



MNF Group Limited (ASX: MNF)
ACN: 37 118 699 853
Level 4, 580 George St, Sydney NSW
Australia 2000

**MNF Group Limited
Annual General Meeting 2020**

25 September 2020

Dear Shareholder,

The Annual General Meeting (**AGM**) of MNF Group Limited (**Company**) will be held on Tuesday 27 October 2020 at 4:30pm AEDT.

In light of the COVID-19 pandemic and in response to potential health risks, the Company's AGM will be held as a virtual AGM meeting. There will not be a physical meeting. Shareholders are invited to participate in the virtual AGM, using our Express Virtual Meetings platform to facilitate shareholder participation and shareholders will be able to view the proceedings, ask questions and vote during the AGM.

The Notice of Meeting with the Explanatory Information Memorandum, sample Proxy Form and Question Form is now available on our website www.mnfgroup.limited/agm and the ASX market platform. The Notice also contains information on how to participate in the virtual AGM.

Please note, you will not be mailed a hard copy of the Notice of Meeting this year due to temporary changes made by the Government in response to the COVID pandemic. Instead, information will be available on our website.

The MNF Group Limited Annual Report is also now available online at our website www.mnfgroup.limited/annual-reports. Hard copies of the Annual Report will not be sent via post unless you have previously elected to receive a copy in the mail. Alternatively, to now request a hard copy of the 2020 Annual Report, please email investor@mnfgroup.limited.

On our website, you will find instructions on how to join the AGM online, vote and submit questions. We encourage you to vote in advance of the AGM by lodging a Proxy Form online at www.linkmarketservices.com.au, and should you wish, to submit questions about items of business in advance using the Question Form, which is attached to the Notice.

Thank you for continued support. I look forward to your participation in the 2020 AGM.

Yours sincerely,

Terry Cuthbertson
Chairman

MNF Group Limited

ACN 118 699 853

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Members of MNF Group Limited (the **Company**) will be held at 4:30 pm on Tuesday 27 October 2020 (the **Meeting**).

Due to the continuing effect of the coronavirus pandemic (**COVID-19**), we are making some changes to our approach this year, with the health and safety of our Members and employees being of paramount importance. Indeed, in light of continuing restrictions on large gatherings, it is not feasible or advisable for Members to physically attend the Meeting. Accordingly, as permitted by the temporary modifications to the *Corporations Act 2001* (Cth) (**Corporations Act**) under the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* (Cth) made by the Treasurer on 5 May 2020, the Meeting will be conducted as a virtual meeting, with no Members being permitted to physically attend the Meeting. Only certain permitted corporate personnel of the Company, including the Chair (**Permitted Attendees**) will be able to physically attend the Meeting.

To facilitate this, we have adopted measures to allow Members to attend virtually and participate in the Meeting. Specifically, the Meeting will be made accessible to Members via an online virtual platform, which will include a live webcast, which will enable the Members to watch and participate in the Meeting without being physically present. Amongst other functions, the virtual platform will allow the Members to watch the Meeting, ask questions in relation to the business of the Meeting and to vote in real time, as they ordinarily would if they were physically present at the Meeting. In addition, the Company will also answer questions submitted by Members in advance in accordance with the enclosed Question Form or online as outlined on the enclosed Question Form.

To attend the MNF Virtual AGM you are required to register your attendance online in advance and recommended to do so by Tuesday 27th October at 3.30pm. To register please go to www.mnfgroup.limited/agm and click on the register to attend the AGM link. If you are a shareholder and wish to vote at the meeting you will be required to provide your SRN/HIN and postcode (for overseas participants type OS in the postcode field). Details on how to join the AGM will be provided on the screen at time of registration and details can be added to your calendar. If a registered email address has been provided then an invitation to the event will be also emailed.

Shareholders can join the virtual event platform 30 minutes prior to the start time. You will need to click on the join now button provided to you at time of registration. The MNF virtual AGM will be accessible by using your computer, smart phone or tablet device and clicking on the join now link provided in your invitation. Supported browsers are the latest versions of Chrome, Firefox or Safari. For an optimal experience, we recommend using your laptop or desktop computer.

A guide on how to use the virtual platform (including how to log in, vote and ask questions during the Meeting) is available on the Company's website at: www.mnfgroup.limited/agm.

The Directors of the Company encourage Members to attend and participate in the Meeting via the virtual platform. Whilst Members will be able to vote online during the Meeting using the virtual platform, Members are encouraged to lodge a Proxy Form ahead of the Meeting, even if they intend to attend and participate.

If you are unable to attend the Meeting, please ensure your participation in the Meeting by appointing a proxy to act on your behalf by completing the enclosed Proxy Form. As detailed on pages 14-17 of this Notice, you can lodge your completed Proxy Form online at www.linkmarketservices.com.au, by using a mobile device by scanning the QR code on the back of the Proxy Form, by mail or by fax or by hand.

Completed Proxy Forms must be received no later than 4:30 pm (Sydney time) on Sunday, 25 October 2020.

In accordance with the Constitution, Mr Terry Cuthbertson will act as Chair.

If the situation in relation to COVID-19 changes in a way that affects the position above, the

Company will provide a further update ahead of the Meeting as to any changes to the manner in which the Meeting will be held by releasing an announcement to the ASX.

Important: The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum, the Procedural Notes and the Proxy Form form part of this Notice.

ORDINARY BUSINESS

Item 1: Financial Reports

To receive and consider the financial report, director's report and auditor's report for the Company and its controlled entities for the year ended 30 June 2020.

Please note that there is no requirement for Members to approve these reports.

Resolution 1: Remuneration Report

To consider and, if thought fit, pass the following ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2020 be adopted."

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Details of the voting exclusions that apply to this resolution are set out in the Explanatory Memorandum section of the Procedural Notes to this Notice of Meeting.

Resolution 2: Re-election of Mr Andy Fung as Director

To consider and, if thought fit, pass the following ordinary resolution:

"That Mr Andy Fung, who retires by rotation in accordance with Company's Constitution and the ASX Listing Rules and, being eligible for re-election under rule 6.1(i) of the Company's Constitution and ASX Listing Rule 14.4, offers himself for re-election, is hereby re-elected as Director of the Company."

Resolution 3: Election of Ms Gail Pemberton as Director

To consider and, if thought fit, pass the following ordinary resolution:

"That Ms Gail Pemberton, having been appointed to be a director on 1 September 2020 pursuant to rule 6.1(d) of the Company's Constitution, retires in accordance with rule 6.1(e) of the Company's Constitution and, being eligible for re-election under rule 6.1(i) of the Company's Constitution and ASX Listing Rule 14.4, offers herself for re-election, is hereby re-elected as Director of the Company."

Resolution 4: Increase in aggregate remuneration for Non-Executive Directors

To consider and, if thought fit, pass the following ordinary resolution:

"That an increase in the aggregate maximum amount of non-executive directors' fees from \$500,000 per annum (inclusive of superannuation guarantee charge contribution) to \$950,000 per annum (inclusive of superannuation guarantee charge contribution), to be allocated among the non-executive directors as agreed by the Board of Directors, be approved pursuant to ASX Listing Rule 10.17."

Details of the voting exclusions that apply to this resolution are set out in the Explanatory Memorandum section of the Procedural Notes to this Notice of Meeting.

Resolution 5: MNF Group Limited Equity Incentive Plan

To consider and, if thought fit, pass the following ordinary resolution:

"That, for the purposes of Listing Rule 7.2 (Exception 9) and sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to, and issue of securities under, the

MNF Group Limited Equity Incentive Plan as described in the Explanatory Memorandum accompanying this Notice of Meeting."

