

Notice of Annual Shareholders' Meeting 2024

The Annual Meeting of Motor Trade Finance Limited (**MTF Finance** or the **Company**) will be a hybrid meeting held in person at **MTF Finance National Office, Level 1, 98 Great King Street, Dunedin**, and online at Computershare's online web platform at www.meetnow.global/nz (see the Virtual Meeting guide released with this Notice of Meeting for more information on how to participate online) on **Thursday 21 March 2024 commencing at 2:00 pm**.

Meeting Agenda

- 1. Opening and apologies**
- 2. Chair – opening address**
- 3. CEO – business update**
- 4. Annual report and financial statements**

To receive and consider the annual report, including the financial statements, for the year ended 30 September 2023.

5. Resolutions

(a) Election of directors

There are **three (3)** nominations for **two (2)** positions.

In accordance with clause 66.4 of the Company's constitution, Grant Woolford and Geoff Kenny retire by rotation, and being eligible, both offer themselves for re-election.

Hayden Armstrong has accepted a nomination for a shareholder director position, and being eligible, offers himself for election.

Please see Explanatory Note 1 for candidate biographies and an independent assessment of each candidate.

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

- (1) That Grant Woolford, who retires by rotation and is eligible for re-election, be re-elected as Director of the Company.
- (2) That Geoff Kenny, who retires by rotation and is eligible for re-election, be re-elected as Director of the Company.
- (3) That Hayden Armstrong, who is eligible and has accepted a nomination, be elected as a Director of the Company.

(b) Board Deputy Chair remuneration

That the remuneration of the deputy chair role be fixed as recommended and set out below:

Board role	Proposed remuneration (per annum)
Deputy Chair	\$84,500

Please see Explanatory Note 2 for more information.

The Board is not seeking any additional remuneration changes this year.

(c) Auditor appointment and remuneration

That the Board of Directors be authorised to appoint, and determine the fees and expenses of, the auditor of the Company for the ensuing year.

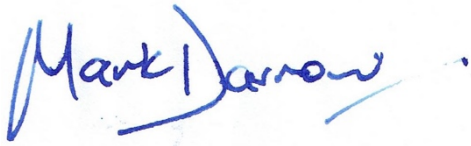
Further details are contained in Explanatory Note 3.

7. Other business

To transact any other business that may be properly brought before the Annual Meeting.

8. Meeting close

By order of the Board

A handwritten signature in blue ink that reads "Mark Darrow". The signature is written in a cursive style with a long horizontal stroke at the end.

Mark Darrow
Board Chair
mark@darrow.co.nz

Procedural notes

Hybrid meeting

All shareholders will have the opportunity to attend and participate in the 2024 Annual Meeting in person at MTF Finance National Office, Level 1, 98 Great King Street, Dunedin, or online through the Computershare Meeting Services web platform.

By using the web platform, you will be able to watch the Annual Meeting and vote and ask questions online using your smartphone, tablet or desktop device. Please refer to the enclosed Virtual Meeting Guide for more information.

Entitlement to vote

The persons entitled to vote on the resolutions at this Annual Meeting will be those persons who were the ordinary shareholders of MTF Finance at **2.00 pm on Tuesday, 19 March 2024**.

Casting your vote

There are several possible ways to cast your vote. We recommend that you cast your vote using the electronic (postal) and Proxy Vote facility ahead of the meeting. See details on this section below.

Alternatively, you can attend and vote in person at the Annual Meeting – You can participate and cast your vote at the meeting in person via ballot paper or online via the Computershare Meeting Platform www.meetnow.global/nz. Please refer to the attached Virtual Meeting Guide for more information.

Electronic (postal) and Proxy Voting

You can lodge your electronic (postal) vote or proxy appointment:

- (a) **Online** – at www.investorvote.co.nz or by scanning the QR code on the Voting/Proxy Form with your smartphone.
- (b) **Post/email** – by completing the Voting/Proxy Form attached to your Notice of Meeting and posting it in the envelope provided or emailing to corporateactions@computershare.co.nz.

