

SCOTT TECHNOLOGY LIMITED

# DIVIDEND REINVESTMENT PLAN

## KEY FEATURES OF THE PLAN

### RE-INVEST YOUR DIVIDENDS IN SHARES

The Scott Technology Limited (Scott Technology) Dividend Reinvestment Plan (the Plan) provides you with an opportunity to increase your investment in Scott Technology by investing the net proceeds of cash dividends payable on your Scott Technology Shares in additional Scott Technology Shares, free of brokerage charges. If you wish to continue receiving your dividends in cash, you are not required to do anything in response to this offer.

### WHO CAN PARTICIPATE?

All Shareholders residing in New Zealand and Australia are eligible to participate in the Plan. Participation is optional, and may be in respect of all or some of your Shares.

### IF I PARTICIPATED IN A PREVIOUS SCOTT TECHNOLOGY DIVIDEND REINVESTMENT PLAN DO I NEED TO ELECT TO PARTICIPATE IN THE PLAN?

Yes. This Plan has been updated to reflect the implementation of the Financial Markets Conduct Act 2013 and accordingly Shareholders will not be automatically enrolled into this Plan.

### WHAT SHARE PRICE APPLIES?

The price of Shares acquired under the Plan is fixed by reference to the market price for Shares after the Record Date for the relevant dividend and may, at the discretion of Scott, be less a discount (if any) as determined by the Board from time to time. Any discount will be announced by Scott Technology not later than 10 Business Days prior to the relevant Record Date. The dividend you would otherwise receive (on your Shares participating in the Plan) will be applied to acquire Shares at this price. This is subject to the right of the Board to adjust price in certain situations, including where there are unusual circumstances affecting the market price of Shares.

### STATUS OF SHARES – SELLING SHARES

Shares acquired under the Plan will rank equally with existing Shares and may be sold in the same way existing Shares may be.

### CHANGING YOUR ARRANGEMENTS OR WITHDRAWING

You can join the Plan, vary your participation, or withdraw from the Plan at any time by either contacting Scott Technology's Registrar or forwarding a completed Participation Form. You can also update your participation online at <https://investorcentre.linkmarketservices.co.nz>

## NOTICES

If you participate in the Plan, after each dividend payment you will be sent details of your cash dividend entitlement and the number of Shares allocated to you under the Plan.

## TERMS AND CONDITIONS

### 1. INTRODUCTION

- 1.1 Pursuant to the constitution of Scott Technology Limited (Scott Technology), the board of directors (the Board) has approved the adoption of the Scott Technology Dividend Reinvestment Plan (the Plan). Under the Plan, holders of Shares in Scott Technology may elect to reinvest the net proceeds of cash dividends paid on all or any of their fully paid ordinary Shares in Scott Technology by acquiring further fully paid ordinary Shares in Scott Technology instead (Additional Shares).
- 1.2 This Offer Document sets out the terms and conditions of the Plan and is issued in compliance with the exclusion for dividend reinvestment plans contained in Schedule 1 to the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014. Accordingly, no product disclosure statement is required in respect of the Plan.
- 1.3 This Offer Document replaces the offer document dated 24 October 2017 and has been prepared as at 21 September 2021. Capitalised terms have the meanings set out in the Glossary to this Offer Document.

### 2. THE OFFER

- 2.1 All Shareholders are offered the right to participate in the Plan, subject to clauses 2.3 and 2.4 below.
- 2.2 Shareholders may elect to participate in the Plan by exercising one of the following options:
  - a. Full Participation: If you elect full participation, participation of the Plan will apply to all of your Shares registered in your name.
  - b. Partial Participation: If you elect partial participation, only the number of Shares nominated by you will participate in the Plan. If you hold less than the nominated number of Shares, the Plan will apply to such lesser number of Shares; or
  - c. Non-Participation: If you do not wish to participate in the Plan, you are not required to do anything. You will continue to automatically receive in cash any dividend paid on all of your Shares.