Details of the voting exclusions that apply to this resolution are set out in the Explanatory Memorandum section of the Procedural Notes to this Notice of Meeting.

Resolution 6: Issue of Unlisted Options to Director Mr Rene Sugo under the MNF Group Limited Equity Incentive Plan

To consider and, if thought fit, pass the following ordinary resolution:

"That, subject to Resolution 5 being passed, for the purposes of ASX Listing Rule 10.14 and section 195(4) of the Corporations Act and for all other purposes, approval is given to allot and issue LTIA's and STIA's to Mr Rene Sugo (or his nominee) under the MNF Group Limited Equity Incentive Plan, for the purposes and on the terms and conditions outlined in the Explanatory Statement accompanying this Notice of Meeting."

Details of the voting exclusions that apply to this resolution are set out in the Explanatory Memorandum section of the Procedural Notes to this Notice of Meeting.

SPECIAL BUSINESS

Resolution 7: Amendment of the Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, for the purposes of section 136 of the Corporations Act and for all other purposes, the Company's Constitution be amended in accordance with the proposed modifications outlined in the Explanatory Memorandum accompanying this Notice of Meeting and as contained in the modified Constitution tabled at this Meeting and signed by the Chair for the purposes of identification, with the modified Constitution to become effective from the close of the meeting."

By order of the Board



Catherine Ly
Company Secretary
25 September 2020



MNF Group Limited

ACN 118 699 853

Explanatory Memorandum

This Explanatory Memorandum, the Procedural Notes and Annexures A and B form part of the Notice of Meeting convening the Annual General Meeting of MNF Group Limited.

Unless otherwise defined, capitalised terms have the meaning attributed to them in the Glossary.

Financial Statements and Reports

Section 317 of the Corporations Act requires the Company to lay its financial report, the directors' report and the independent auditor's report for the last financial year before the Meeting.

The financial report has been approved by the directors and audited by the independent auditor. Whilst there is no requirement for these reports to be formally approved by Members, Members will have a reasonable opportunity to ask questions and make comments about these reports and the business, operations and management of MNF Group Limited via the virtual platform during the Meeting. Members are also encouraged to submit questions prior to the Meeting in accordance with the enclosed Question Form.

The Company's external auditor, MNSA Pty Ltd Chartered Accountants, will also be in attendance at the Meeting to respond to questions in relation to the conduct of the audit and the preparation and content of the auditor's report.

Resolution 1: Remuneration Report

The purpose of Resolution 1 is to adopt the Remuneration Report for the year ended 30 June 2020. Section 250R of the Corporations Act requires that a resolution must be put to Members to approve the Remuneration Report of the Company. The Remuneration Report of the Company forms part of the Directors' Report which is contained in the Company's 2020 Annual Report accompanying this Notice of Meeting. The Remuneration Report sets out the Company's remuneration policy and reports the remuneration arrangements in place for Executive Directors, Non-Executive Directors and certain executives whose remuneration arrangements are required to be disclosed.

The 2020 Annual Report is available on the Company's website at www.mnfgroup.limited/annual-reports.

Members will have an opportunity to ask questions and make comments about the Remuneration Report at the Meeting via the virtual platform. Members are also encouraged to submit questions prior to the Meeting in accordance with the enclosed Question Form.

While the vote on Resolution 1 is advisory only and does not bind the Board, the Board will take the outcome of the vote into consideration in future reviews of the remuneration policy for Directors and executives of the Company.

Recommendation: *The Board unanimously recommends that Members vote in favour of the approval of the Remuneration Report.*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of Key Management Personnel whose remuneration details are included in the Remuneration Report, or any of their Closely Related Parties or Associates.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote on this resolution, in accordance with directions given to the proxy or attorney to vote on this resolution in that way;
 - by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction given to the Chair on the Proxy Form to vote as the Chair decides; or
 - by a Member acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary proved the following conditions are met:
 - the beneficiary provides written confirmation to the Member that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this resolution; and
 - the Member votes on this resolution in accordance with directions given by the beneficiary to the Member to vote in that way.
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Resolution 2: Re-election of Mr Andy Fung as a Non-Executive Director of the Company

Under ASX Listing Rule 14.5 and rule 6.1(f) of the Company's Constitution, the Company must hold an election of directors every year. A director that is retiring as a result of rule 6.1(f) is eligible for re-election under rule 6.1(i). The Board is aware of the effect of ASX Listing Rule 14.4 and has determined that each of the Directors will retire and stand for re-election in accordance with that Rule.

Pursuant to the ASX Listing Rules and the Company's Constitution, Mr Andy Fung, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Resolution 2 asks Members to re-elect Mr Andy Fung as a Director of the Company.

Mr Andy Fung was first appointed as Managing Director of the Company on 8 March 2006 following the Company's IPO. He resigned from the position on 29 February 2012 and was appointed as non-executive Director of the Company in March 2012 and has been subsequently re-elected, most recently on 30 October 2018.

Mr Fung is also a member of Audit, Risk and Nomination Committees. He holds a Bachelor of Engineering, a Master of Commerce degree and is a member of the Australian Institute of Company Directors (MAICD). Mr Fung has had extensive experience in Telecommunications industry in Australia and Asia. Prior to joining the MNF Group, Mr Fung held senior management positions with Telstra, Australian Trade Commission, Optus and Lucent Technologies of US. He is also Executive Director of a private company with interests in trade and investment. Mr Fung is co-founder of MNF Group Limited, Symbio Networks Pty Ltd.

Recommendation: *The continuing Directors unanimously recommend that Members vote in favour of Resolution 2 to re-elect Mr Andy Fung as a Non-Executive Director.*

Resolution 3: Election of Ms Gail Pemberton as a Non-Executive Director of the Company

Under ASX Listing Rule 14.4 and rules 6.1 (d) & (e) of the Company's Constitution, the Directors at any time may appoint a director to the board of the Company as an addition to the board until the next annual general meeting where that Director is then eligible for election.

Accordingly, Ms Gail Pemberton, having been appointed on 1 September 2020 without prior Member approval, retires at the Annual General Meeting and, being eligible, offers herself for re-election as a Director of the Company

Ms Gail Pemberton has over 35 years' experience in the financial services industry in management and leadership roles at both Macquarie Bank and BNP Paribas Securities Services in Australia and the United Kingdom.

Ms Pemberton has experience as a Director of both ASX listed and global companies and has participated in several IPOs, acquisitions and divestments and capital raisings. Ms Pemberton current Board roles include Non-Executive Director of Eclipx (ASX: ECX), the Sydney Metro, Land Services WA and Chair of Prospa (ASX: PGL).

Ms Pemberton was awarded the Order of Australia (AO) for distinguished service to the finance and banking industry through a range of roles, as an advocate for technology, and as a mentor to women and has been further recognised by the Federal Government with the award of a Centenary Medal in 2002 for outstanding services to Australian business.

Recommendation: *The continuing Directors unanimously recommend that Members vote in favour of Resolution 3 to elect Ms Pemberton as a Non-Executive Director*

Resolution 4: Increase in aggregate remuneration for Non-Executive Directors

The Company is seeking Member approval to increase the maximum aggregate amount payable to non-executive Directors from \$500,000 per annum (inclusive of superannuation guarantee charge contribution) (**SGC**) to \$950,000 per annum (inclusive of SGC), being an increase of \$450,000 per annum.

Under rule 6.3 of the Constitution and ASX Listing Rule 10.17, the total aggregate amount payable to non-executive Directors can only be increased with member approval.

