



28 April 2025

DISCLOSURE DOCUMENT RELATING TO THE ACQUISITION OF EQUITY PLAN SHARES

INTRODUCTION

This document is provided to all shareholders in accordance with the requirements of section 62 of the Companies Act 1993 ("**Act**") and sets out details of the proposal by Bremworth Limited ("**Bremworth**" or "**Company**") to buy back 500,000 ordinary shares previously issued to Greg Smith ("**Mr Smith**") pursuant to the Bremworth Equity Ownership Plan ("**Equity Plan Shares**") by Bremworth.

EXPLANATORY STATEMENT

The proposed buyback relates to the Equity Plan Shares which were issued to Mr Smith on 10 September 2021 pursuant to the Bremworth Equity Ownership Plan (see NZX announcement dated 7 September 2021). The Equity Plan Shares were issued under NZX Listing Rule 4.6, which relates to 3% share issues to employees of an issuer.

Mr Smith acquired the Equity Plan Shares at a price of NZ\$0.4161 per share, amounting to a total price of NZ\$208,050, which was paid by Mr Smith by way of an interest free loan of equivalent value provided by Bremworth to Mr Smith ("**Acquisition Loan**").

As announced on 10 April 2025, Mr Smith will cease employment of Bremworth on 30 April 2025. The Board and Mr Smith have previously discussed how the Acquisition Loan should be satisfied and have agreed that Bremworth would offer to buy back the Equity Plan Shares at a price of NZ\$0.65 per share, being the NZX closing price for ordinary shares in Bremworth as at 2 April 2025 ("**Share Buyback**"). This date represents the date on which the Board and Mr Smith began preliminary discussions on the matters set out in this document. Accordingly, the total consideration payable by Bremworth to buy back the Equity Plan Shares would be NZ\$325,000, which would first be applied to satisfy the Acquisition Loan, with the balance payable to Mr Smith in cash proceeds.

It is proposed that the Equity Plan Shares be cancelled immediately on acquisition by Bremworth, reducing the total number of ordinary shares in Bremworth on issue from 71,061,519 to 70,561,519. Accordingly, each Bremworth shareholder will benefit by gaining an increase in their proportionate shareholding in Bremworth.

BOARD RESOLUTIONS

In accordance with section 62 of the Act, the text of the resolutions required by section 61 of the Act is as follows:

RESOLVED that:

1. For the purposes of section 61(1) of the Act:
 - (a) the Share Buyback is of benefit to the Company's remaining shareholders; and
 - (b) the terms of the Share Buyback and the consideration offered for the Equity Plan Shares are fair and reasonable to the Company's remaining shareholders.



Bremworth Ltd

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2. The Board has reached the conclusions set out above for the following reasons.
- (a) Mr Smith acquired the Equity Plan Shares at a price of \$0.4161 per share, amounting to a total price of \$208,050, which was paid by Mr Smith by way of the Acquisition Loan.
 - (b) The Board and Mr Smith have previously discussed how the Acquisition Loan should be satisfied and have agreed that the Company would acquire the Equity Plan Shares at a price of \$0.65 per share, being the NZX closing price for ordinary shares in the Company as at 2 April 2025. This date represents the date on which the Board and Mr Smith began preliminary discussions on the matters set out in this document.
 - (c) Accordingly, the total consideration payable by the Company to acquire the Equity Plan Shares is \$325,000, which would first be applied to satisfy the Acquisition Loan, with the balance payable to Mr Smith in cash proceeds.
 - (d) Given the Equity Plan Shares will be immediately cancelled on acquisition by the Company, this will result in a proportional increase in the shareholding of the remaining shareholders. As a result, each remaining shareholder's ownership percentage will increase to account for the reduction in the total amount of shares on issue, providing a marginal benefit to the remaining shareholders.
 - (e) As announced on 10 April 2025, Mr Smith will cease employment of the Company on 30 April 2025. The Share Buyback in connection with satisfaction of the Acquisition Loan would help facilitate a clean exit by Mr Smith from the Company with the proposed terms and consideration of the Share Buyback reflecting the agreed terms between the Board and Mr Smith.

RELEVANT INTERESTS

Given the Equity Plan Shares will be repurchased and cancelled immediately on acquisition by Bremworth, and therefore not offered to any directors of Bremworth, there are no relevant interests of any director of Bremworth in the Equity Plan Shares to be disclosed pursuant to section 62(b) of the Act.

SHAREHOLDER RIGHTS

The offer by the Company to acquire the Equity Plan Shares must be made not less than 10 working days and not more than 12 months after this document has been sent to each shareholder.

Section 61(8) of the Act confers on shareholders and the Company certain rights to apply to the court for an order restraining the proposed acquisition of the Equity Plan Shares.



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