



Hear For You Limited  
ABN 26 131 365 298

The Australian Hearing Hub  
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Macquarie University NSW 2109

PO Box 1710  
Macquarie Centre NSW 2113

## Explanatory Memorandum Extraordinary General Meeting

This Explanatory Memorandum has been prepared for the members of the Company (**Members**) to outline information concerning the resolutions (**Resolutions**) set out in this Notice of Extraordinary General Meeting (**Notice**), including the proposed transfer of the business and assets of the Company to The Shepherd Centre – For Deaf Children (ABN 61 000 699 927) (**TSC**), and to assist Members to assess the merits of approving the Resolutions contained in this Notice.

The directors recommend that Members read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

### ITEMS OF BUSINESS

#### RESOLUTION 1 – TRANSFER OF BUSINESS AND ASSETS TO THE SHEPHERD CENTRE

##### 1 Background

It is proposed that the Company transfers its business and assets to TSC (the **Integration**), on the terms set out in the deed to be entered into between the Company and TSC (**Merger Deed**). Given that the Company and TSC provide complementary services to a similar demographic, the directors of the Company consider that the Integration will offer the best outcome for the recipients of the Company's programs. In addition, the Integration will ensure that the Company's programs and services are continued to be delivered in the most effective manner, with the benefit of the combined resources of both organisations.

The Integration will be implemented via the transfer of the Company's business and all of its assets to TSC. Following completion of the Integration, it is intended that the Company will be deregistered and all programs currently conducted by the Company will be conducted by TSC. By voting in favour of Resolution 1, you will be approving the Integration of the Company's activities into TSC.

By signing the member's consent attached at **Annexure A**, you will be agreeing to the voluntary deregistration of the Company, subject to completion of the Integration and the directors of the Company being satisfied that the Company will meet the requirements for voluntary deregistration under section 601AA(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

##### 2 The Shepherd Centre – For Deaf Children

TSC is a not-for-profit providing specialised programs for children who are deaf or hearing impaired and their families. Founded in 1970, TSC provides a range of programs and services for children of all ages, including an early intervention service for babies and toddlers, audiological and medical support and a youth mentoring program. TSC currently supports over

700 families in Australia via Online Telehealth services and in-person centres.

### **3 Timing of change**

Completion of the Integration is targeted for 31 August 2021. The Integration is subject to the satisfaction of several conditions, including approval of the Integration by the Company's Members. Accordingly, if Resolution 1 is passed, the Integration will complete following satisfaction or waiver of the remaining conditions set out in the Merger Deed (refer item 1 of the Schedule for details). Following Completion, it is proposed to voluntarily deregister the Company.

### **4 Summary of key provisions**

The schedule to this Explanatory Statement contains a summary of the key provisions in the Merger Deed.

### **5 Voting Exclusions**

The basis for the voting exclusions set out in the Notice is that the above named members (**Excluded Members**) will, if the Integration completes, become directors or employees of TSC (or be affiliated with an employee of TSC), or, in the case of David Brady, the Integration will have a direct impact on his employment status since he will be made redundant as CEO of the Company if the Integration completes.

Accordingly, in the interests of transparency and good corporate governance, the board has determined that the Excluded Members should not vote on Resolution 1 at the EGM, as they may be viewed as having an interest in the Integration beyond their interest as members of the Company. In reaching its decision, the board was guided by recommendations from Chartered Secretaries Australia (**CSA**) which are supported by the Australian Securities and Investments Commission. CSA recommends companies establish procedures to manage voting exclusions in order to promote and preserve confidence in the integrity of voting at general meetings.

### **6 Recommendation**

The directors, other than those directors who are Excluded Members, recommend that Members vote in favour of Resolution 1.

## **RESOLUTION 2 – CHANGE OF COMPANY NAME**

### **1 Background**

Under the terms of the Merger Deed, the Company will transfer its trademarks and business names to TSC on completion of the Integration, and TSC will have full and exclusive rights to use the Hear For You brand (including the Hear For You name). Accordingly, the Company will no longer have the right to use the Hear For You name following completion and must change its name to a name that is not similar or able to be confused with "Hear for You".

### **2 Change of name**

It is proposed to change the name of the Company to "ACN 131 365 298 Ltd", which is consistent with the Company's Australian Company Number (**ACN**).

Section 157 of the Corporations Act requires a company's members to approve any change of company name by way of special resolution. A special resolution must be passed by at least 75% of the votes cast by Members who are entitled to vote at the meeting.

### **3 Timing of change**

If Resolution 2 is passed, the change of the Company's name will take effect subject to, and with effect from, completion under the Merger Deed.

Resolution 2 is conditional on the passing of Resolution 1.

### **4 Recommendation**

The directors recommend that Members vote in favour of Resolution 2.

## **OTHER MATTERS – DEREGISTRATION OF COMPANY**

### **1 Background**

Subject to the passing of Resolution 1 and certain other conditions summarised in item 1 of the Schedule, the Company will transfer its business and all of its assets to TSC in accordance with the terms of the Merger Deed.

Following completion, the Company proposes to apply to the Australian Securities and Investments Commission (**ASIC**) to be voluntarily deregistered. Under section 601AA(2)(a) of the Corporations Act, all Members of the Company must agree to the Company being deregistered before the Company may apply to be deregistered.

Therefore, subject to completion occurring and the directors of the Company being satisfied that the Company will meet the requirements for voluntary deregistration under section 601AA(2) of the Corporations Act, Members are asked to approve the proposed voluntary deregistration of the Company.

### **2 Timing deregistration**

If the Integration is completed and the board of directors of the Company and all the Members of the Company approve the voluntary deregistration of the Company, the Company will be deregistered as soon as reasonably practicable following completion – expected to be by the end of October 2021.

### **3 Recommendation**

The directors recommend that Members sign the member's consent attached at **Annexure A** and return it to Carl Moser, Company Secretary, in person or by email at [carl.moser@hearforyou.com.au](mailto:carl.moser@hearforyou.com.au), as soon as possible.