- 2.3 The Board may, in its absolute discretion, elect not to offer participation under the Plan to Shareholders whose registered address is outside New Zealand or Australia as the Board considers:
- that to do so would risk breaching the laws of places outside New Zealand and Australia; or
  - It would be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with.
- 2.4 If Scott Technology has a lien or charge over any Shares in accordance with Scott Technology's constitution or other requirements of law, then those Shares will not be eligible to participate in the Plan.
- 2.5 Information for Australian Shareholders: The offer of Shares under this Offer Document does not need disclosure for the purposes of section 708 of the Corporations Act 2001 (Cth). Accordingly, this Offer Document will not be lodged with the Australian Securities and Investments Commission (ASIC).
- 2.6 Australian resident Shareholders should note that Scott Technology is not licensed to provide financial product advice in relation to the securities offered under the Plan. There is no cooling-off regime that applies in respect of your acquisition of securities offered under the Plan. This Offer Document does not take into account your personal objectives, financial situation or needs. You should consider obtaining your own financial product advice in relation to the proposed offer from an independent person who is licensed by Australian Securities and Investment Commission to give such advice.

### 3. HOW TO PARTICIPATE

- 3.1 To participate in the Plan a shareholder must complete a Participation Notice in one of the following ways:

- Participation Form. Complete the Participation Form in accordance with the instructions on that form; and forward the completed Participation Form to:

Scott Technology Limited Share Registrar C/- Link Market Services

PO Box 91976  
AUCKLAND 1142

operations@linkmarketservices.com

- Online Election. Complete a Participation Notice online by visiting the website of the Registrar:

<https://investorcentre.linkmarketservices.co.nz>

- A separate Participation Notice must be given by a Shareholder in respect of each holding of Shares identified by a separate holder number or common shareholder number (CSN).
- Participation will be effective as to dividends payable from the first Record Date after receipt by the Registrar of a properly completed Participation Notice or, if a Participation Notice is received after a Record Date, but before 5.00pm (New Zealand time) on the relevant Election Date, from that Record Date. Any notice received after 5.00pm (New Zealand time) on an Election Date will be effective only from the next following dividend.
- If a Participation Notice does not indicate the degree of participation, it will be deemed to be an application for full participation if it is otherwise correctly completed and signed.
- A Participation Notice will not attach to the Shares in respect of which it has been given, but will be personal to the Shareholder giving it.
- The number of Shares advised by a Shareholder as participating in the Plan under a validly completed Participation Notice shall be the Participating Shares of that Shareholder, subject to clauses 3.4, 9.1 and 10.
- Participation in the Plan will continue for all future dividends to which the Plan applies in accordance with these terms and conditions (unless you vary your participation in the Plan in accordance with these terms and conditions).

### 4. CALCULATION OF ADDITIONAL SHARE ENTITLEMENT

- The number of Additional Shares to be acquired by a Shareholder who has elected to participate in the Plan will be:
  - based on the net cash proceeds of the dividend the Shareholder would otherwise have received; and
  - calculated on the basis that the issue price of the Additional Shares will be the market price of Shares less a discount (if any), as determined in accordance with the formula set out in clause 4.2.
- The number of additional Shares to be acquired by a participating Shareholder will be calculated in accordance with the following formula:

$$AS = \frac{PS \times R}{P}$$

*AS is the number of Additional Shares which will be acquired by a Participating Shareholder;*

*PS is the number of Participating Shares in the Plan*

registered in the name of the Participating Shareholder at the Record Date;

*R is the net remittance per Share from Scott Technology (expressed in cents and fractions of cents, including any tax refunds and after deduction of any withholding taxes) which would otherwise have been payable to the Participating Shareholder had not elected to participate in the Plan; and*

*P is the weighted average sale price (expressed in cents and fractions of cents), for Shares sold on NZX Main Board on each of the first three Business Days immediately following the Record Date less a discount (if any) as determined by the Board in accordance with clause 11.1(c) (which price may be varied at the discretion of the Board as set out in clause 4.4 below).*

