

Cellnet Group Limited
ACN 010 721 749

Notice of Annual General Meeting

to be held at

Date: Tuesday 10 October 2017
Time: 10.00 am (Brisbane time)
Place: Cellnet Group Limited Head Office, 59-61 Qantas Drive, Eagle Farm, QLD, 4009

This is an important document and requires your attention

If you are in any doubt about how to deal with this notice of meeting, please consult your legal, financial or other professional advisor.

Notice of Annual General Meeting

Notice is given that the 2017 Annual General Meeting of Cellnet Group Limited ACN 010 721 749 (**Company**) will be held at the Company's head office at 59-61 Qantas Drive, Eagle Farm, Brisbane, Queensland, on Tuesday 10 October 2017 at 10:00 am (Brisbane time).

The business to be considered at the Annual General Meeting is set out below. This Notice should be read in conjunction with the accompanying Explanatory Memorandum. Terms used in this Notice and the Explanatory Memorandum are defined in the glossary set out in the notes to this Notice. A proxy form also accompanies this Notice.

Agenda

1 Financial statements and reports

To receive and consider the Financial Report, Director's Report and Independent Audit Report for the Company and its controlled entities for the financial year ended 30 June 2017.

2 Resolution 1 – Adoption of the Remuneration Report

To consider and if thought fit, to pass Resolution 1 as a non-binding ordinary Resolution under section 250R (2) of the Corporations Act:

'That the Remuneration Report for the year ended 30 June 2017 be adopted.'

Notes:

- (1) Resolution 1 is advisory only and does not bind the Company or the Directors.
- (2) If 25% or more of votes that are cast are voted against the remuneration report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a 'spill resolution') that another meeting of the Shareholders be held within 90 days at which all of the Directors (other than the Company's managing director) must stand for re-election.

Voting exclusion

The Company will disregard and not count any votes cast (in any capacity) on Resolution 1 by or on behalf of either or both the following persons:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of a member of the Key Management Personnel. unless:
 - (i) does so in relation to a Resolution where they hold a Directed Proxy Form; or
 - (ii) is the Chairman of the Annual General Meeting and is expressly authorised to exercise the proxy even though the Resolution is a Remuneration Resolution; and
- (d) the vote is not cast on behalf of a person described in paragraph (a) and (b) above.

3 Resolution 2 - Re-election Michael Wendt as Director

To consider and if thought fit, to pass Resolution 2 as an ordinary Resolution:

'That Michael Wendt, a non-executive Director having been appointed to fill a casual vacancy, retires as required in accordance with clause 16.4(b) of the Constitution and Listing Rule 14.4, being eligible, having offered himself for re-election, be re-elected a Director.'

4 Resolution 3 - Re-election Brian Danos as Director

To consider and if thought fit, to pass Resolution 3 as an ordinary Resolution:

'That Brian Danos, a non-executive Director having been appointed to fill a casual vacancy, retires as required in accordance with clause 16.4(b) of the Constitution and Listing Rule 14.4, being eligible, having offered himself for re-election, be re-elected a Director.'

5 Resolution 4 - Re-election Kevin Gilmore as Director

To consider and if thought fit, to pass Resolution 4 as an ordinary Resolution:

'That Kevin Gilmore, a non-executive Director having been appointed to fill a casual vacancy, retires as required in accordance with clause 16.4(b) of the Constitution and Listing Rule 14.4, being eligible, having offered himself for re-election, be re-elected a Director.'

6 Resolution 5 - Re-election Michael Reddie as Director

To consider and if thought fit, to pass Resolution 5 as an ordinary Resolution:

'That Michael Reddie, a non-executive Director having been appointed to fill a casual vacancy, retires as required in accordance with clause 16.4(b) of the Constitution and Listing Rule 14.4, being eligible, having offered himself for re-election, be re-elected a Director.'

