MHM AUTOMATION

2022 ANNUAL MEETING MHM AUTOMATION LIMITED

Notice is hereby given that the 2022 Annual Meeting of Shareholders of MHM Automation Limited (the Company) will be held at Chateau on the Park, Tower Room, 189 Deans Avenue, Riccarton, Christchurch 8011, and online at www.virtualmeeting.co.nz/mhm22, on Thursday, 27 October 2022, commencing at 2:00pm (New Zealand time).

A G E N D A

A. CHAIR'S AND CHIEF EXECUTIVE'S REVIEW

B. SHAREHOLDER QUESTIONS

C. ORDINARY BUSINESS – Resolutions (1 to 4)

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

Resolution 1 – Re-Election of Director - Paul Smart

That Paul Smart, who retires as a director and, being eligible offers himself for re-election by shareholders, be re-elected as a director.

Resolution 2 - Re-Election of Director - George Rolleston

That George Rolleston, who retires as a director and, being eligible offers himself for re-election by shareholders, be re-elected as a director.

Resolution 3 – Directors' Remuneration

That for purposes of *NZX Listing Rule 2.11.1*, the Board is seeking to establish a directors pool of $360,000 (plus GST where applicable) for director remuneration. This pool has been determined by considering a base director fee of $60,000 per annum per director and $100,000 for the Chair. These base fees have been determined by comparison to other comparable NZX listed companies. The fees represent an increase on the current fee of $48,500 which has not been reviewed in over 5 years. Effective from 1st of November 2022.

Resolution 4 – Re-appointment of Auditor

To record the re-appointment of BDO as auditors of the Company and to authorise the Directors to fix the auditors remuneration.

D. OTHER BUSINESS

By order of the board:

Ian McGregor CFO &

Company Secretary

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EXPLANATORY NOTES

RESOLUTION 1 & 2. Election and Rotation of Directors

NZX Listing Rule 2.7.1 stipulates that a director of an Issuer must not hold office (without re-election) past the third annual meeting following the director's appointment or 3 years, whichever is longer. However, any such director may offer themselves for re-election by shareholder approval in accordance with Rule 2.3.

a. **Paul Richard Smart** was last re-appointed as a director in October 2019 and, accordingly, retires by rotation and offers himself for re-election (**Resolution 1**). Paul is a non-executive director who has been a member of the Board since 31 July 2012. He is a Chartered Accountant and long-standing member of the Institute of Directors with extensive financial and director experience. Paul was previously CFO of Sky Television and Meridian Energy and is currently a non-executive director of ArborGen Holdings, Tamata Hauha, Vortex Power systems, Argus Fire Systems and Genus ABS (NZ). He also has other private directorships and shareholdings. He has had executive experience in start-ups, public companies, multi nationals and a state-owned enterprise. The board considers Paul to be an Independent Director within the meaning of the NZX Listing Rules.

b. **George Humphry Davy Rolleston** was appointed by the board in February 2019 and elected as a director by shareholders in October 2019, accordingly, Mr Rolleston is required to retire and offers himself for election (**Resolution 2**). He is the founder and managing director of Asset Growth Fund based in Melbourne. He is also the director of several private New Zealand and Australian companies that span range of industries. George has a Masters of Applied Finance and a Bachelor of Business (Law). He represents the interests of the majority shareholder, Asset Management Limited and is therefore the board does not consider him to be an Independent Director within the meaning of the NZX Listing Rules.

RESOLUTION 3. Director Remuneration

Pursuant to *NZX Listing Rule 2.11.1*, the Board is seeking to establish a director's pool of $360,000 per annum (plus GST where applicable) for director remuneration. That this be the maximum aggregate amount of remuneration payable by the Company to its Directors (in their capacity as Directors of the Company).

This pool has been determined by considering a base director fee of $60,000 per annum per director and $100,000 for the Chair. These base fees have been determined by comparison to other comparable NZX listed companies. The fees represent an increase on the current fee of $48,500 which has not been reviewed in over 5 years.

RESOLUTION 4. Re-appointment of Auditor

Pursuant to section 207T of the Companies Act 1993, BDO is automatically re-appointed at the Annual Meeting as auditor of the Company. The resolution authorises the Board to fix the remuneration of BDO as the Companies auditor.

IMPORTANT INFORMATION

Voting

The only persons entitled to vote at the Annual Meeting are registered shareholders (or their proxies or representatives) as at 2:00pm on Tuesday 25 October 2022, being not later than 48 hours prior to the start of the meeting. Only the shares registered in those shareholders' names at that time may be voted at the Annual Meeting. Voting can be done by appointing a proxy to vote on your behalf at the Meeting; or by participating in the Meeting and voting.

Pursuant to *NZX Listing Rule 6.3.1*, the Company will disregard any votes on **Resolution 3** by: any Director of the Company; and any associated person of any Director of the Company, except where any such vote is cast by the Director or one of their associates as proxy for a person who is qualified to vote and only in accordance with that person's express instructions.

Your right to vote may be exercised by:

- attending the meeting and voting in person;
- attending the online meeting and voting online, or
- appointing a proxy (or representative) to attend the meeting and vote in your place (Proxy).

If you are attending the meeting in person, please bring the enclosed voting form that will act as your admission card to the meeting.

How to appoint a proxy

If you are not able to attend the annual meeting, either in person or online, but wish to appoint a Proxy to attend the meeting and vote on your behalf, you can appoint a Proxy online at https://investorcentre.linkmarketservices.co.nz/voting/mhm. You will be required to enter your CSN/Holder Number and Authorisation Code (FIN). If you do not have a FIN number, please contact Link Market Services at 09 375 5998 or enquiries@linkmarketservices.com; or – complete and return your proxy form in accordance with the instructions on the form.
Your completed proxy form must be received by Link Market Services, or your Proxy appointment lodged online, by no later than 2:00pm (New Zealand time) on Tuesday 25 October 2022. If you wish, you may appoint the Chair of the meeting as your proxy. To do so, please write "Chair of the meeting" in the relevant section. The Chair will vote according to your instructions. If the Chair is not instructed how to vote, the Chair will vote as he thinks fit.

HOW TO ATTEND THE ONLINE MEETING

Shareholders will be able to attend and participate in the Meeting virtually via an online platform provided by MHM's share registrar, Link Market Services at www.virtualmeeting.co.nz/mhm22. If you will be attending online, you will require your Holder Number for verification purposes.

Shareholders attending and participating in the Meeting virtually via the online platform will be able to vote and ask questions during the Meeting. More information regarding virtual attendance at the Meeting (including how to vote and ask questions virtually during the Meeting) is available in the Virtual Annual Meeting Online Portal Guide, which is available at https://bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf

SHAREHOLDER QUESTIONS

MHM Automation offers the facility for shareholders to submit questions to the Board in advance of the Meeting. Questions should be relevant to matters at the Annual Meeting, including matters arising from the financial statements, general questions regarding the performance of MHM. There will also be the opportunity for shareholders to ask questions during the Meeting. Please submit questions by completing the section on the Proxy Form, or go to https://investorcentre.linkmarketservices.co.nz/voting/mhm and submitting your questions on line to Link Market Services by 2.00pm on Tuesday 25 October 2022.