If a Relevant Shareholder makes an Election, that Election will apply in respect of that number (as specified in the Election Form) of the Relevant Shareholder's entire registered holding of QMS Shares at the Scheme Record Date, regardless of whether the Relevant Shareholder's holding at the Scheme Record Date is greater or less than the Relevant Shareholder's holding at the time it made its Election, unless Bidder and QMS agree otherwise, in their absolute discretion.
- (e) A Relevant Shareholder who makes a valid Election may vary, withdraw or revoke that Election by lodging a replacement Election Form so that it is received by the Share Registry at the address specified on the Election From before the Election Time. After the Election Time, a valid Election made by a Relevant Shareholder will be irrevocable unless Bidder and QMS agree, in their absolute discretion, to the revocation of the Election.
- (f) The Election Form must include the relevant matters set out in the Scheme and must otherwise be in a form agreed by Bidder and QMS in writing.

5.3 Determination of Scheme Consideration

- (a) If a Scheme Shareholder:
 - (i) is not a Relevant Shareholder; or
 - (ii) is a Relevant Shareholder who has not made a valid Election before the Election Time,

then the Scheme Consideration applicable for that Scheme Shareholder is the Cash Consideration for each Scheme Share held by the Scheme Shareholder.

- (b) If the Scheme Shareholder is a Relevant Shareholder who has made a valid Election before the Election Time, then the Scheme Consideration applicable for that Scheme Shareholder for each Scheme Share held by the Scheme Shareholder is:
 - (i) 0.915 ordinary shares and 0.305 preference shares in HoldCo per Scheme Share in respect of the number of Scheme Shares held by the Relevant

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Shareholder for which the Relevant Shareholder has elected (in the Election Form) to receive the Scrip Consideration; plus

(ii) an amount in Australia dollars equal to A\$1.22 per Scheme Share in respect of the number of Scheme Shares held by the Relevant Shareholder for which the Relevant Shareholder has elected (in the Election Form) to receive the Cash Consideration.

5.4 Provision of Cash Consideration

- (a) The obligation of Bidder to provide the Cash Consideration under this Scheme and the Deed Poll will be satisfied by Bidder, no later than the Business Day before the Implementation Date, depositing (or procuring the deposit), in Immediately Available Funds, the aggregate amount of the Cash Consideration payable to all Scheme Shareholders into the Trust Account (except that the amount of any interest on the amount deposited, less bank fees and other charges, will be credited to Bidder's account), such amount to be held by QMS on trust for the purpose of paying the Cash Consideration to Scheme Shareholders who are entitled to receive it pursuant to clause 5.4(b).
- (b) On the Implementation Date, and subject to receipt of the Cash Consideration from Bidder in accordance with clause 5.4(a), QMS must pay (or procure payment) from the Trust Account to each Scheme Shareholder an amount equal to the applicable amount of Cash Consideration that the Scheme Shareholder is entitled to pursuant to clause 5.3 for each Scheme Share held by that Scheme Shareholder.
- (c) QMS's obligation under clause 5.4(b) will be satisfied by QMS:
 - (i) where a Scheme Shareholder has, before the Scheme Record Date, made an election in accordance with the requirements of the Share Registry to receive dividend payments from QMS by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (ii) whether or not a Scheme Shareholder has made an election referred to in clause 5.4(c)(i), dispatching, or procuring the dispatch of, a cheque in Australian currency for the relevant amount to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with clause 5.6).
- (d) In the event that:
 - a Scheme Shareholder does not have a Registered Address and no account has been notified in accordance with clause 5.4(c)(i) or a deposit into such an account is rejected or refunded; or
 - (ii) a cheque issued under this clause 5 has been cancelled in accordance with clause 5.7(a),

QMS as the trustee for the Scheme Shareholders may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of QMS (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act. To avoid doubt, if the amount is not credited to a Separate Account, the amount will continue to be

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held in the Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act.