Dated: 8 September 2017

By order of the Board

Chris Barnes
Company Secretary

For personal use only

Notes

- 1 The Company's Annual Report is now available on the Company's website at <http://www.cellnet.com.au/investorrelations/>. You will only receive a printed copy of the Annual Report if you have elected to continue receiving shareholder communications in hard copy. If you have not elected to continue to receive a printed copy of the Annual Report but now (or sometime in the future) wish to do so, please contact the Company's share registry, Link Market Services Limited, to change your shareholder communication preferences.
- 2 Under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the share register at 10.00am (Brisbane time) on 8 October 2017.
- 3 Votes at the Annual General Meeting may be given personally or by proxy, attorney or corporate representative. A Shareholder entitled to attend and vote at the Annual General Meeting has the right to appoint no more than two proxies.
- 4 A body corporate that is a Shareholder may appoint an individual to act as its representative at the Annual General Meeting in accordance with section 250D of the Corporations Act. The Company will require a certificate of appointment of the corporate representative, executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company's share registry before the Annual General Meeting or at the registration desk on the day of the Annual General Meeting. Please contact Link Market Services Limited via its website at www.linkmarketservices.com.au to obtain a certificate of appointment.
- 5 A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- 6 If the Shareholder appoints two proxies and the appointment does not specify the proportion or the number of the Shareholder's votes each proxy may exercise, each proxy may exercise one half of the Shareholder's votes. If the Shareholder appoints two proxies, neither proxy may vote on a show of hands.
- 7 A proxy form is attached. A proxy need not be a Shareholder.
- 8 A proxy form must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed by a director, company secretary, sole director and sole company secretary or under the hand of a duly authorized officer or attorney.
- 9 The proxy form (and any power of attorney under which it is signed) must be received by Link Market Services Limited either:
- electronically at www.linkmarketservices.com.au in accordance with the instructions on the proxy form;
 - by fax to +61 (2) 9287 0309;
 - by mail in the enclosed self-addressed envelope; or
 - by delivery to:
 - 1A Homebush Bay Drive, Rhodes NSW 2138; or
 - Level 12, 680 George Street, Sydney, NSW 2000,
- no later than 48 hours before the commencement of the Annual General Meeting, that is by no later than 10.00am (Brisbane time) on 8 October 2017. Any proxy form received after that time will not be valid for the Annual General Meeting.
- 10 A member of the Key Management Personnel or their Closely Related Party must not, whether in person or by proxy, vote in their own right on the adoption of the Remuneration Report in Resolution 1.
- 11 A person appointed as proxy may vote or abstain from voting as he or she thinks fit except in the following circumstances:

- (a) the proxy holds a Directed Proxy Form;
- (b) where the proxy is voting in relation to a Remuneration Resolution and the proxy is either a Key Management Personnel for the Company or a Closely Related Party and holds an Undirected Proxy Form; and
- (c) the proxy is required by law or the Constitution to vote in a certain manner or abstain from voting.

12 Clause 9(b) does not apply if the Chairman of the Annual General Meeting is appointed as proxy and his appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is a Remuneration Resolution.

13 The Chairman intends to vote all Undirected Proxy Forms in favour of all Resolutions, including Remuneration Resolutions.

14 The following definitions apply in this Notice and the Explanatory Memorandum that accompanies it:

Annual General Meeting means an annual general meeting of the Company.

Annual Report means the Company's annual report for the financial year ended 30 June 2017.

ASX means ASX Limited ACN 125 140 105.

Board means the board of Directors.

Closely Related Party means the closely related parties of Key Management Personnel as defined in the Corporations Act, and include certain members of their family, dependents and companies they Control (as defined in section 9 of the Corporations Act).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directed Proxy Form means a proxy form which specifies how a proxy is to vote.

Explanatory Memorandum means the explanatory statement that accompanies this Notice.

Key Management Personnel has the meaning given to that term in the accounting standards and broadly includes the Directors (whether executive or otherwise) and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2017.

Listing Rules means the Listing Rules of the ASX.

Notice means this notice of the Annual General Meeting.

Remuneration Report means the remuneration report of the Annual Report.

Remuneration Resolution means a Resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel and includes Resolution 1 in this Notice.

Resolution means a resolution contained in this Notice.