A Electronic Postal/Proxy Voting Form (the **form**) is enclosed with this Notice of Annual Meeting. To be effective, the form must be lodged with the Company's share registry Computershare in accordance with the instructions on the form **not later than 2pm on Tuesday, 19 March 2024**.

Any proxy appointments received after this time will be null and void. Any votes cast at the meeting by non-qualifying proxies will be excluded from the resolutions' vote count.

A shareholder may appoint "The Chair of the Meeting" as Proxy. Where a direction is not given to the Chairperson as to how to cast the vote on any Resolution, then the Chairperson intends to abstain from voting, therefore is not a recommended option.

If, in appointing a proxy (i.e. you mark any of the PROXY DISCRETION boxes or the YES box in Step 1 of the Voting Form), you inadvertently do not name someone to be your proxying Step 2 of the Voting Form, or your named proxy does not attend the meeting (virtually), the Chairperson of the meeting will be your proxy and will vote in accordance with your express direction.

Voting process

All resolutions are ordinary resolutions and must be passed by a simple majority of the votes of those shareholders entitled to vote and voting on the resolutions.

Technical difficulties

Whilst we will have contingencies in place, technical difficulties may arise during the course of the meeting due to risks associated with holding the meeting online. The Chair of the meeting has discretion as to whether, and how, the online meeting should proceed in the event of a technical difficulty. Where the Chair considers it appropriate, the Chair may continue to hold the in person meeting and transact business, including conducting voting in accordance with valid proxy instructions.

For this reason, and to assist in the efficiency of the meeting, even if you plan to attend the 2024 Annual Meeting online or in person, we strongly encourage you to submit an electronic (postal) vote so that your vote will be counted if for any reason you cannot vote on the day.

Explanatory Notes

1. Resolution 1: Election of director

Candidate: Grant Woolford

MTF Finance Originator: Since June 2001

MTF Finance Board Member: Appointed March 2018

Grant Woolford retires by rotation and being eligible, offers himself for re-election.

Candidate biography (supplied by the candidate)

Current Roles: Managing Director of Cyclespot Group, Director of 4Sale Group, Originator Director of MTF, Director of TLP, Director of MTA, Director of AUXO.

Education: Motorcycle Engineering Trade Certificate

Background with MTF

Cyclespot Group has been an MTF originator for over 38 years. I took over as Managing Director in 2000 and have worked very hard to grow the MTF ledger into a strong profit centre for our company. MTF has been fundamental to the growth of Cyclespot Group. As a business we pride ourselves on controlling a strong ledger, we adapt quickly to compliance and technology changes and enjoy the results.

Career

I am a grassroots business owner who has worked hard and achieved strong results throughout my career. I have been in the motorcycle industry for over 30 years. I started out as an apprentice mechanic, progressed to working within all aspects of the dealership, before becoming Managing Director 24 years ago. I have grown the Cyclespot Group through the GFC and Covid and have increased staff levels from six to over 50. I pride myself in adapting quickly to new challenges and making the most of all opportunities. Covid-19 and the Auckland floods had challenges, but with some fast thinking and strong management we have pushed through with good results. Our company represents nine of the world's best motorcycle brands and we are New Zealand's top dealer in eight of the nine we represent.

Governance Experience

I am currently a Director for MTF, MTA where I Chair the F&R committee and sit on the investment committee, AUXO and TLP, I also have been for the past 21 years, Managing Director of Cyclespot Group, New Zealand's largest retail motorcycle company. Additionally in the last 12 months I have become a Director of Cyclespot Wellington our new Wellington Dealership.

Aspirations for MTF

I have always been passionate about MTF. Over the last 6 years I feel that I have had a solid part to play in the direction of the company, and believe my hands-on approach has been helpful to the Board. I understand the entity as a whole and see the importance of acting in the interests of all shareholders, but feel the dealer network also requires solid representation. I feel MTF has made massive progress in a tough and competitive market. I am very proud of how we, as a company, and as a Board have dealt with the challenges in front of us, also chasing new streams of income for both franchise and dealer have been key. I would be committed to help keeping us on track for future growth and pushing to be market leader. I consider my industry experience, passion for growth and independent views would be an asset to all shareholders.