This is the second proposed increase in the total amount payable by the Company to the non-executive Directors since the Company listed on the ASX in 2006. The last increase was approved by Members in the 2014 Annual General Meeting from \$300,000 to \$500,000.

Reasons for the proposed increase in the maximum aggregate amount payable to non-executive Directors include:

- to allow headroom for additional non-executive Directors that might be added to the Board in the future; and
- to allow for future increases in non-executive Directors' fees in line with market expectations.

The Board believes it is appropriate and in the interests of Members to increase the non-executive Directors' fee levels to a level that is in line with market expectation to ensure that the Company remains in a position to attract and retain high calibre non-executive directors, who are crucial to its long-term success and growth.

The non-executive Directors' fees paid during the year ended 30 June 2020 are detailed in the Remuneration Report. The total value of fees (including superannuation) paid to all Non-Executive



Directors during the 2019/20 financial year was \$406,391.

There were no securities or/and options issued to the non-Executive directors under ASX Listing Rule 10.11 or 10.14 with Member approval at any time within the preceding 3 years.

If Member approval is not obtained, the maximum aggregate amount payable to non-executive Directors will remain at \$500,000.

Recommendation: *The directors abstain from making a recommendation in relation to Resolution 5.*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any Directors, or any of their respective Associates.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote on this resolution, in accordance with directions given to the proxy or attorney to vote on this resolution in that way;
- by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction given to the Chair on the Proxy Form to vote as the Chair decides; or
 - by a Member acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: the beneficiary provides written confirmation to the Member that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this resolution; and
 - the Member votes on this resolution in accordance with directions given by the beneficiary to the Member to vote in that way.

Resolution 5: MNF Group Limited Equity Incentive Plan

Participants

Participants in the EIP will include the executive and non-executive Directors of the Company (subject to shareholder approval) and such other employees and prospective employees of the Company as the Board determines in its discretion (**Participants**).

Short Term Incentives

Subject to Resolution 5 being passed and any requisite shareholder approval for grants of STIAs to Participants, the Board may determine to grant STIAs under the EIP. STIA are a cash based incentive with a deferral component delivered in equity in the form of a performance right which entitles the holder to one share in the Company on the vesting of that STIA, or an equivalent cash payment equal to the value of the shares they would be entitled to on vesting of the STIA, subject to certain weighted performance conditions of the STIA being satisfied.

The economic benefit of an STIA is the initial cash payment and the value of the shares, or equivalent cash payment, on vesting of the STIA. The performance conditions of the STIA are weighted against key performance indicators of the relevant Participant, as determined by the Board. This creates a positive correlation between the overall value of the STIA and the Participants performance of their role within the Company, with the intention to align the goals of the Participant and the Company.

Long Term Incentives

Subject to Resolution 5 being passed and any requisite shareholder approval for grants of LTIA's to Participants, the Board may determine to grant LTIA's under the EIP. LTIA's are offered in the form of options which represent a right to acquire one ordinary share in the Company, subject to certain vesting,

performance or other conditions, as determined by the Board, being satisfied. Alternatively, under the EIP a Participant may be entitled to receive a cash payment equivalent to the value of the shares they would otherwise be entitled to on vesting of their options.

The economic benefit of LTIA is the growth in share price between the date the option is issued (**Issue Price**) and the date it is exercised (**Exercise Price**), or the equivalent cash payment as the case may be. Importantly, the underlying share price must appreciate for a Participant to realise any gain under an LTIA. If the Company's share price does not appreciate over the relevant period (Exercise Price is less than Issue Price), a Participant's entitlement on vesting and exercise of options, or equivalent cash payment, will be nil. Issuing options under the EIP therefore drives share value growth.

The EIP proposes to:

- allow the Company to align the interests of Participants with those of its shareholders, given that the value of an STIA and an LTIA to each Participant increases when the share price increases;
- enhance the Company's ability to recruit and retain eligible employees, and to motivate, retain and encourage participation by eligible employees, through ownership of performance rights and options (and prospectively, shares) for the short and long-term mutual benefit of the Company and eligible Participants; and
- minimise the level of existing shareholder dilution if cash payments are made to Participants on vesting of their STIAs or LTIA's in substitute for being issued the shares they would otherwise be entitled to.

The STIAs and LTIA's are a strong motivational tool, as Participants should recognise that their individual performance can directly affect the Company's prospects and, therefore, the value of the Company's shares. The terms of the EIP are summarised in Annexure B to this Explanatory Memorandum.

Cap

The number of shares allotted under the EIP in any 3 year period (subject to vesting and exercise of STIAs and LTIA's) will be limited to a maximum of 1% of the total issued capital in the Company (on a fully diluted basis), which equates to a maximum of 850,000 equity securities.

Regulatory requirements

ASX Listing Rule 7.1 provides that, subject to certain exceptions, a listed entity may not issue equity securities in any 12 month period which exceed 15% of the total number of securities of the entity on issue at the beginning of the 12 month period, without the prior approval of the security holders of the entity. Exception 9(b) in ASX Listing Rule 7.2, provides that an issue of securities as a result of the conversion of convertible securities will not count towards the 15% limit in ASX Listing Rule 7.1 if the issue of convertible securities are approved by shareholders in accordance with the ASX Listing Rules. The performance rights and options issued under the EIP are convertible securities for the purposes of the ASX Listing Rules. Therefore, any approval by shareholders of grants of STIAs and LTIA's, and the corresponding issue of shares on their vesting, will not count towards the Company's 15% limit in ASX Listing Rule 7.1.

In addition, to the extent that any shares are issued under the EIP within three years from the date that the EIP is approved by shareholders, those shares are also not taken into account for the purposes of calculating the Company's 15% limit in ASX Listing Rule 7.1 (ASX Listing Rule 7.2 exception 13).

The following information is provided to shareholders for the purpose of ASX Listing Rule 7.2 exception 13(b):

- Appendix B provides a summary of the terms of the EIP;
- the maximum number of shares to be allotted under the EIP in any 3 year period (subject to vesting and exercise of an STIA and an LTIA) will be limited to a maximum of 1% of the total issued capital in the Company (on a fully diluted basis). Based on the number of equity securities

- currently on issue, 1% equates to a maximum of 850,000 equity securities.
- Subject to shareholder approval of Resolution 6, no securities have been issued under the EIP; and
- a voting exclusion statement in respect of this resolution requesting shareholder approval of the EIP is contained below.

In addition, the Company is seeking approval of the EIP for the purposes of sections 200B and 200E of the Corporations Act, to enable the Company to provide termination benefits arising under the EIP to any current or future Participant in the EIP who holds a "managerial or executive office" (as defined in the Corporations Act) on retirement with the Company or any of its related bodies corporate, or has held a managerial or executive office in the three years prior to their retirement. Under Sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or if other exceptions apply. The term "benefit" may include benefits resulting from the Board exercising certain discretions under the EIP, including the discretion to accelerate the vesting of STIA or LTIA in connection with a Participant's termination, the waiving of exercise conditions or vesting conditions and the waiver of share disposal restrictions, or if a "Change of Control Event", as defined in the EIP, occurs.

Approval for the purposes of sections 200B and 200E is being sought in respect of any current or future employees who hold, or may hold, managerial or executive office at the time of their termination or at any time in the three years prior to their termination.

If shareholder approval is given under this resolution, the Company will still be required to comply with ASX Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and cap the value of such termination benefits.