Shareholder means a registered shareholder of the Company.

Undirected Proxy Form means a proxy form which does not specify how the proxy is to vote.

Wentronic means Wentronic Holding GmbH.

Wentronic Group means Wentronic and its wholly owned subsidiaries.

Explanatory Memorandum

This explanatory memorandum has been prepared to assist Shareholders with their consideration of the resolutions to be put to the Annual General Meeting to be held on 10 October 2017.

These explanatory notes should be read with, and form part of, the accompanying Notice of Annual General Meeting.

1 Financial statements and reports

The Corporations Act requires the Financial Report, Directors' Report and Audit Report to be laid before the Annual General Meeting. In addition, the Constitution provides for such reports to be received and considered at the Annual General Meeting.

Apart from the matters involving remuneration, which are required to be voted upon, neither the Corporations Act nor the Constitution requires Shareholders to vote on such reports.

However, Shareholders will be given ample opportunity to ask questions or make comments about these reports and the management at the Annual General Meeting.

2 Resolution 1 – Adoption of the Remuneration Report

The Remuneration Report for the financial year ended 30 June 2017 is set out in the Annual Report.

In accordance with section 250R (2) of the Corporations Act, Shareholders are asked to adopt the Remuneration Report at the Annual General Meeting.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Under the Corporations Act, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a 'spill' resolution) that another meeting of the Shareholders be held within 90 days at which all of the Directors (other than the Company's managing director) must go up for re-election.

A voting exclusion applies to Key Management Personnel and their Closely Related Parties in certain circumstances, see the notes to Resolution 1.

As the Directors have a personal interest in the proposed Resolution 1, they make no recommendations as to how Shareholders should vote on Resolution 1.

3 Resolution 2 - Re-election of Michael Wendt

Michael Wendt was appointed as a Director on 17 January 2017 to fill a casual vacancy. Under the Constitution and Listing Rule 14.4, a Director appointed to fill a casual vacancy holds office only until the next Annual General Meeting. In accordance with these requirements, Mr Wendt now retires from the Board and offers himself for re-election.

Mr Wendt is the Managing Director of Wentronic and the Chief Executive Officer of Wentronic GmbH. Wentronic GmbH was founded by Mr Wendt's father, Dietmar Wendt, in 1992. Mr Wendt, since becoming the General Manager in 2002, led the growth of Wentronic Group from a turnover in 2002 of approximately €7.9 million to a turnover of €45 million in current financial year. Mr Wendt currently leads all sales, marketing and human relations functions of Wentronic Group and is based in the headquarters of Braunschweig, Germany. After his apprenticeship at Essilor Optik GmbH, Mr Wendt started in sales at Frank and Walter Computer GmbH, one of the leading information technology distributors in Germany, where he became Director of Sales. Prior to his apprenticeship, he completed his year compulsory military service. In July 1994, Mr Wendt joined Wentronic GmbH where he focused on sales and marketing. Driving growth up year over year, in 2002 he was promoted to become General Manager. To take advantage of further growth opportunities Mr Wendt established Wentronic Asia Pacific Limited in Hong Kong which leads all sales outside of Europe and guides the sourcing operations in China. In 2015, Mr Wendt established Wentronic Italia S.r.l and opened a warehouse in Italy to further consolidate the market presence of the Wentronic Group in Europe. In 2016, Mr Wendt led the establishment of Wentronic UK Ltd and the opening of the new office for Wentronic Group in the United Kingdom. Today, Mr Wendt is the Chief Executive Officer of the Wentronic Group with approximately 200 employees worldwide. He has more than 26 years of experience in the international electronic accessories industry while leading a global team toward growth year over year.

The Directors (with Mr Wendt abstaining) unanimously recommend that Shareholders vote in favour of Resolution 2.

4 Resolution 3 - Re-election of Brian Danos

Brian Danos was appointed as a Director on 17 January 2017 to fill a casual vacancy. Under the Constitution and Listing Rule 14.4, a Director appointed to fill a casual vacancy holds office only until the next Annual General Meeting. In accordance with these requirements, Mr Danos now retires from the Board and offers himself for re-election.

