

INGHAMS GROUP LIMITED

ACN 162 709 506

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is given that an Annual General Meeting of the members of INGHAMS GROUP LIMITED ACN 162 709 506 ("Company") will be held at Rydges Hotel, 54 McLaren Street, North Sydney, NSW, Australia, on Tuesday, 31 October 2017 at 10.00 am (Sydney time) ("Meeting").

BUSINESS

1. Financial Report

To receive and consider the Financial Report of the Company and its controlled entities and the Reports of the Directors and Auditor for the year ended 1 July 2017.

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

2. Election of Directors

- 2.1 That Helen Nash, being eligible, be elected as a Director of the Company.
- 2.2 That Jacqueline McArthur, being eligible, be elected as a Director of the Company.
- 2.3 That Joel Thickins, being eligible, be elected as a Director of the Company.

3. Remuneration Report

That the Remuneration Report for the year ended 1 July 2017 be adopted.

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company. A voting exclusion statement applies to this resolution (see Item 2 of the notes relating to voting).

4. Approval of long term incentive grant of performance rights to the CEO

That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of performance rights to Mick McMahon as his annual long term incentive grant for the year ended 30 June 2018 on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting.

Note: A voting exclusion statement applies to this resolution (see Item 2 of the notes relating to voting).

5. Appointment of Auditor

That KPMG having been duly nominated by a shareholder of the Company and having consented in writing to act, be appointed as auditor of the Company.

The notes relating to voting and the Explanatory Memorandum form part of this Notice of Meeting.

By Order of the Board



David Matthews
Company Secretary
29 September 2017

Notes relating to Voting

1. Entitlement to vote

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares in the Company as at 7:00 pm AEDT on 29 October 2017 will be entitled to attend and vote at the Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

The vote on each resolution will be decided on a poll, and each shareholder present in person or by proxy shall have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).

2. Voting exclusions

Item 3

The Company will disregard any votes cast on Item 3:

- by or on behalf of a member of the Company's key management personnel ("KMP") named in the Company's Remuneration Report for the year ended 1 July 2017 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Item 3:

- in accordance with a direction in the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

Item 4

The Company will disregard any votes cast on Item 4:

- by or on behalf of Mr McMahon and any of his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Item 4:

- in accordance with a direction in the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

3. Proxies

- a. A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate.
- b. A shareholder can appoint a proxy by completing and returning a signed proxy form (see section 4 of these notes relating to voting, and the enclosed proxy form).
- c. A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.
- d. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
 - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

- e. If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you do not direct your proxy how to vote on a particular item of business, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.
- f. Unless the Chairman of the Meeting is your proxy, members of the Company's KMP (which includes each of the Directors) will not be able to vote as proxy on Items 3 or 4, unless you direct them how to vote. If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, you should ensure that you direct that person how to vote on Items 3 and 4.
- g. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct the Chairman how to vote by marking the boxes for the relevant resolution (for example, if you wish to vote "for", against" or to "abstain" from voting). However, if you do not mark a box next to Items 3 or 4, then by signing and submitting the proxy form, you will be expressly authorising the Chairman to vote as they see fit in respect of Items 3 and 4 even though they are connected with the remuneration of the Company's KMP.
- h. If:
- a poll is duly demanded at the Meeting in relation to a proposed resolution;
 - a shareholder has appointed a proxy (other than the Chairman of the Meeting) and the appointment of the
 - proxy specifies the way the proxy is to vote on the resolution; and
 - that shareholder's proxy is either not recorded as attending the Meeting or does not vote on the resolution, the Chairman of the Meeting will, before voting on the resolution closes, be taken to have been appointed as the proxy for the shareholder for the purposes of voting on that resolution and must vote in accordance with the written direction of that shareholder.
- i. Please note that for proxies without voting instructions that are exercisable by the Chairman of the Meeting, the Chairman intends to vote all available proxies in favour of each resolution.

4. Proxy form

A proxy form accompanies this Notice of Meeting and to be effective must be received no later than 10.00am (AEDT) Sunday 29 October 2017 at:

Mail: Inghams Group Limited C/ - Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia	By Hand: Inghams Group Limited C/- Link Market Services Limited 1A Homebush Bay Drive, Rhodes NSW 2138; or Level 12, 680 George Street, Sydney NSW 2000
Facsimile: + 61 2 9287 0309	Online: linkmarketservcies.com.au

5. Corporate representatives

A body corporate that is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it has been signed, unless it has previously been given to the Company.