The amount and value of the termination benefits for which the Company is seeking approval is the maximum potential benefit that could be provided under the EIP, in order to provide the Board with the discretion to determine the most appropriate termination package for the outgoing manager or executive. The amount and value of the termination benefits that may be provided under the EIP cannot be ascertained in advance as the value of the benefit will depend on the vesting of STIAs and LTIA's.

Recommendation: *The directors abstain from making a recommendation in relation to this resolution.*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is eligible to participate in the Equity Incentive Scheme, or any of their respective Associates.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote on this resolution, in accordance with directions given to the proxy or attorney to vote on this resolution in that way;
- by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction given to the Chair on the Proxy Form to vote as the Chair decides; or
- by a Member acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the Member that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this resolution; and
 - the Member votes on this resolution in accordance with directions given by the beneficiary to the Member to vote in that way.

Resolution 6: Issue of Unlisted Options to Director Mr Rene Sugo under the MNF Group Limited Equity Incentive Plan

Resolution 6 seeks Member approval, for the purposes of all applicable requirements under the Corporations Act and ASX Listing Rule 10.14, for the grant to the Director, Mr Rene Sugo, of such number of LTIA's and STIA's, as calculated in the manner described in Annexure A, as part of an incentive award for FY21 under the EIP which, upon vesting, would entitle him to shares in the Company.

The issue of LTIA's and STIA's to Mr Rene Sugo under the EIP is conditional on Member approval. The Board strongly believes that an equity-based short and long-term incentive is an important component of executive remuneration to ensure alignment with Members' interests. If Member approval is obtained, the Company will be able to proceed with the issue of the LTIA's and STIA's to Mr Rene Sugo.

If Member approval is not obtained in respect of any of the above awards, then the issue of those securities will not be made under the EIP. In that case, issues may arise with the competitiveness of Mr Rene Sugo's total remuneration package, both relative to the market as well as to other senior executives of the Company.

ASX Listing Rule 10.14 requires Member approval for the issue of new securities under an employee incentive scheme to directors. It aims to minimise the dilution of Members and to protect them against related party transactions. Mr Rene Sugo is a Director of the Company. Accordingly, the Board considers that as a matter of good corporate governance and in compliance with their obligations under the ASX Listing Rules (and for all other purposes), Member approval must be obtained prior to the grant of the options to Mr Rene Sugo.

See Annexures A and B for further details on Resolution 6; in particular, the information required pursuant to ASX Listing Rule 10.15.

Recommendation: *The Directors (other than Mr Rene Sugo) unanimously recommend that Members vote in favour of Resolution 6 to approve the issue of LTIA's and STIA's to Mr Rene Sugo under the EIP.*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of each of the Directors (being persons of a type referred to in ASX Listing Rule 10.14.1 who are eligible to participate in the EIP) and their respective Associates.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote on this resolution, in accordance with directions given to the proxy or attorney to vote on this resolution in that way;
- by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction given to the Chair on the Proxy Form to vote as the Chair decides; or
- by a Member acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the Member that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this resolution; and
 - the Member votes on this resolution in accordance with directions given by the beneficiary to the Member to vote in that way.

Resolution 7: Amendments to the Constitution

It is proposed that the document titled 'Constitution of MNF Group Limited' tabled at the Meeting and signed by the Chair for the purposes of identification, be adopted as the constitution of the Company (**Modified Constitution**) in place of the current Constitution, with effect from the conclusion of the Meeting.

In accordance with section 136(2) of the Corporations Act, the Company may modify its Constitution by special resolution of its members. The Company's current constitution was last amended at the 2010 annual general meeting. It is proposed to update the current Constitution, as outlined below, as there have been a number of developments in law, corporate governance principles and general corporate and commercial practice for ASX listed companies since the Constitution was adopted and last amended. The proposed modifications to the Constitution reflect current market practice and terminology and will also provide the Company with greater flexibility moving forward.

Prior to the Meeting, Members will be able to request an electronic copy of the Amended Constitution be sent to them via email by contacting the Company by email to investor@mnfgroup.limited. A complete signed copy of the Modified Constitution will be tabled at the Meeting.

This resolution is a special resolution that can only be passed if at least 75% of the total votes cast by Members entitled to vote on this resolution are voted in its favour. If Members vote in favour of this special resolution, the Modified Constitution will operate with effect from the conclusion of the Meeting and will not affect the validity of acts or appointments under the current Constitution.

The proposed modifications are outlined below.

Electronic Share Transfer System

Although the Company utilises an electronic system for the purposes of facilitating dealings in securities, the Constitution does not provide for this. Accordingly, the Modified Constitution includes a new rule 4.1 which permits a transfer of the Company's securities using an electronic system established or recognised by the Corporations Act or ASX Listing Rules. Further, the Modified Constitution contains a new rule 2.2 which provides that the Company is not required to issue a certificate for securities held by a Member and may cancel a certificate without issuing another certificate where the non-issue of certificate is permitted by the ASX Listing Rules or the Operating Rules. These changes are consistent with market practice.

Restricted securities

As a result of changes to the Listing Rules in December 2019, Listing Rule 15.12 requires that the constitution of a listed entity contain certain provisions in relation to restricted securities, inter alia, for so long as the entity has any restricted securities on issue. Accordingly, restricted securities provisions have been included in the Modified Constitution to reflect ASX Listing Rule 15.12: see rule 2.5.

General Meetings

The Modified Constitution incorporates a number of changes to assist with the orderly conduct of general meetings of the Company.

The proposed constitution clarifies that the directors may determine to hold a general meeting of members using or with the assistance of any technology that gives the members as a whole a reasonable opportunity to participate, which may include but is not limited to electronic participation facilities or linking separate meeting places together by technology. It also expressly contemplates the holding of virtual or hybrid meetings to the extent permitted by the Corporations Act. The changes also confirm participation via technology for quorum purposes: see rules 5.1(g)-(j).

Further, the Modified Constitution incorporates direct voting provisions (which the current Constitution is silent on). The new rules provide for the flexibility for Members to direct vote either in advance of or during a general meeting: see Rules 5.7(i)-(k). New rule 5.7(l) also clarifies the treatment of a direct vote for quorum purposes.

Minor changes have also been made to additionally provide for the possibility of votes being conducted by way of a poll where required by law.

These new rules will provide the Company with greater flexibility when it comes to convening general meetings. They will also facilitate greater Member participation in meetings.

Dividend Reinvestment, Bonus Share and Employee Incentive Plans

Rule 2.1 of the current Constitution expressly permits the Directors to issue shares or grant options over unissued shares to any person on conditions they think fit. However, for clarificatory purposes, the Modified Constitution contains a new rule 9.5 which expressly permits the Directors to establish one or more dividend reinvestment, bonus share and/or employee incentive plans under which some or all members and/or employees may participate. A new rule 3.6(iv) has also been included which provides the Company a first and paramount lien on each security issued under a employee incentive scheme for any money payable to the Company by the holder for the acquisition of the security.

ASX Listing Rules

The Modified Constitution includes a new rule 2.2 in Schedule 1, which expressly states the supremacy of the ASX Listing Rules and subordinates the provisions of the Modified Constitution to the ASX Listing Rules on an ongoing basis whilst the Company is on the official list. This is in line with market practice and ensures that any future amendments to the ASX Listing Rules which impact the Modified Constitution are captured by, and incorporated into, the Modified Constitution, without the need to amend the Modified Constitution on each such occasion. If this proposed amendment is not made, the Modified Constitution will have to be amended each time any such future amendments are made to the ASX Listing Rules.