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- (e) Until such time as an amount referred to in clause 5.4(d) is dealt with in accordance with the Unclaimed Money Act, QMS must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of Bidder. An amount credited to the Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). QMS must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.
- (f) To the extent that there is a surplus in the amount held by QMS as the trustee for the Scheme Shareholders in the Trust Account after the process in clauses 5.4(d) and 5.4(e) has completed, that surplus may be paid by QMS as the trustee for the Scheme Shareholders to Bidder following the satisfaction of QMS's obligations as the trustee for the Scheme Shareholders under this clause 5.4.

5.5 Provision of Scrip Consideration

- (a) HoldCo must, before no later than 12:00 noon (or such later time as Bidder and QMS may agree in writing) on the Implementation Date, procure that the name of each Scheme Shareholder entitled to be issued HoldCo Securities under this Scheme is entered in HoldCo's register of members as the holder of those HoldCo Securities (and in relation to HoldCo Securities issued to a Scheme Shareholder, having the same holding name and address and other details as the holding of the relevant QMS Shares). A Scheme Shareholder entitled to be issued HoldCo Securities under this Scheme may, in the Election Form, direct that the HoldCo Securities to which they are entitled be issued to a related body corporate (as defined in the Corporations Act) of the Scheme Shareholder (in which case such related body corporate's name and details will be entered into HoldCo's register of members).
- (b) On the Implementation Date, HoldCo must send or procure the sending of a certificate to each Scheme Shareholder to whom HoldCo Securities are issued under this Scheme, reflecting the issue of such HoldCo Securities.

5.6 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the QMS Share Register as at the Scheme Record Date; and
- (b) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the QMS Share Register as at the Scheme Record Date.

5.7 Cancellation and re-issue of cheques

- (a) QMS may cancel a cheque issued under this clause 5 if the cheque:
 - (i) is returned to QMS; or
 - has not been presented for payment within six months after the date on which the cheque was sent.

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(b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to QMS (or the Share Registry) (which request may not be made until the date which is 5 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 5.7(a) must be reissued.

5.8 HoldCo Securities

Each of Bidder and HoldCo undertake in favour of QMS (in its own right and on behalf of each Relevant Shareholder) that:

- (a) the HoldCo Securities issued as Scrip Consideration will, on their issue, rank equally in all respects with all other HoldCo Securities in the same class; and
- (b) on issue, each HoldCo Security will be fully paid, duly and validly issued in accordance with all applicable laws and, to the extent within the control of Bidder and HoldCo, free from any Encumbrance.

5.9 Unclaimed monies

- (a) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the Unclaimed Money Act).
- (b) Any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Bidder.

5.10 Orders of a court

If written notice is given to QMS (or the Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which sum would otherwise be payable to that Scheme Shareholder by QMS in accordance with this clause 5, then QMS will be entitled to make that payment (or procure that it is made) in accordance with that order or direction; or
- (b) prevents QMS from making a payment to a particular Scheme Shareholder in accordance with clause 5.4(a), or such payment is otherwise prohibited by applicable law, QMS will be entitled to retain an amount, in Australian dollars, equal to the amount of the relevant payment until such time as payment in accordance with this clause 5.10(b) is permitted by that order or otherwise by law.

5.11 Fractional entitlements and share splitting or division

- (a) If the number of Scheme Shares held by a Scheme Shareholder at the Scheme Record Date is such that the aggregate entitlement of the Scheme Shareholder to Scheme Consideration:
 - comprising the HoldCo Securities is such that a fractional entitlement to a HoldCo Share arises; or
 - (ii) comprising cash is such that a fractional entitlement to a cent arises,

then the fractional entitlement will be rounded:

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- (iii) in the case of HoldCo Securities, down to the nearest whole number of HoldCo Securities; and
- (iv) in the case of cash, up to the nearest cent.
- (b) If Bidder is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.11(a)) have, before the Scheme Record Date for the Scheme, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, then:
 - (i) Bidder may give notice of that opinion and relevant details to QMS; and
 - (ii) within 2 Business Days of receipt of such notice, QMS must give notice to those Scheme Shareholders:
 - setting out their names and registered addresses as shown in the QMS Share Register;
 - (B) stating that opinion;
 - (c) attributing to one of them specifically identified in the notice of the Scheme Shares held by all of them; and
 - (D) attributing to one of them specifically identified in the notice which Election made by or on behalf of them applies to all of them,

and, after such notice has been given, the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares will, for the purposes of the provisions of the Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and registered addresses are set out in the notice will, for the purposes of the provisions of the Scheme, be taken to hold no Scheme Shares. Bidder and HoldCo, in complying with the provisions of the Scheme relating to them in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares, will be taken to have satisfied and discharged their obligations to the other Scheme Shareholders named in the notice under the terms of the Scheme.

6 Dealings in QMS Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in QMS Shares or other alterations to the QMS Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the QMS Share Register as the holder of the relevant QMS Shares at or before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Scheme Record Date at the place where the QMS Share Register is kept,

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and QMS must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title), any transfer or transmission application or other request received on or after the Scheme Record Date, or received prior to the Scheme Record Date but not in registrable or actionable form.

6.2 QMS Share Register

- (a) QMS must register registrable transmission applications or transfers of QMS Shares in accordance with clause 6.1(b) at or before the Scheme Record Date or as soon as reasonably practicable after receipt, provided that nothing in this clause 6.2(a) requires QMS to register a transfer that would result in a QMS Shareholder holding a parcel of QMS Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).
- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and QMS will be entitled to disregard any such disposal, purported disposal or agreement.
- (c) For the purpose of determining entitlements to the Scheme Consideration, QMS must maintain the QMS Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been provided to the Scheme Shareholders in accordance with clauses 5.4(b) and (c) and clause 5.5. The QMS Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for QMS Shares (other than statements of holding in favour of Bidder) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the QMS Share Register (other than entries in respect of Bidder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the QMS Shares relating to that entry.
- (e) As soon as possible after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, QMS will ensure that details of the names, Registered Addresses and holdings of QMS Shares for each Scheme Shareholder as shown in the QMS Share Register as at the Scheme Record Date are available to Bidder in the form Bidder reasonably requires.

7 Quotation of QMS Shares

- (a) QMS will apply to ASX to suspend trading in QMS Shares with effect from the close of trading on the Effective Date.
- (b) QMS will apply:
 - (i) for termination of the official quotation of QMS Shares on the ASX; and
 - (ii) to have itself removed from the official list of ASX,

in each case with effect on and from the close of trading on the trading day immediately following, or shortly after, the Implementation Date.

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(c) QMS must use its best endeavours to ensure that such termination of official quotation and removal from the official list of ASX does not occur before the Implementation Date.

8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) QMS may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for QMS has consented to.

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
 - agrees to the transfer of their Scheme Shares to Bidder together with all rights and entitlements attaching to those shares in accordance with this Scheme;
 - agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;
 - (iii) agrees:
 - (A) that after the transfer of the Scheme Shares to Bidder, any share certificate relating to the Scheme Shares will not constitute evidence of title to those Scheme Shares; and
 - (B) at the direction of Bidder, to destroy any share certificates relating to the Scheme Shares; and
 - (iv) acknowledges that this Scheme binds QMS and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).
- (b) Each Relevant Shareholder who is issued HoldCo Securities under this Scheme agrees to become a shareholder of HoldCo in respect of those HoldCo Securities and to be bound by the Holdco constitution and the Holdco shareholders agreement entered into by HoldCo and the shareholders of HoldCo each being substantially in the form provided to each Relevant Shareholder with the Election Form or such later time as agreed by the Relevant Shareholders.
- (c) Each Scheme Shareholder is taken to have warranted to Bidder, and appointed and authorised QMS as its attorney and agent to warrant to Bidder, that:
 - (i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of transfer of them to Bidder, be fully paid and free from all:
 - (A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of

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the Personal Properties Securities Act 2009 (Cth)) and interests of third parties of any kind, whether legal or otherwise; and

- (B) restrictions on transfer of any kind; and
- they have full power and capacity to transfer their Scheme Shares to Bidder together with any rights attaching to those Scheme Shares; and
- except as otherwise provided for or contemplated in the Scheme Implementation Deed, they have no existing right to be issued any QMS Shares, or any other QMS securities.
- (d) QMS undertakes that it will provide the warranties in clause 8.2(b) to Bidder as agent and attorney for each Scheme Participant.