- 4.3 If no sales of Shares occur during such period then the weighted average sale price will be deemed to be the sale price for a Share on the first sale on the NZX Main Board which took place after such period.
- 4.4 Any weighted average sale price so determined under clause 4.2 or 4.3 may be reasonably adjusted by the Board to allow for any bonus or dividend expectation. In addition if, in the opinion of the Board, any exceptional or unusual circumstances have artificially affected the weighted average sale price so determined, the Board may make such adjustment to that sale price as it considers reasonable.
- 4.5 Where the number calculated in accordance with the preceding formula is not a whole number, then the number of Shares to be acquired by a Participating Shareholder will be the nearest whole number. If such number is 0.5, that number of Shares will be rounded up to the next whole number. Any net remittance described as R in clause 4.2 above which is not applied to acquire Additional Shares because of this clause 4.5 will be retained by Scott Technology for its sole benefit and will not be refunded or paid to a Participating Shareholder nor held by Scott Technology or the Registrar on behalf of a Participating Shareholder.
- 4.6 At the time the price for the Shares is set under this clause 4, Scott Technology will ensure that it has no information that is not publically available that would or would likely to, have a material adverse effect on the realisable price of Shares if it were publicly available.

## **5. OPERATION OF THE PLAN**

- 5.1 Scott Technology will, on the day that a Participating

Shareholder would otherwise have been paid a cash dividend on Participating Shares, either issue new Shares and/or arrange the transfer of existing Shares to the Participating Shareholder, in the relevant number to be acquired in accordance with clause 4.

- 5.2 The Plan will not operate in relation to a dividend to the extent that the allotment or issue of Additional Shares under the Plan would breach any applicable law, the NZX Main Board Listing Rules or any provision of the Constitution. If and to the extent that the Plan does not operate for such reason in respect of a Participating Shareholder's Participating Shares, the relevant dividend on Participating Shares will, until such time as the issue is resolved, be paid or distributed in the same manner as to Shareholders not participating in the Plan.
- 5.3 Additional Shares acquired by Participating Shareholders under the Plan will be issued or transferred on the terms set out in this Plan, and subject to the rights of termination, suspension and modification set out in clause 11, will not be issued on any other terms and will all be subject to the same rights as each other. The Additional Shares acquired by Participating Shareholders under the Plan will, from the date of issue, rank equally in all respects with each other and with all other Shares on issue as at that date.
- 5.4 Shares acquired by a Participating Shareholder under the Plan will be registered in the name of the Participating Shareholder on the Share register.

## **6. SOURCE OF ADDITIONAL SHARES**

- 6.1 Additional Shares to be acquired by Participating Shareholders under the Plan may, at the Board's discretion, be:
  - a. new Shares issued by Scott Technology;
  - b. existing Shares acquired by Scott Technology or a nominee or agent of Scott Technology; or
  - c. Any combination of new Shares and existing Shares.

## **7. STATEMENTS TO PARTICIPANTS**

- 7.1 Scott Technology or the Registrar will send to each Participating Shareholder, as soon as practicable after each dividend payment date, a statement detailing in respect of that Participating Shareholder:
  - a. The number of Shares of the Participating Shareholder as at 7.00pm on the relevant Record Date;
  - b. The number of Participating Shares of the Participating Shareholder as at 7.00pm (NZ time) on the

relevant Record Date;

c. The amount of:

i. cash dividend reinvested in respect of Shares nominated by the Participating Shareholder for participation in the Plan; and;

ii. dividend paid in cash on the Shares not nominated for participation in the Plan (if applicable);

d. The amount of any taxation deductions or withholding made;

e. The number of Additional Shares acquired by the Participating Shareholder under the Plan on the relevant Dividend Payment Date and the issue price of those Additional Shares, including the discount (if any), determined by the Board under clause 4.2; and

f. Advice as to the amount of any taxation credits.

#### **8. NO COSTS TO PARTICIPANTS**

8.1 No brokerage or commissions costs will be payable by a Participating Shareholder in respect of the acquisition of Additional Shares under the Plan.