Sale of Non-Marketable Parcels

The Modified Constitution includes a new rule 3.10 which provides the Company with the express power to sell non-marketable parcels of securities in accordance with the procedures set out in ASX Listing Rules 15.13, 15.13A and 15.13B. The purpose of this new rule is to enable the Company to sell non-marketable parcels of minority members in order to tidy up its share register and to minimise administrative costs associated with small share holdings.

General Updates

Other minor or incidental changes have been incorporated into the Modified Constitution. For example, relevant definitions in the Modified Constitution have been updated to reflect the above proposed modifications, as well as to reflect changes in terminology now contained in the Corporations Act, the ASX Listing Rules and Operating Rules]. Where possible, the Modified Constitution relies on terms defined in the Corporations Act and ASX Listing Rules.

Recommendation: *The Directors unanimously recommend that Members vote in favour of Resolution 7 to modify the Company's Constitution.*



Glossary

Associate has the meaning given to that term in section 12(2) of the Corporations Act or under the ASX Listing Rules (as relevant).

ASX means the ASX Limited or the market operated by ASX Limited, as applicable.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Company means MNF Group Limited.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Directors means the directors of the Company.

EIP means the MNF Group Limited Equity Incentive Plan to be approved under Resolution 5 to this Notice of Meeting.

FY21 has the meaning Financial Year ending 30 June 2021.

Key Management Personnel has the meaning given to that term in section 9 of the Corporations Act.

LTIAs means long term incentive awards granted under the EIP.

Meeting means the annual general meeting of Members convened in accordance with the Notice of Meeting.

Notice of Meeting means the notice convening the Meeting which is set out at the beginning of this document.

Related Party has the meaning given to it in the ASX Listing Rules.

Right means a right to receive, on vesting, a rights certificate that can be redeemed in the next seven years, under the terms of the Executive Incentive Plan.

STIAs means short term incentive awards granted under the EIP.

Member means a registered holder of a share in the Company.



Procedural Notes

Quorum

The quorum necessary for this Meeting is two Members being present, including virtually or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the Meeting, the Meeting will be adjourned as the Company directs.

Voting Entitlements

The Directors have determined that the shareholding of each Member for the purpose of ascertaining the voting entitlements for the Annual General Meeting will be as it appears on the Share Registers at 4:30 pm Australian Eastern Standard Time on Sunday 25 October 2020. Accordingly, transactions registered after that time will be disregarded in determining Members entitled to attend and vote at the Annual General Meeting.

How to Vote

If you are a Member entitled to participate in and vote at the Meeting, you can vote in one of the following ways:

- (a) by completing the enclosed Proxy Form to appoint a proxy or nominee to vote on your behalf on the virtual platform during the Meeting; or
- (b) by participating online via the virtual platform and voting during the Meeting.

Proxies

A Member has the right to appoint a proxy, who need not be a member of the Company. A member may appoint not more than 2 proxies to attend the Meeting via the online virtual platform and act for the Member. A Member may specify the percentage of votes each proxy is appointed to exercise. If no percentage of votes is specified, each proxy appointed will be taken to exercise half of that Member's votes (disregarding fractions).

To appoint a proxy, please complete the enclosed Proxy Form in accordance with the lodgement instructions below.

Please note that if you appoint the Chairman as your proxy and do not direct your vote on the Remuneration Report, your vote will be counted in favour of the resolution. All directed votes will be counted as directed. It is not necessary to fill in the name of the person to be appointed proxy in the Proxy Form unless it is desired to appoint a person other than the Chair.

Lodgement Instructions

Proxy Forms can be submitted in the following ways:

- **Online** at www.linkmarketservices.com.au;
- By **mail** to Link Market Services Limited at Locked Bag 1A Homebush Bay Drive, Rhodes NSW 2138; or Level 12, 680 George Street, Sydney NSW 2000 Australia, using the enclosed return envelope;
- By **facsimile** to +61 2 9287 0309; or
- By **hand** to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.



Instructions on how to complete the Proxy Form are on the reverse of the Proxy Form attached to this Notice of Meeting.

If a Proxy Form is signed by an attorney, a Member must also send in the original power of attorney, or a certified copy of the power of attorney or other authority under which the Proxy Form is signed. To be valid, completed Proxy Forms appointing a proxy (and a copy of the power of attorney (certified or original) or other authority (if any) under which it is signed) must be received by the Company no later than 4:30 pm (Sydney time) on Sunday, 25 October 2020.

Members are encouraged to submit their Proxy Forms online. If you wish to post a Proxy Form, please be aware of current postal timeframes, including the possibility of delays due to COVID-19 regulations and reduced frequency of deliveries.

Undirected Proxies

The Chair intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions described above).

Voting by Corporate Representative

A Member or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should provide evidence of his or her appointment prior to participating in the Meeting, unless it has previously been provided to the Company.

In particular, if a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received by the Company no later than 4:30 pm (Sydney time) on Sunday, 25 October 2020 in accordance with the above lodgement instructions. Details of the lodgement instructions can also be found on the reverse of the Proxy Form attached to this Notice of Meeting. A form of the certificate may be obtained from the Company's registry or online at www.linkmarketservices.com.au.

Voting by Attorney

A Member entitled to participate in and vote at the Meeting is entitled to appoint an attorney to participate in and vote at the Meeting on the Member's behalf. An attorney need not themselves be a Member.

The power of attorney appointing the attorney must be signed and specify the name of each Member, and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms, as described in the above lodgement instructions.

Participating and Voting Online during the Meeting

Due to COVID-19 restrictions on public gatherings, the Meeting will be held as a virtual meeting, with no Members being permitted to physically attend the Meeting. Only the Permitted Attendees will be able to physically attend the Meeting.

To facilitate this, we have adopted measures to allow Members to virtually attend and participate in the



Meeting. Specifically, the Meeting will be made accessible to Members via an online virtual platform, which will include a live webcast of the Meeting, enabling the Members to watch and participate in the Meeting without being physically present.

Amongst other functions, the virtual platform will allow the Members to watch the Meeting, ask questions in relation to the business of the Meeting and to vote in real time, as they ordinarily would if they were physically present at the Meeting. In addition, the Company will also answer questions submitted by Members in accordance with the enclosed Question Form.

Members will be able to log on to the virtual platform from 4:00pm (Sydney time) on Tuesday 27 October 2020.

The live webcast and virtual platform will be accessible by using your computer, smart phone or tablet device via registration in advance of the meeting on the following link: www.mnfgroup.limited/agm. The latest versions of Chrome, Firefox or Safari is required. A guide on how to use the virtual platform (including how to log in, vote and ask questions during the Meeting) is available on the Company's website at: www.mnfgroup.limited/agm.

To avoid any unforeseen technical difficulties Associated with voting in real time during the Meeting on the virtual platform, the Board recommends, as far as practicable, that all Members lodge a Proxy Form prior to the Meeting in accordance with the lodgement instructions above.

Poll

In compliance with the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020 (Cth)*, voting on all resolutions will be determined by a poll at the Meeting.

Shareholder Questions

Members are able to submit written questions prior to the Meeting. To submit a written question, please complete and return the accompanying Question Form, or submit the question online, in accordance with the instructions on the Question Form. The Question Form must be received by the Company's security registrar, Link Market Services Limited, by post by 4:30pm (Sydney time) on Tuesday, 20 October 2020 or online by 4.30pm (Sydney time) on Sunday 25 October 2020. Questions should relate to matters that are relevant to the business of the Meeting as outlined in the Notice of Meeting.

Webcast

A video recording of the Meeting will be made available on the Company's website at: <http://www.mnfgroup.limited/agm>.