If you have any queries, please contact me on: (021) 276-4659 or email: grantw@cyclespot.co.nz, I look forward to having a chat.

Independent assessment (supplied by Sheffield)

Grant has been an MTF originator for over 22 years as well as having spent six years on the MTF Board.

When asked why he has put himself forward for re-election, Grant said quite simply he loves the business. Having joined six years ago, he reflected that it takes your first term to learn the model and then another two terms to deliver. Since joining, Grant believes MTF has completely transformed, and he is committed to keeping the momentum going. He stressed being a director is challenging and you have to take the responsibility seriously.

Grant has attended the IOD course and also the Chairman's course. His governance experience is significant, particularly within the motor trade sector. He currently Chairs the Finance and Risk Committee for the MTA and said the challenges were similar in terms of having a large investment portfolio and accountability to a big pool of members.

Reflecting on the key functions of the MTF Board, Grant described the transformation from a 'steady as she goes, risk averse approach' to the current directors embracing growth and focusing on improved performance, resulting in improved returns for shareholder. Having a dynamic leadership team to deliver on that strategy is also key.

For Grant, the Board's role is to have a clear sight on the horizon setting the vision and guiding the executive team with their delivery. It's also important to have diverse representation and ensure robust conversation around the Board table.

Considering the issues facing MTF for the next three years, Grant stressed operating in a highly regulated business and maintaining rigour around compliance, while chasing strong sales targets, was challenging but with the great team at MTF and a strong focus from the Board this continues to be achieved. He acknowledged his time on the Audit and Risk Committee has provided him with an even deeper understanding of these challenges.

In terms of further development, Grant said he is confident he knows what a well-functioning Board looks like and there are always opportunities to learn more. He considers he has a good knowledge of the MTF business model, the regulatory environment and potential risks such as cyber security.

Describing his style around the Board table, he said he's always ready to listen as well as being open to good debate, ensuring all people have an opportunity to put forward their views.

Grant is passionate about the MTF and believes he can continue to make a significant contribution at the Board level. He was able to demonstrate a good understanding of the Board's role and is committed to delivering on the future vision and direction of MTF.

Jane Pollitt
Consultant
Sheffield South Island
1st March 2024

Candidate: Geoff Kenny

MTF Finance Originator: Since April 1996

MTF Finance Board Member: Appointed December 2011

Geoff Kenny retires by rotation and being eligible, offers himself for re-election.

Candidate biography (supplied by the candidate)

This will be the last time I am seeking your support to be re-elected as a director of MTF. Under the current chairman and board the last few years have seen many changes and incredible growth and I have been proud to have been a part of that.

I feel that there is still unfinished work to do with regard to the transformation to a new operating system, the acquisition of The Lending People and new products. I have always been a strong advocate of this company and I believe it is a remarkable achievement that this company which was started by a group of car dealers in 1970 is still going strong and still operates for the benefit of the shareholders.

I have a few core beliefs that I am always guided by;

- This company should always operate for the benefit of all shareholders.
- The company should have open and honest communications with shareholders.
- The MTF board should always have 4 originating shareholders on it. This is the present requirement and it works well. We have 2 well qualified independent directors who bring a high level of technical expertise to the company but I believe it is important that we have some directors who work in their businesses and who experience the same things daily that you do.
- The company should operate ethically at all times.
- **While I am all for constant technical improvement I strongly believe that MTF should maintain a human element in all its dealings and we should always be accessible to our clients.**

Your vote is very important so please make the effort to make an informed decision and cast your votes accordingly. I am more than happy to talk to any shareholder by phone or email. Phone 021 962 202 email geoff.kenny@mtf.co.nz.

Independent assessment (supplied by Sheffield)

Geoff has been involved with MTF as a used car dealer and then franchise owner for over 30 years.