#### **9. VARIATION OR TERMINATION OF PARTICIPATION**

9.1 A Participating Shareholder may, at any time, by validly completing and sending a Participation Notice, available from the Registrar upon request or on Scott Technology's website, to the Registrar:

a. Increase or decrease the number of Participating Shares; or

b. Terminate the Shareholder's participation in the Plan.

9.2 Any such variation or termination advised pursuant to clause 9.1 will take effect from the first Record Date after the Participation Notice is received by the Registrar or, if the Participation Notice is received after a Record Date, but before 5.00pm (New Zealand time) on the relevant Election Date, from that Record Date. A properly completed Participation Notice will need to be received by the Registrar prior to 5.00pm (NZ time) on an Election Date in order for that variation to be effective in respect of dividends payable in relation to the Record Date immediately preceding that Election Date.

9.3 If a Shareholder participating in the Plan dies, participation of that Shareholder will cease upon receipt by Scott Technology of a notice of death in a form acceptable to Scott Technology. Death of one or two or more joint Participating Shareholders will not

automatically terminate participation in the Plan.

#### **10. REDUCTION OF PARTICIPATION ON CHANGE OF HOLDING**

10.1 Where a Shareholder participating in the Plan in respect of some but not all of its Shares disposes of some of its Shares then, unless the Participating Shareholder notifies the Registrar otherwise in writing:

a. The Shares disposed of will be deemed to be Shares which are not participating in the Plan from the date the transfer of such Shares is registered; and

b. If the number of Shares disposed of is greater than the number of the Participating Shareholder's Shares which are not participating in the Plan, the balance will be deemed to be Participating Shares.

#### **11. TERMINATION, SUSPENSION AND MODIFICATION OF THE PLAN**

11.1 The Board may at any time and from time to time in its sole discretion:

a. Terminate, suspend or modify the Plan. If the Plan is modified, then a Participation Notice will be deemed to be a Participation Notice under the Plan as modified unless that Participation Notice is varied or withdrawn by the Participating Shareholder;

b. Suspend the operation of the Plan so that it will not apply to the whole or part to any dividends and that the balance of the dividend, as the case may be, will be paid in cash; or

c. Determine that Shares acquired by Participating Shareholders may be acquired at a discount to the price determined under clause

4. Any discount will be announced by Scott Technology no later than 10 Business Days prior to the relevant Record Date;

d. Determine that, in the event of the subdivision, consolidation or reclassification of Shares into one or more new classes of shares, a Participation Notice will be deemed to be a Participation Notice in respect of the Shares unless such Participation Notice is subsequently changed or withdrawn by the Participating Shareholder;

e. Determine that a Participation Notice will cease to be of any effect; or

f. Vary the number of Business days for calculation of the weighted average sale price under clause 4.2.

11.2 Where any termination, suspension or modification is

made to the Plan pursuant to this clause 11, notice of such suspension, modification or termination will be given to all Participating Shareholders, but no such notice shall be required for such termination, suspension or modification to take effect.

11.3 Without limiting clause 11.1 and 11.2, Scott Technology may at any time, without the need of any notice:

- a. Modify the Plan to comply with the Constitution, the NZX Main Board Listing Rules, or any law; and
- b. Make minor amendments to the Plan where such amendments are of an administrative or procedural nature.

11.4 No such modification or termination shall be made during the period commencing on a date 21 days before a Record Date for the purposes of determining entitlements to a dividend and ending on the date of payment of that dividend.

## **12. TAXATION**

12.1 Neither Scott Technology nor any of its officers, employees or advisers takes responsibility for any taxation liability which may arise as a consequence of participation in the Plan. Specific tax advice should be obtained by Shareholders. Neither Scott Technology nor any of its officers, employees or advisers accepts responsibility for the accuracy or correctness of any information as to tax liability.