8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Bidder, vest in Bidder free from all:
 - mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (ii) restrictions on transfer of any kind.
- (b) Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clauses 5.4(b) and (c) and clause 5.5, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by QMS of Bidder in the QMS Share Register as the holder of the Scheme Shares. Bidder's entitlement to be registered in the QMS Share Register as the holder of the Scheme Shares arises on the Implementation Date in accordance with clause 4.2.

8.4 Appointment of sole proxy

Upon the provision of the Scheme Consideration to each Scheme Shareholder in accordance with clauses 5.4(b) and (c) and clause 5.5 and until QMS registers Bidder as the holder of all Scheme Shares in the QMS Share Register:

- (a) each Scheme Shareholder is deemed to have irrevocably appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;
- (b) no Scheme Shareholder may itself attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) each Scheme Shareholder must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and

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(d) each Scheme Shareholder acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder under that clause may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

8.5 Authority given to QMS

On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints QMS and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:

- (a) enforcing the Deed Poll against Bidder and HoldCo; and
- (b) executing any document, or doing or taking any other act, necessary, desirable or expedient to give full effect to this Scheme and the transactions contemplated by it, including executing and delivering the Scheme Transfer,

and QMS accepts such appointment. QMS, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).

8.6 Binding effect of this Scheme

This Scheme binds QMS and all of the Scheme Shareholders (including those who did not attend the Scheme Meetings and those who did not vote, or voted against this Scheme, at the Scheme Meetings) and, to the extent of any inconsistency, overrides the constitution of QMS.

9 General

9.1 Stamp duty

Bidder and HoldCo will:

- (a) pay all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to this Scheme or the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability incurred by the Scheme Shareholder arising from failure to comply with clause 9.1(a).

9.2 Consent

Each Scheme Shareholder consents to QMS and Bidder doing all things necessary or incidental to give full effect to the implementation of this Scheme and the transactions contemplated by it.

9.3 Enforcement of Deed Poll

QMS undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Bidder and HoldCo on behalf of and as agent and attorney for the Scheme Shareholder.

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9.4 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to QMS, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at QMS's registered office or at the office of the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meetings or the non-receipt of such notice by a QMS Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meetings or the proceedings of the Scheme Meetings.

9.5 Governing law and jurisdiction

- (a) This Scheme is governed by the laws in force in Victoria.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.6 Further action

QMS must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.7 No liability when acting in good faith

None of QMS, Bidder, or any of their respective Representatives, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

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Schedule 1 — Dictionary

1 Dictionary

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, if the context requires, the financial market operated by it.

Bidder means Shelley Bidco Pty Ltd (ACN 634 292 881).

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.

Cash Consideration means A\$1.22 per Scheme Share.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia (Victorian registry) or any other court of competent jurisdiction under the Corporations Act as QMS and Bidder may agree in writing.

Deed Poll means the deed poll dated 10 December 2019 under which Bidder and Holdco covenant in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of this Scheme.

Delivery Time means, in relation to the Second Court Date, 2 hours before the commencement of the hearing or if the commencement of the hearing is adjourned, the commencement of the adjourned hearing, of the court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date, with respect to this Scheme, means the date on which this Scheme becomes Effective.

Election means an election by a Relevant Shareholder to receive some or all of their Scheme Consideration in the form of Scrip Consideration and the remainder in the form of Cash Consideration, made in accordance with clause 5.2.

Election Form means a form issued by or on behalf of QMS for the purposes of a Relevant Shareholder making an Election in a form agreed to by QMS and Bidder.