Results of Meeting

The voting results will be announced to the ASX promptly following the Meeting and will also be made available on the Company's website at: www.mnfgroup.limited/investors

Majority required to pass the Resolutions

All ordinary business items (Resolutions 1- 6) involving a vote by Members require ordinary resolutions, which means that, to be passed, the item needs the approval of a simple majority of the votes cast by Members (or their proxies) entitled to vote on the resolution.

The special business item (Resolution 7) requires a special resolution, which means that, to be passed,



the item needs at least 75% of the total votes cast by Members entitled to vote on this resolution to be voted in its favour.

Enquiries

If you have any questions about the resolutions, how to participate in the Meeting, how to vote on the resolutions or complete the Proxy Form or Question Form, please contact Link Market Services Limited on +61 1300 554 474 or the Company on 1300 334 141 (within Australia) or +612 8008 8012 (outside Australia) or consult your financial or other professional adviser.

Annexure A

Requirements for the Notice of Meeting under ASX Listing Rule 10.14

The key features of the options proposed to be granted to Mr Rene Sugo are summarised in the table below (including the information required by ASX Listing Rule 10.15).

Requirements	Details
Name & Position and Listing Rule 10.14 category	Rene Sugo Managing Director and Chief Executive Officer – ASX Listing Rule 10.14.1
Number and Class of Securities to be Issued	<p>Long Term Incentives</p> <p>An LTIA offered under the EIP is an option. LTIA's will not be quoted on the ASX or any other recognised exchange.</p> <p>Each LTIA constitutes a right to receive one (1) ordinary share in the capital of the Company, subject to the terms and conditions of the EIP and the Invitation.</p> <p>The number of LTIA's to be granted will be calculated using the following formula (rounded down to the nearest whole number (if it is not already a whole number)):</p> $\text{Number of LTIA's} = \frac{\text{TLO}}{\text{FMV}}$ <p>Where:</p> <p>TLO = \$320,000, being the "Target LTI Opportunity" of Mr Sugo as determined by the Board as at 1 July 2020, representing a pre-determined % of Mr Sugo's total salary as at 1 July 2020.</p> <p>FMV = The fair market value of an LTIA as at a "Grant Date" of 1 July 2020 (based on a Black-Scholes valuation methodology).</p> <p>The number of LTIA's granted are also subject to certain performance vesting conditions, measured over a four-year period (1 July 2020 to 30 June 2024) beginning from the financial year of their grant (being FY 2021) and subject to Mr Sugo remaining continuously employed by a Group Company at all times from the grant date to the end of the four-year performance period.</p> <p>In particular, the LTIA's will be divided into two tranches and subject to the following vesting conditions:</p> <p>(a) Tranche 1 – 50% of the LTIA's will vest subject to the Company achieving the following share price growth during the performance period (with the start and end price for the share price growth calculated using 5-day VWAP of an ordinary share in the Company as at the start and end dates of the performance period):</p>

	Annualised Share Price Growth over the Performance Period	Proportion of Tranche 1 Awards that will satisfy the Share Price Growth performance condition
	Share Price Growth <3%	Nil
	3% = Share Price Growth <6%	Progressive pro-rata vesting from 50% to 75% (i.e. on a straight line basis)
	6% = Share Price Growth < 10%	Progressive pro-rata vesting from 75% to 100% (i.e. on a straight line basis)
	Share Price Growth ≥ 10%	100%
<p>(b) Tranche 2 – 50% of the LTIA's will vest subject to the Company achieving the following earnings per share growth during the performance period (with the starting earnings per share and ending earnings per share being the earnings per share set out in the FY20 audited annual consolidated accounts and FY23 audited annual consolidated accounts, respectively):</p>		
	Annualised EPS Growth over the Performance Period	Proportion of Tranche 2 Awards that will satisfy the EPS performance condition
	EPS Growth <3%	Nil
	3% - EPS Growth < 6%	Progressive pro-rata vesting from 50% to 75% (i.e. on a straight line basis)
	6% = EPS Growth < 10%	Progressive pro-rata vesting from 75% to 100% (i.e. on a straight line basis)
	EPS Growth ≥ 10%	100%
<p>These performance targets operate independently.</p> <p>Given the number of LTIA's which may vest is based on achievement of the performance targets (described above) and the continuing employment of Mr Sugo, the actual number of LTIA's that will vest, as well as the actual number of ordinary shares in the Company which Mr Sugo will be entitled to acquire under the EIP cannot be determined until the end of the performance period.</p> <p>Short Term Incentives</p> <p>An STIA offered under the EIP is a “zero exercise priced options”. STIA's will not be quoted on the ASX or any other recognised exchange.</p> <p>Each STIA constitutes a right to receive one (1) ordinary share in the capital of the Company, subject to the terms and conditions of the EIP and the Invitation.</p>		

	<p>The number of STIAs to be granted will be calculated using the following formula (rounded down to the nearest whole number (if it is not already a whole number)):</p> $\text{Number of STIAs} = 50\% \times \frac{\text{STI Outcome}}{\text{VWAP}}$ <p>Where:</p> <p>STI Outcome = Mr Sugo's "short term incentive outcome" for the financial year ended 30 June 2021, which shall be calculated based on a "Target STI Opportunity" of \$280,000 for Mr Sugo as determined by the Board as at 1 July 2020, representing a fixed % of Mr Sugo's total salary as at 1 July 2020.</p> <p>VWAP = The 5-day volume weighted average price of an ordinary share in the Company ending on 30 June 2021.</p> <p>To determine the amount of Mr Sugo's STI Outcome, the Board will assess performance against a weighted scorecard of KPIs.</p> <p>This weighted scorecard includes a budgeted EBITDA target (60% weighting), a Customer Experience target (20% weighting) and an Employee Engagement Target (20% weighting) over a 12-month period ending 30 June 2021.</p> <p>The extent to which Mr Sugo achieves those KPIs will determine the amount of the STI Outcome payable to him.</p> <p>This could range from no STI Outcome being payable if none of the minimum target thresholds are met for any of the three weighted scorecard KPI's, up to a maximum of 150% of the Target STI Opportunity being payable should all three of the weighted scorecard KPI's individually meet a demanding stretch target threshold.</p> <p>The STIAs granted will also be subject to a vesting condition, requiring Mr Sugo to remain employed by the Company for a period of two years from their grant date.</p> <p>Given the number of STIAs which may be granted is based on the achievement of the performance targets (described above), the actual number of STIAs that will be granted under the EIP cannot be determined until the end of the performance period.</p> <p>Similarly, given the number of STIAs which may vest is subject to the continuing employment of Mr Sugo during the two-year vesting period, the actual number of STIAs that will vest, as well as the actual number of ordinary shares in the Company which Mr Sugo will be entitled to acquire under the EIP cannot be determined until the end of the vesting period.</p>
<p>Details of the Mr Sugo's current total remuneration package (including amount)</p>	<p>The total remuneration package for FY20 was \$650,968, comprising of: Base Salary \$517,025, STI/Cash Bonus accrued \$100,000, Non-monetary benefits \$8,943 and Superannuation \$25,000.</p>