When asked why he put himself forward for re-election, Geoff considers this current Board to be one of the better performing Boards he has experienced. The Board has had to consider some significant issues over the past three years, and he believes continuity of Board members is key to seeing these worked through and addressed. Geoff listed the introduction of new products, company growth and increased profits as success highlights of the current Board. If elected, this will be his fifth and final term on the Board.

Geoff's governance experience includes his significant time on the Rotorua Lakes Council as well as holding the position of Chair for the North Island Boxing Association for many years. Geoff does not have any formal governance qualifications but did attend a one-day IOD course some years ago.

Reflecting on the primary functions of the MTF Board, Geoff strongly believes that as director he represents the interests of all shareholders. It's also the Board's duty to appoint both a good CEO and Chair and this ensures a well-functioning Board. Management needs to be allowed to manage and there is a fine line between governance and getting involved in day-to-day operations.

Asked about the key challenges and opportunities facing MTF, Geoff highlighted the new digital operating system and the ensuring that it meets the needs of shareholders with good functionality.

Given his long history with MTF, and his commitment to its core function, Geoff is also adamant that MTF should not lose its personal relationship with its customers. This is what sets MTF apart from its

opposition. This should sit by side with the digital strategy and MTF should always be available in person to address customers' needs.

Reflecting on working in a highly regulated market, Geoff stated operating within legal parameters is critical but also originators should be empowered to make commonsense decisions within those parameters.

In terms of further development, Geoff described his past experience on the MTF Board and the ongoing growth of his skills as a member on both the ARC and Credit committees. He considers it's important to also tap into the skills around the table.

Reflecting on the skills he brings to the Board table, Geoff stressed his broad industry knowledge and understanding of the business model. He likes to be direct, saying what he thinks, but has respect for others' views and is always prepared to listen.

Geoff is a seasoned franchisee owner with a deep understanding and respect for MTF's business model, its history and its customers. He has a clear sense of purpose as a director, acting for all shareholders.

Jane Pollitt
Consultant
Sheffield South Island
1st March 2024

Candidate: Hayden Armstrong

MTF Finance Originator: Since November 2023

Hayden Armstrong has accepted a nomination for a shareholder director position, and being eligible, offers himself for election.

Candidate biography (supplied by the candidate)

Profile

Prior to acquiring the MTF Kapiti Franchise in November 2023, Hayden's business experience has been gained over 26 years in Executive, Programme, Merger and Acquisition and Governance positions held in private, government and public listed entities in both New Zealand and Australia. Leading various businesses across a broad spectrum of disciplines, industries and business models for small to medium and large organisations.

Known as an intuitively strategic thinker with proven commercial acumen, clear communication, excellent problem-solving skills with well established financial planning and analytical skills. Further, a resilient and self-aware business leader working with company boards, executive teams, business owners and programme sponsors to achieve measurable outcomes contributing to corporate governance, strategy, culture and overall business performance.

Areas of Expertise

- Strategic Design & Execution
- Business Transformation
- Merger and Acquisitions
- Financial Planning and Investments
- Governance and Stakeholder Management
- Delivery Governance
- Risk Management

Industry Experience

- Financial Services
- Travel & Tourism

- Agricultural
- Horticultural
- Waste & Recycling
- Government (FENZ, Police NZ and BIO Security)

Directorships (current)

- Fairfield Estate Limited (property development)
- Green Meadows Beef (manufacturing)
- Travel-Lab (technology and marketing)
- AmazingAccom (technology and marketing)
- Hayden and Jen Armstrong Limited (MTF Finance)

Directorships (past)

- The FIRST Travel Group
- Horticulture NZ
- Macauley Metals Limited

Professional Development

- MBA, Massey University 2002
- Risk Management
- Media Management and Crisis Planning
- Strategic & Investment Planning
- Governance

MTF Finance Board Intentions

Hayden has a strong desire to contribute towards the evolving business strategy, performance and growth with particular focus on:

- Organisational strategy and execution
- Business transformation and benefit realisation
- Stakeholder relationships
- Regulatory compliance
- Market competitiveness
- Enhancing the distribution network
- Culture, performance and capability

Independent assessment (supplied by Sheffield)

Prior to acquiring his MTF Kapiti franchise in November last year, Hayden had an extensive career in the public, private and government sectors across a range of industries including financial services, horticulture, travel and tourism.