## **13. OVERSEAS SHAREHOLDERS**

13.1 In accordance with Schedule One, Part One, Section 10(1)(b)(ii) Financial Market Conducts Act 2013 the Board has decided that Shareholders in overseas jurisdictions other than Australia are not eligible to participate in the Plan to avoid a risk of breaching the laws of the relevant overseas country. Any person residing outside New Zealand or Australia who holds Shares through a New Zealand or Australian resident nominee should not allow their nominee to participate in the Plan if participation in respect of their Shares would be contrary to the laws of their country of residence. Any person residing outside of New Zealand or Australia who participates in the Plan through a New Zealand or Australian resident nominee will be deemed to represent and warrant to Scott Technology that they can lawfully participate in the Plan through their nominee. Scott Technology accepts no responsibility for determining whether a Shareholder is able to participate in the Plan under laws applicable outside of

New Zealand or Australia.

## **14. DIVIDEND POLICY**

14.1 The Directors' intentions and expectations as to Scott Technology's future dividend policy are that dividends may be paid out of profits and/or surplus cash as funds permit. Scott Technology does not guarantee any specific level of dividend or that a dividend will be paid.

14.2 The ability of Scott Technology to pay dividends will depend upon a number of factors including economic conditions in New Zealand and elsewhere, the operational and financial performance of Scott Technology, prevailing government policies and the levels of interest rates or currency markets.

14.3 Scott Technology can give no promise or guarantee as to the level of any future dividend (or other distribution, if any) payable on its shares or as to the level of imputation credits, if any, attached to any dividends.

14.4 There are no fixed dates on which dividends (if any) are payable. Scott Technology has historically paid two dividends per year; an interim in April / May and a final in November / December.

## **15. NZX LISTINGS**

15.1 Shares which may be issued under the Plan have been accepted for listing by NZX and will be quoted on the completion of allotment procedures. However, NZX accepts no responsibility for any statement in this Offer document.

## **16. GOVERNING LAW**

16.1 The Plan and its operation and these terms and conditions will be governed by the laws of New Zealand.

## **17. AVAILABLE INFORMATION**

17.1 You may obtain free of charge Scott Technology's most recent annual report and financial statements complying with the Financial Reporting Act 2013 by contacting Scott Technology at the address below or by downloading these reports from Scott Technology's website: [www.scottautomation.com](http://www.scottautomation.com)

Postal Address:

Private Bag 1960, Dunedin 9054, New Zealand

Phone: +64 3 478 8110

Fax: +64 3 488 0657

Website: [www.scottautomation.com](http://www.scottautomation.com)

Street Address:

630 Kaikorai Valley Road Dunedin 9011, New Zealand

## 18. DEFINITIONS

18.1 In this Offer Document, the following words have these meanings:

**Additional Shares** means the additional Shares to be issued or transferred to Participating Shareholders pursuant to the Plan.

**ASIC** means the Australian Securities and Investments Commission.

**Board** means the board of directors of Scott Technology Limited.

**Business Day** means a day on which NZX is open for trading.

**Constitution** means the constitution of Scott Technology.

**Dividend Payment Date** means the date on which Scott Technology pays a dividend in respect of its Shares.

**Election Date** means, in respect of a Record Date, the first Business Day after that Record Date or such later date as may be set by the Board and notified to NZX.

**NZX Main Board** means the main board equity security market operated by NZX.

**NZX** means NZX Limited.

**Offer Document** means this offer document.

**Participating Shareholder** means a shareholder who has validly

elected to participate in the Plan, and who has not terminated their participation in the Plan.

**Participating Shares** means the Shares held by a Participating Shareholder on a Record Date in respect of which an election to participate in the Plan has been validly made (subject to any validly made variation or termination).

**Participation Notice** means the Participation Notice which accompanies this Offer Document.

**Plan** means the Scott Technology Limited Dividend Reinvestment Plan established by the Board on the terms and conditions set out in this Offer Document, as amended from time to time.

**Shareholder** means a holder of Shares.

**Record Date** means in relation to a dividend, 5.00pm on the date on which Scott Technology's register of Shareholders is closed in order to determine entitlement to the relevant dividend.

**Registrar** means Link Market Services Limited.

**Scott Technology** means Scott Technology Limited.

**Shares** means fully paid ordinary shares in Scott Technology.

**You** means a Shareholder who is eligible to participate in the Plan.

In this Offer Document, unless the context requires otherwise, the singular includes the plural and a reference to one gender includes the other genders.