Mr Danos is the General Manager for Wentronic Asia Pacific Limited, a wholly owned subsidiary of Wentronic. Mr Danos has held this position since April 2015 and he leads the overall operations of the Asian region and directs Wentronic's offices in China in all sourcing/logistics directions. Mr Danos has lived in Hong Kong since 2008 with his most recent previous experience being the Director of Marketing and Sales at A&L International Holdings, a Hong Kong based private label manufacturer. Before moving to Hong Kong, Mr Danos was based in Eindhoven, The Netherlands while working for Philips Consumer Electronics where he was leading a global project for the accessories division. Prior to moving to The Netherlands, Mr Danos was a global product manager based in the United States of America for Philips Consumer Electronic Accessories. Mr Danos is an American with almost 10 years of living abroad while leading international sales teams and managing organizations. Mr Danos' entire career has been spent in the electronic accessory field. Mr Danos brings a wealth of international connections and relations to the Board. Mr Danos graduated from the Georgia Institute of Technology with a degree in Business Management and has been awarded his 6 Sigma Black Belt certification.

The Directors (with Mr Danos abstaining) unanimously recommend that Shareholders vote in favour of Resolution 3.

5 Resolution 4 - Re-election of Kevin Gilmore

Kevin Gilmore was appointed as a Director on 17 January 2017 to fill a casual vacancy. Under the Constitution and Listing Rule 14.4, a Director appointed to fill a casual vacancy holds office only until the next Annual General Meeting. In accordance with these requirements, Mr Gilmore now retires from the Board and offers himself for re-election.

Mr Gilmore is the Director of Sales for Wentronic Asia Pacific Limited. Prior to this appointment Mr Gilmore was employed by Cellnet Group Limited as the Managing Director of International Operations. He has also held management positions with many multinational corporations such as General Electric, Shell Petroleum, Philips Electronics and Belkin where he has gained extensive experience in strategy, business development and marketing.

Mr Gilmore is an American who has lived and worked internationally for over 20 years. Mr Gilmore's experience covers a wide range of industries and countries. He graduated with a bachelor's degree in Economics and an MBA in International Business.

The Directors (with Mr Gilmore abstaining) unanimously recommend that Shareholders vote in favour of Resolution 4.

6 Resolution 5 - Re-election of Michael Reddie

Michael Reddie was appointed as a Director on 17 January 2017 to fill a casual vacancy. Under the Constitution and Listing Rule 14.4, a Director appointed to fill a casual vacancy holds office only until the next Annual General Meeting. In accordance with these requirements, Mr Reddie now retires from the Board and offers himself for re-election.

Mr Reddie is a director of Reddie Lawyers Pty Ltd and an Australian Legal Practitioner. Mr Reddie has previously been a partner at a national law firm. Mr Reddie advises Australian and international corporate clients in negotiated mergers and acquisitions, joint ventures, strategic alliances and corporate governance.

The Directors (with Mr Reddie abstaining) unanimously recommend that Shareholders vote in favour of Resolution 5.

LODGE YOUR VOTE

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

 **BY MAIL**
Cellnet 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; or
Level 12, 680 George Street, Sydney NSW 2000

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



PROXY FORM

I/We being a member(s) of Cellnet 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 of the person or body corporate you are appointing as your proxy

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 **10:00am (Brisbane time) on Tuesday, 10 October 2017 at Cellnet Group Limited Head Office, 59-61 Qantas Drive, Eagle Farm QLD 4009 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: 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 Resolution 1, even though the Resolution 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 Adoption of the Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 5 Re-election Michael Reddie as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election Michael Wendt as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 3 Re-election Brian Danos as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4 Re-election Kevin Gilmore as Director | <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 show of hands or 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 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:

- (a) 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
- (b) 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 the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT 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 **10:00am (Brisbane time) on Sunday, 8 October 2017**, 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) as shown on the front of the Proxy Form).



BY MAIL

Cellnet 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
or
Level 12
680 George Street
Sydney NSW 2000

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

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**