

Explanatory Statement

MDA National Limited ACN 055 801 771 (**MDA National**)

1. This Explanatory Statement has been prepared for MDA National Members in relation to the business to be conducted at the Annual General Meeting (AGM) to be held on Friday 20 November 2026.
2. The Directors unanimously recommend Members vote in favour of the resolutions that are proposed at this meeting. The Chairman of the Meeting intends to vote all undirected proxies in favour of the resolutions.
3. The proposed resolutions are special resolutions. At least 75% of the votes cast by Members entitled to vote on the resolutions must be in favour of the resolutions. If the resolutions are passed, the proposed amendments to the Constitution will take effect immediately upon the passing of the resolutions.

Agenda Item A – Apologies

Members who are unable to attend the AGM may submit their apologies to MDA National prior to the meeting. Any apologies received will be recorded in the minutes of the AGM.

Agenda Item B – 2025 AGM minutes

The minutes of the 2025 Annual General Meeting are being tabled for the information of members. Members are invited to review the minutes and raise any questions regarding their contents.

Agenda Item C – Consideration of the Mutual Board Annual Financial Reports

1. The *Corporations Act 2001* (Cth) (**the Act**) requires that the report of the directors, the auditor's report and the financial report be laid before Members at the AGM.
2. The Financial Report is available to Members through the Member Online Service portal (members.mdanational.com.au/). Printed copies are available by contacting MDA National on 1800 011 255.
3. Members will be given reasonable opportunity at the AGM to raise questions with respect to these reports.
4. MDA National's auditor, Ernest & Young, will be present at the AGM and Members will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, MDA National's accounting policies, and the independence of the auditor.

Agenda Item D – Consideration of the following resolutions in relation to the proposed amendments to MDA National's Constitution

PROPOSED SPECIAL RESOLUTION 1 – To remove the position of the Chair of Finance

That the Constitution be amended by:

- a. deleting clause 19.1 and replacing it with the following:
"Subject to the Corporations Act and clause 19.2, the Mutual Board of the Company will consist of no less than eight (8) Directors and no greater than ten (10) Directors including two (2) office bearers, namely a President and a Vice President."; and
- b. amending clause 19.10 by:
 - i. deleting the words "and Chair of Finance" from the first line;
 - ii. deleting the comma after "the President"; and
 - iii. inserting the word "and" immediately after the words "the President".

1. Following a review of the MDA National's governance structure, the Board has determined that the position of the Chair of Finance is no longer required. The responsibilities previously associated with this role are now adequately managed through existing Board processes, committee structures and executive reporting arrangements.
2. The Board considers that maintaining a separate Chair of Finance position no longer provides a distinct governance benefit and that its removal will better align MDA National's governance framework with its current operational needs.
3. If the resolution is passed, the position of Chair of Finance will cease to exist immediately.

PROPOSED SPECIAL RESOLUTION 2 – To extend the term of office bearer roles to a term of three (3) years

That the Constitution be amended by:

a. *amending clause 19.10 by:*

- i. *deleting the words “the first” and replacing with the word “a”; and*
- ii. *deleting the words “held after each annual general meeting of the Company”.*

b. *deleting clauses 19.11 to 19.13 and replacing them with the following:*

“19.11 Subject to this Constitution, an office bearer is appointed to hold office from the date of their appointment until the first Mutual Board meeting held after the third annual general meeting following their appointment, at which Mutual Board meeting they shall retire.

19.12 Notwithstanding clause 19.11, an office bearer's appointment shall automatically terminate upon the earlier of:

- a. *the expiry of their term of office as an office bearer;*
- b. *the date on which they cease to be a Director for any reason; or*
- c. *their removal from office pursuant to clause 19.13.*

19.13 An office bearer may be removed from the office they hold by a resolution of the Mutual Board.

19.14 If an office bearer is removed from office pursuant to clause 19.13 or is no longer eligible to be an office bearer or the position of office bearer becomes vacant for any other reason under this Constitution, then the Mutual Board may appoint a replacement office bearer to hold office until the first Mutual Board meeting held after the annual general meeting that next follows the occurrence of the vacancy.”

1. MDA National's current Constitution requires the office bearers of the Board, being the President, Vice President and Chair of Finance, to be elected annually at the first Board meeting following the annual general meeting.
2. The proposed amendments extend the term of office bearers to three (3) years (unless the person ceases to be a director earlier), noting that subject to the proposed removal of the Chair of Finance outlined above, the extension of term will apply to the roles of President and Vice President.
3. To facilitate the transition to the new office bearer terms, all existing office bearers will retire at the first Board meeting following the AGM. The Board will then appoint the President and Vice President at that meeting in accordance with the amended Constitution, with those appointments continuing until the first Board meeting held after the third annual general meeting following their appointment.
4. The Board considers this change is appropriate because it:
 - a. promotes continuity and stability in leadership;
 - b. allows office bearers sufficient time to implement and oversee longer term strategic initiatives; and
 - c. reduces administrative burden associated with annual elections.
5. The existing constitutional provisions relating to resignation, removal and vacation of office will continue to apply to these roles.

PROPOSED SPECIAL RESOLUTION 3 – To clarify the Managing Director position is linked to the office of Chief Executive Officer (CEO)

That the Constitution be amended by deleting clause 21.1(k) and replacing it with the following:

“k in the case of an Appointed Director, breaches or fails to comply with any contract governing their appointment or the terms of their appointment as an Appointed Director determined by the Mutual Board or ceases to hold office as Chief Executive Officer (if applicable).”

1. As outlined in the Board election notice and call for nominations, the Board has determined, following a review of its governance framework, to appoint the CEO to the Board in the role of Managing Director.
2. Clause 19.2 of the Constitution currently permits the Board to appoint up to three directors. The appointment of the CEO as Managing Director is within this limit and is therefore already permitted under the Constitution.
3. The purpose of this Special Resolution is not to create the Board’s power to appoint the CEO as a director. Rather, it is to clarify that a person appointed as an Appointed Director because they hold the office of CEO will automatically cease to hold office as a director when they cease to be the CEO. This alignment is intended to provide greater certainty regarding the tenure of a CEO appointed to the Board.
4. The proposed amendment reflects the Board’s intention that the Managing Director position be linked to the office of CEO, such that the appointment continues only while the individual remains CEO. This promotes clarity, consistency and good governance in relation to the appointment and cessation of a CEO serving as a director.
5. This amendment does not mean that a person who holds the office of CEO will automatically be appointed to the Board as Managing Director. The Mutual Board will continue to determine, in its discretion and in the best interests of MDA National, whether to appoint the CEO as an Appointed Director in the role of Managing Director. The amendment simply clarifies that, where the CEO has been appointed as Managing Director, their appointment as a director will end when they cease to hold the office of CEO.

Company Constitution

A copy of MDA National’s current constitution is available to members upon request or by logging in to the MDA National Member Online Services portal (members.mdanational.com.au/). Once the proposed resolutions are passed, the amendments take effect, and a new amended copy will be made available.

Agenda Item E – Election of Mutual Board

In accordance with MDA National’s Constitution, an election has been conducted to fill the 3 vacancies that have been declared on the Mutual Board.

Eligible members were invited to nominate for election and, following the close of nominations, the election process has been conducted in accordance with the Constitution and the applicable election procedures. The election results, if available at the time of the AGM, will be announced to members. If the results are not available before the conclusion of the AGM, they will be communicated to members as soon as practicable following completion of the election process.

Agenda Item F – General Business

Members will be provided with an opportunity to raise questions or discuss general matters relevant to the affairs of the Company.