Number of securities that have previously been issued to Mr Sugo under the MNF Group Limited Equity Incentive Plan and the average acquisition price (if any) paid by Mr Sugo for those securities	None
<p>If the securities are not fully paid ordinary securities:</p> <ul style="list-style-type: none"> - a summary of the material terms of the securities - an explanation of why that type of security is being used - the value the Company attributes to that security and its basis 	<p>See Annexure B for a summary of the terms of the MNF Group Limited Equity Incentive Plan, which contains further details concerning the material terms of the LTIA's and STIA's.</p> <p>The Board has selected an option as its preferred form of security under the EIP as this allows the Company to align the interests of Participants with those of shareholders, given that each Participant will benefit when share prices increase.</p> <p>The EIP also enhances the Company's ability to motivate retain and encourage strong engagement from eligible employees holding options and prospectively shares) for the long term mutual benefit of the Company and eligible employees.</p> <p>The EIP can furthermore minimise the level of existing shareholder dilution if cash payments are made to Participants on vesting of their STIA's or LTIA's in substitute for being issued the shares they would otherwise be entitled to.</p> <p>The Company attributes a value of \$320,000 to the LTIA's to be issued to Mr Sugo. The maximum number of LTIA's that may be granted to Mr Sugo is then calculated by dividing this amount of value by the 'fair market value' of each of the LTIA's as at the grant date (based on a Black-Scholes valuation methodology provided by an independent third party).</p> <p>The Company notes that the value of the STIA's to be issued to Mr Sugo will only be able to be determined once Mr Sugo's "short term incentive outcome" for the financial year ended 30 June 2021 has been determined</p> <p>See narrative above "number and class of securities to be issued" for more information).</p>
The date or dates on or by which the Company will issue the securities to Mr Sugo under the MNF Group Limited Equity Incentive Plan	<p>The LTIA's will be issued in October 2020, however the exact date is yet to be determined.</p> <p>The STIA's will be issued in August 2021; however, the exact date is yet to be determined. In any event, the STIA's will be issued no later than three years after the date of the Meeting.</p>
The price at which the Company will issue the securities to Mr Sugo under the MNF Group Limited Equity Incentive Plan	<p>LTIA's</p> <p>No grant fee or issue price is payable upon the grant of the LTIA's. Once vested, LTIA's are eligible to be exercised, in order to exercise his vested LTIA's, Mr Sugo will be required to pay an exercise price. The exercise price applicable to each LTIA will be equal to the VWAP on the ASX over the 5 trading days immediately prior to the grant date – being \$5.6790. The exercise price may not be changed unless the change is permitted by the applicable laws, regulations and the ASX Listing Rules.</p>

	<p>STIAs</p> <p>As the STIAs are “zero exercise priced options”, no amount will be payable by Mr Sugo in respect of the issue or grant of the STIAs, nor will any amount be payable by Mr Sugo in respect of the shares allocated upon the vesting of the STIAs.</p>
Requirements	Details
A summary of the material terms of MNF Group Limited Equity Incentive Plan	A summary of the terms of the MNF Group Limited Equity Incentive Plan appears at Annexure B to this Notice of Meeting.
Requirements	Details
A summary of the material terms of any loan that will be made to Mr Sugo in relation to the acquisition	None
Required statements under Listing Rule 10.15.11	<p>Details of any LTIA, STIA or other securities issued under the EIP will be published in Company’s annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.</p> <p>Any additional persons covered by Listing Rule 10.14 who become eligible to participate in an issue of LTIA, STIA or other securities under the EIP after the resolutions are approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.</p>
Voting Exclusion Statement	A voting exclusion statement in respect of Resolution 6 is set out in the Explanatory Memorandum to the Notice of Meeting.

Annexure B

Set out below is a summary of the key terms of the MNF Group Limited Equity Incentive Plan (**Plan**). This summary is not a replacement of the Plan. The Company will provide a complete copy of the Plan to an Eligible Participant or a shareholder upon request.

1.	Eligible Participant	A person who is a full-time, part-time or casual employee (including an executive director) of any Group Company (being the Company and each of its subsidiaries from time to time) who has been determined or selected by the Board from time to time.
2.	Invitation	<p>It is at the discretion of the Board to determine whether an Eligible Participant may participate in the Plan.</p> <p>Following such a determination, the Board may make an invitation to the Participant to apply for one or more Awards on such terms and conditions as the Board decides from time to time and on any number of occasions.</p>
3.	Awards	<p>An Award under the Plan means either:</p> <p>(a) a performance right (being an STIA); or</p> <p>(b) an option (being an LTIA),</p> <p>granted under the Plan to acquire one share in the capital of the Company by one or more methods determined in the absolute discretion of the Board and as specified in the Invitation, subject to the terms and conditions of the Plan and the Invitation.</p> <p>More than one Award may be granted to an Eligible Participant on one or more occasions. Whether a grant price or exercise price is payable with respect to an Award will be specified in the relevant Invitation; however, for the avoidance of doubt, the grant and exercise price for an Award may be nil.</p> <p>An Award may be “equity settled” and/or “cash settled” at the discretion of the Board.</p>
4.	Grant of Awards	<p>Subject to receipt of a completed application form and all applicable ancillary documents, the Company will grant the Eligible Participant the relevant number of Awards.</p> <p>Unless otherwise expressly permitted in the Invitation, an Eligible Participant may only submit an application in his or her own name and not on behalf of any other person or entity.</p> <p>By submitting a completed application form, an Eligible Participant is deemed to have agreed to be bound by the terms and conditions set out in the Invitation, the Plan and any ancillary documentation accompanying the Invitation, upon the grant of the Award. Following the grant of an Award, the Company will issue to the Eligible Participant a certificate evidencing the grant of an Award.</p>
5.	Terms of Awards	<p>An Award does not entitle an Eligible Participant to notice of, or to vote or attend at, a general meeting of the Company, or to receive any dividends declared by the Company.</p> <p>A Eligible Participant may not sell, assign, transfer, encumber or otherwise deal with an Award that has been granted to him or her, unless the Board approves or the relevant dealing is effected by force of law on death or legal incapacity to the Eligible Participant’s legal personal representative.</p>

		<p>An Eligible Participant may also not hedge their economic exposure to an Award that has been granted to them.</p> <p>An Award will also not be quoted on the ASX or any other recognised exchange, unless otherwise determined by the Board.</p>
6.	Vesting of Awards	<p>An Award may be granted subject to such vesting conditions as determined by the Board, as set out in the Invitation for that Award.</p> <p>An Award will vest when a vesting notice in respect of that Award is given or is deemed to be given to the Eligible Participant, informing him or her that all vesting conditions have been satisfied or waived in accordance with the Plan.</p>
7.	Exercise of Awards	<p>An Award may be granted subject to such exercise conditions as determined by the Board, as set out in the Invitation for that Award.</p> <p>An Award may only be exercised when all vesting conditions and all exercise conditions applicable to that Award are satisfied or have been waived by the Company in accordance with the Plan, and the Company has provided a confirmation notice to this effect to the Participant.</p> <p>An Award may be exercised manually or automatically.</p> <p>To manually exercise an award, the Eligible Participant must (when he or she is permitted to trade securities under the Company's securities trading policy) at any time between the date of provision of the confirmation notice and the earlier of the time specified in the Invitation (if any) and the Expiry Date, deliver an exercise notice to the Company and pay the Exercise Price (if any) for that Award to the Company.</p> <p>If the Invitation provides that an Award is automatically exercised, that Award will be deemed exercised on the date of the confirmation notice or, if the Eligible Participant is not permitted to exercise Awards under the Company's securities trading policy on such date, the first subsequent day that the Eligible Participant is permitted to trade such securities.</p>
8.	Settlement Mechanism	<p>Awards may be "equity settled" and/or "cash settled". Upon exercise, the Board will determine whether an Award will be equity settled and/or cash settled.</p> <p>If an Award is to be equity settled, as soon as practicable after the valid exercise of that Award the Company will arrange for the Participant to receive the requisite number of resulting shares either by share issuance or transfer.</p> <p>All resulting shares will rank pari passu in all respects with the shares of the same class for the time being on issue. If resulting shares are in the same class as shares which are listed on the ASX, the Company will apply for quotation of the resulting shares issued or transferred in accordance with the Listing Rules.</p> <p>If an Award is to be cash settled, the Eligible Participant will receive a cash payment determined by reference to the calculation method set out in the Invitation and have regard to:</p> <p>(a) the value of the shares (as determined by the Board) which would otherwise have been granted to the Eligible Participant if the Awards</p>