When asked why he has put himself forward for election, he described his constant desire to have a positive influence, at either a governance or group level, in the sector he is currently invested and working in.

While Hayden has held several directorships, he singled out his time on the boards of Horticulture NZ and The First Travel Group noting their governance structures were similar to MTF with a mix of independent directors and shareholder representatives. Hayden believes an ongoing challenge for Boards can be ensuring independent thought, and he believes his 'newness' to the MTF group should be seen as an advantage bringing a fresh perspective and providing candid observation.

Reflecting on the key functions of the MTF Board, Hayden was able to articulate cogently and clearly the areas of strategy and business alignment, fiscal accountability (including cap ex and operational expenditure), monitoring of the regulatory environment, proactive risk management, oversight of MTF performance (setting clear expectations and supporting management where appropriate), checking in on MTF's culture and establishing robust assurance, using independent advisors if needed.

Hayden also believes getting involved in 'delivery governance' can enhance visibility at a Board level and therefore improve decision making and probability for return on investment milestones being achieved. He cited the current MTF Business Transformation Project and the wealth of experience he could bring connecting with, and supporting, the project leadership.

Reflecting on some of the key issues facing MTF for the three years, Hayden highlighted maintaining market competitiveness. For Hayden this means ensuring the business maintains relevant policy settings, service proposition and targeted capital investment. Further, it's important to foster the required capability and capacity for growth and the maturity to drive and sustain enhanced performance.

Asked what is key to operating in a regulated market, Hayden listed establishing and maintaining good communication and relationships with regulators, clearly understanding MTF's obligations and being able to easily identify if standards aren't met, ensuring the right corrective action is taken.

In terms of further development, Hayden does not have any governance qualifications but would like to undertake an IOD course to retain currency with his practical knowledge and skills.

Reflecting on the strengths and skills he brings to the Board table, Hayden described himself as personable, a clear strategic thinker, transparent, collaborative and someone who takes a keen interest in effective stakeholder management.

Hayden was able to demonstrate that he is an experienced director, with a deep understanding of governance and a keenness to add value across the organisation, realising benefits for all shareholders.

Jane Pollitt
Consultant
Sheffield South Island
1st March 2024

2. Resolution 2: Deputy Chair's remuneration

The Deputy Chair role of the Board is included in the Constitution, but was only filled in December 2022 as part of the continuing maturity of the governance approach of MTF Finance. It is a pivotal leading role in the governance of the business to ensure the successful execution of MTF Finance's growth strategy and business transformation.

A year after embedding the role, the time is right to ensure remuneration is fair (currently there is no additional remuneration for the Director holding the Deputy Chair role).

The MTF Finance Board has considered the role against industry practice and calibration of appropriate remuneration at 1.3x that of a Director. This will increase the existing remuneration for the Deputy Chair to \$84,500 compared to a base Director fee of \$65,000. The Board consider this fair remuneration for the increased workload involved from the role in governing MTF Finance to execute on its ambitious strategic plan, and ultimately deliver value to shareholders. It has been benchmarked against similar sized organisations with a Deputy Chair.

The proposed fees are for the financial year with effect from 1 October 2023.

The Board is not seeking any additional remuneration changes to any other Director's fees this financial year, and will conduct a bi-annual review in 2025.

3. Resolution 3: Auditor appointment and remuneration

Deloitte Limited is the existing auditor of the Company and has indicated its willingness to continue in office.

This resolution authorises the board to appoint the auditor and fix the fees and expenses of the auditor for the ensuing year for the purposes of section 207S(a) of the Companies Act 1993.