Election Time means 5.00pm on the third Business Day before the date of the Scheme Meetings, or such other date as is agreed in writing between Bidder and QMS.

End Date means the later of:

(a) 30 April 2020; and

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(b) such other date and time agreed in writing between Bidder and QMS.

First Court Date means the date the Court first heard the application to order the convening of the Scheme Meetings under section 411(1) of the Corporations Act.

Government Agency means any government or representative of a government or any governmental, non-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, ASIC, ASX, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

HoldCo means Shelley Topco Pty Ltd (ACN 634 291 375), the ultimate holding company of Bidder.

HoldCo Securities means securities (including ordinary shares and preference shares) in the capital of HoldCo and HoldCo Security means any one of them.

Immediately Available Funds means a bank cheque or other form of cleared funds acceptable to QMS (acting reasonably).

Implementation Date means, with respect to the Scheme, the fifth Business Day, or such other Business Day as Bidder and QMS agree, following the Scheme Record Date for the Scheme.

Listing Rules means the official listing rules of ASX as amended from time to time.

QMS Share means a fully paid ordinary share in the capital of QMS.

QMS Share Register means the register of members of QMS maintained by or on behalf of QMS in accordance with section 168(1) of the Corporations Act.

QMS Shareholder means each person who is registered in the QMS Share Register as a holder of QMS Shares.

Registered Address means, in relation to a QMS Shareholder, the address shown in the QMS Share Register as at the Scheme Record Date.

Relevant Shareholders means:

- (a) Barctin Superannuation Pty Ltd as trustee of Barctin Superannuation Fund;
- (b) Wenvale Pty Ltd as trustee for the Barclay Nettlefold Family Trust; and
- (c) John O'Neill Pty Ltd (as trustee for the O'Neill Pastoral Discretionary Trust),

and Relevant Shareholder means any one of them.

Scheme means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Bidder and QMS in writing.

Scheme Booklet means the explanatory booklet prepared by QMS in respect of the Transaction in accordance with the terms of the Scheme Implementation Deed and despatched to QMS Shareholders.

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Scheme Implementation Deed means the scheme implementation deed dated 29 October 2019 between Bidder and QMS relating to (among other things) the implementation of this Scheme.

Scheme Consideration means the Cash Consideration and/or Scrip Consideration payable per Scheme Share held by a Scheme Shareholder determined in accordance with clause 5.3.

Scheme Meetings means the meetings of QMS Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Record Date means, in respect of the Scheme, 5.00pm on the third Business Day (or such other Business Day as Bidder and QMS agree in writing) following the Effective Date.

Scheme Share means a QMS Share on issue as at the Scheme Record Date.

Scheme Shareholder means a person who holds one or more Scheme Shares.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Scrip Consideration means the Scheme Consideration to be provided to Scheme Shareholders in the form of the issue of HoldCo Securities under clause 5.3(b)(i) of this Scheme.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme was heard or scheduled to be heard, or, if the application was adjourned or subject to appeal for any reason, the day on which the adjourned application was heard.

Second Court Hearing means the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme..

Share Registry means Computershare Investor Services Pty Ltd (ACN 078 279 277).

Trust Account means an Australian dollar denominated trust account which attracts interest at a commercial rate and is operated by QMS as trustee for the Scheme Shareholders, details of which QMS must notify to Bidder no later than 5 Business Days before the Implementation Date.

Unclaimed Money Act means the Unclaimed Money Act 2008 (Vic).

2 Interpretation

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this Scheme.
- (b) The singular includes the plural and vice versa.

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- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words "include", "including" and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);
 - (vi) this Scheme includes all schedules to it;
 - a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
 - (viii) an agreement (other than this Scheme) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
 - a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends;
 - (x) a monetary amount is in Australian dollars; and
 - (xi) time is to Melbourne, Australia time.

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Schedule

No: VID1280/2019

Federal Court of Australia District Registry: Victoria Division: General

Interested Person SHELLEY BIDCO PTY LTD