		<p>had been equity settled and as set out in the relevant Invitation; and</p> <p>(b) the funds required:</p> <p>i. to be withheld on account of Tax or a superannuation amount (or equivalent social security contribution, if applicable); and/or for the exercise price (if any and to the extent not already paid) relating to the exercised Awards.</p>
9.	Expiry Date	<p>An Award will expire on the business day prior to the 10th anniversary of the grant date of the Awards, unless an alternative date is specified in the Invitation or vesting notice.</p> <p>An Award which has not yet been validly exercised in accordance with the terms and conditions of the Plan and Invitation will be automatically forfeited on the Expiry Date.</p>
10.	Forfeiture of Awards	<p>Subject to the discretion of the Board and to the terms of the Invitation, a Participant may inter alia forfeit:</p> <p>(a) all unvested Awards – if the Eligible Participant becomes a “Leaver”; that is, either the Eligible Participant ceases to be an employee (including an executive director) of a Group Company or has given or received, a notice of termination of their engagement or employment;</p> <p>(b) all unvested Awards – where one or more vesting conditions or exercise conditions have not been satisfied or waived by the relevant date;</p> <p>(c) all vested and unvested Awards (as well as resulting shares and the proceeds of any cash settlement) – where, in the opinion of the Board, an Eligible Participant has engaged in fraudulent or dishonest actions;</p> <p>(d) all vested and unvested Awards – where an Eligible Participant becomes insolvent; and</p> <p>(e) all vested and unvested Awards – for an unremedied material breach by the Eligible Participant of the terms and conditions of the Plan or the Invitation.</p> <p>Where an Award has been forfeited, the Award will automatically lapse and the Company will not be liable for any damages or other amounts to the Eligible Participant in respect of that Award.</p>

11.	Disposal Restrictions	<p>In addition to any disposal restrictions in the Company's Securities Trading Policy, the Constitution and applicable laws, any resulting shares received as a result of the valid exercise of an Award may be subject to disposal restrictions to the extent provided for in the Invitation.</p> <p>The Board may implement any procedure it deems appropriate to ensure compliance with disposal restrictions.</p> <p>For so long as a resulting share is subject to any disposal restrictions, the Eligible Participant is required to not dispose, encumber or otherwise deal with that resulting share, without the prior express written consent of the Board.</p>
12.	Adjustment of Awards	<p>If there is a reconstruction of the issued capital of the Company (including any subdivision, consolidation, reduction or cancellation of such issued capital), the right of the Award and the Eligible</p>
		<p>Participants holding Awards will be adjusted to comply with the Listing Rules and applicable laws.</p> <p>In the event of a bonus issue of shares (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of an Award is entitled, upon exercise of the Awards, to receive without the payment of any further consideration, an allotment of as many additional shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held shares equal in number to the shares in respect of which the Awards are exercised.</p> <p>Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in any pro rata issue of shares made by the Company or to receive or sell renounceable rights.</p> <p>Otherwise, during the currency of any Awards and prior to their exercise, the holders of Awards are not entitled to participate in any new issue of shares of the Company as a result of their holding of Awards.</p>

13.	Change of Control	<p>If a "Change of Control Event" occurs, or the Board determines that such an event is likely to occur, the Board may determine the manner in which any or all of the Participant's Awards (whether vested or unvested) and resulting shares (as applicable) will be dealt with.</p> <p>"Change of Control Event" occurs, inter alia, where:</p> <ul style="list-style-type: none"> (a) members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate, which will, upon becoming effective, result in any person owning (alone or in aggregate) more than 50% of the issued capital of the Company; (b) a person becomes the legal or the beneficial owner of, or has a relevant interest in, more than 50% of the issued capital of the Company (alone or in aggregate); (c) a person has or becomes entitled to hold an equitable interest (alone or in aggregate) in more than 50% of the issued capital of the Company; (d) a takeover bid is made with respect to the Company and results in the bidder (alone or in aggregate) having a relevant interest in more than 50% of the issued capital of the Company; (e) a resolution is passed for the voluntary winding-up of the Company; <p>an order is made for the compulsory winding up of the Company.</p>	
14.	Power of Attorney	<p>In order to ensure compliance with the terms and conditions of the Plan and to participate in the Plan, an Eligible Participant must grant an irrevocable power of attorney to any person nominated by the Board.</p>	
15.	Employee Share Trust	<p>The Company may require an Eligible Participant to hold any resulting shares via an employee share trust or other mechanism. For the avoidance of doubt, the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.</p>	
16.	Amendments to the Plan	<p>The Board may amend the Plan (and such amendments may be given retrospective, immediate or future effect), provided that no amendment may be made if it materially adversely affects the rights of an Eligible Participant as they existed before the date of the proposed amendment, other than an amendment:</p> <ul style="list-style-type: none"> (a) introduced primarily: <ul style="list-style-type: none"> (i) to comply with current or future applicable law or regulation; (ii) to correct any manifest error or mistake; (iii) to implement an employee share trust arrangement; (iv) to enable compliance with a Group Company's constituent documents or any other applicable laws, regulations or the Listing Rules; and/or (v) to take account of possible adverse taxation implications in respect of the Plan; or 	



		(b) notified in writing to all Eligible Participants whose rights will be materially adversely affected by the amendment and agreed to in writing by those Eligible Participants holding at least 75% of the Awards whose rights will be materially adversely affected by the amendment.	
17.	Governing Law	The Plan is governed by the laws of New South Wales, Australia.	


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
MNF Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of MNF Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **4:30 pm on Tuesday, 27 October 2020 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting. You can participate by registering online at www.mnfgroup.limited/agm.

Important for Resolutions 1 - 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 - 7, even though the Item is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 MNF Group Limited Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Andy Fung as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Issue of Unlisted Options to Director Mr Rene Sugo under the MNF Group Limited Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Ms Gail Pemberton as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Special Resolution - Amendment of the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Increase in aggregate remuneration for Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGE OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **4:30pm on Sunday, 25 October 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

MNF Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



ACN 118 699 853

LODGE YOUR QUESTIONS



ONLINE

www.linkmarketservices.com.au



BY MAIL

MNF Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: +61 1300 554 474



X99999999999

Please use this form to submit any questions about MNF Group Limited ("the Company") that you would like us to respond to at the Company's 2020 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company's auditor it should be relevant to the content of the auditor's report, or the conduct of the audit of the financial report.

This form must be received by the Company's share registrar, Link Market Services Limited, by **4:30pm on Tuesday, 20 October 2020**.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

My question relates to *(please mark the most appropriate box)*

☐

Performance or financial reports

☐

A resolution being put to the AGM

☐

General suggestion

☐

Remuneration Report

☐

Sustainability/Environment

☐

Other

☐

My question is for the auditor

☐

Future direction

☐

Performance or financial reports

☐

A resolution being put to the AGM

☐

General suggestion

☐

Remuneration Report

☐

Sustainability/Environment

☐

Other

☐

My question is for the auditor

☐

Future direction

QUESTIONS