

ASX Announcement



3 December 2021

Chairman's Address by Michael Alscher Extraordinary General Meeting – 3 December 2021

WELCOME

Good morning ladies and gentlemen, my name is Michael Alscher, and I am the Chairman of Cardno Limited. On behalf of the Board and staff of Cardno, I welcome all our shareholders who have made time to attend today's Extraordinary General Meeting.

ACKNOWLEDGEMENT OF COUNTRY

In the spirit of reconciliation, I would like to acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past, present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

QUORUM

As it is now 10:00am and the Company Secretaries have advised me that a quorum is present, I formally declare the Annual General Meeting open.

INTRODUCTION

I would like to start by introducing the Board of Directors present at the meeting and separately located in Brisbane, Sydney and the United States today.

- > Ms Susan Reisbord, Chief Executive Officer and Managing Director;
- > Ms Rebecca Ranich, an independent Non-Executive Director and member of the Remuneration Committee;
- > Mr Steven Sherman, an independent Non-Executive Director, a member of the Audit, Risk and Compliance Committee and a member of the Remuneration Committee;
- > Mr Jeffrey Forbes, an independent Non-Executive Director, Chair of the Audit, Risk and Compliance Committee and a member of the Remuneration Committee;
- > Mr Nathaniel Thomson, a Non-Executive Director and a member of the Remuneration Committee.

Also in attendance today is our Chief Financial Officer, Mr Peter Barker, and members of Cardno's Global Management team including Susan Reisbord, who is also our Americas CEO; Jamie Alonso, our Asia Pacific CEO, and Seth Yoskowitz, interim CEO of Cardno's International Development division.

We also welcome Mr Tim Gordon from our legal advisory firm, Gilbert & Tobin.

BACKGROUND

On 9 June 2021, the Company commenced a strategic review process which involved an assessment of Cardno's strategic options and the alternative strategies available to unlock and enhance value for Shareholders. On 21 October 2021, the Company announced it had entered into Share Purchase Agreements to sell its entire interest in its Americas and Asia Pacific (APAC) consulting divisions to related entities of Stantec Inc. for an aggregate price of US\$500 million or approximately A\$667 million (assuming an AUD:USD exchange rate of \$0.75). The sale was the result of an extensive international strategic review that was focused on ensuring that the Company unlocked the maximum value for Shareholders.

This meeting has been requisitioned in order for shareholders to vote on three important resolutions. As set out in detail in the Notice of Meeting, these are:

1. the disposal of the Company's main undertaking, being the sale of the Company's Americas and Asia Pacific consulting businesses, to related entities of Stantec;
2. subject to resolution 1 receiving shareholder approval, a return of capital to Shareholders of up to \$0.92 per Share; and
3. subject to resolution 1 and resolution 2 receiving shareholder approval, a consolidation of ordinary shares.

The Board unanimously recommends that Shareholders vote in favour of all three resolutions.

The Board believes that, following an assessment of the advantages and disadvantages as set out in the Notice of Meeting distributed to shareholders on 4 November 2021, the disposal of the Company's main undertaking is in the best interests of the Company. The Board takes great comfort in having achieved full price discovery by running a competitive and robust sale process and then announcing the recommendation of a sale to related entities of Stantec, knowing that no superior proposal has arisen since that announcement.

If shareholder approval for the sale is received, the conditions are satisfied and the sale is completed, the Company intends to remain an ASX listed company and continue to operate its engineering and consultancy business through its remaining International Development and Latin American group companies. The Board will continue the wind-down of its non-Cardno ENTRIX Latin American operations which is expected to be completed by December 2022 and continue to evaluate its strategic options related to the International Development business over the next 12 months.

Before we proceed with the formal business of the meeting, I'd like to acknowledge the collective efforts of the Cardno Board and senior management team and our financial and legal advisors in today's achievement. On behalf of the Board, I'd also like to thank everyone at Cardno for their hard work and dedication over the years and extend my thanks and appreciation to our shareholders for their ongoing support.

Thank you

Michael Alscher
Chairman, Cardno Limited

Authorised for release to the ASX by Michael Alscher, Chairman

- ENDS -

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About Cardno: Cardno is a global provider of integrated professional services which enrich the physical and social environment for the communities in which we live and work. Our team of multidisciplinary specialists around the world has over 75 years' experience in designing, developing and delivering sustainable projects and community advancement programs. Cardno is listed on the Australian Securities Exchange (ASX:CDD). www.cardno.com.