6. Voting by attorney

A shareholder entitled to attend and vote may appoint an attorney to act on his or her behalf at the Meeting. An attorney may but need not be a member of the Company. An attorney may not vote at the Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company in the same manner, and by the same time, as outlined above for proxy forms.

EXPLANTORY MEMORANDUM
for Annual General Meeting of Inghams Group Limited

1. Annual Financial Report

The Corporations Act requires: (i) the reports of the Directors and Auditors; and (ii) the annual Financial Report, including the Financial Statements of the Company for the year ended 1 July 2017, to be laid before the Annual General Meeting.

Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given an opportunity to raise questions or comments on the management of the company. Also, a reasonable opportunity will be given to shareholders as a whole at the meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

2. Election of Directors

During the year, Ms Helen Nash, Ms Jackie McArthur and Mr Joel Thickins were each appointed as directors of the Company and, pursuant to the Company's Constitution, they will retire at the conclusion of the Meeting. Being eligible, each of them are nominated for election as directors at the Meeting.

2.1 Election of Helen Nash

Helen Nash was appointed as an additional director of the Company on 16 May 2017 and is Chair of the People & Remuneration Committee of the Board

Ms Nash has more than 20 years' brand and marketing experience including a number of senior executive roles with McDonald's Australia and a variety of marketing and FMCG roles in Australia and internationally with IPC Media Ltd and Procter & Gamble. She is also a non-executive director of Blackmores Limited, Southern Cross Media Limited and Metcash Limited and a former non-executive director of Pacific Brands Limited.

The Board considers Ms Nash to be independent.

Recommendation

The Board (with Ms Nash abstaining) recommends that shareholders vote in favour of Item 2.1.

2.2 Election of Jacqueline McArthur

Jackie McArthur was appointed as an additional director of the Company on 18 September 2017 and is a Member of the People & Remuneration Committee of the Board

Ms McArthur has more than 20 years' experience in supply chain and logistics roles globally. Up until the end of September 2017 she held the position of Managing Director ANZ for the Martin-Brower Company, a global logistics solutions provider for quick service restaurants. Prior to that Ms McArthur was the McDonalds Vice President of Supply Chain for Asia, Pacific, Middle East and Africa having also had roles in McDonalds Australia as Senior Vice President Chief Restaurant Support Officer and Vice President Supply Chain Director.

The Board considers Ms McArthur to be independent.

Recommendation

The Board (with Ms McArthur abstaining) recommends that shareholders vote in favour of Item 2.2.

2.3 Election of Mr Joel Thickins

Joel Thickins was appointed as an additional director of the Company on 18 September 2017 and is a member of the Audit & Risk Committee of the Board.

Mr Thickins is TPG Capital's Head of Australia & New Zealand and is a Partner of the firm. Prior to TGP Mr Thickins was a Director at CHAMP Private Equity. He has served as a Director of Accolade Wines and Blue Star Group and was Chairman of Gerard Lighting. Prior to joining CHAMP, Mr Thickins was a Vice President at Dyno Nobel Limited and held strategic and operational positions with Boral Limited in the United States.

Mr Thickins is not considered to be an independent director as a result of his nomination by TPG Capital which is a substantial shareholder of the Company. Mr Thickins has been nominated to replace Mr Simon Harle who was also a nominee of TPG Capital and who resigned on 18 September 2017.

Recommendation

The Board (with Mr Thickins abstaining) recommends that shareholders vote in favour of Item 2.3.

3. Remuneration Report

Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report. The Remuneration Report is contained in the Company's Annual Report and sets out the remuneration policies of the Company and reports on the remuneration arrangements in place for the Company's KMP during the year ended 1 July 2017.

As prescribed by the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the Meeting into account in setting remuneration policy for future years.

Recommendation

The Board recommends that shareholders vote in favour of the adoption of the Remuneration Report.

4. Approval of long term incentive grant of performance rights to the CEO

Pursuant to ASX Listing Rule 10.14, the Company is seeking shareholder approval for the grant of 421,870 performance rights to Mr Mick McMahon, Director and CEO ("**CEO**"), as part of his Long Term Incentive ("**LTI**") award for FY18. Subject to shareholder approval, the performance rights will be granted under the Company's Equity Incentive Plan within 12 months of the Meeting.

Key terms of the FY18 LTI award

The Equity Incentive Plan is designed to align the interests of the CEO with the interests of shareholders by providing the opportunity to receive an equity interest in the Company through the granting of performance rights.

Grant of Rights

- For FY2018, Mr McMahon will be offered performance rights having a face value opportunity of \$1.5 million as referred to below. The maximum number of performance rights granted will be 421,870, which has been calculated by dividing the face value of Mr McMahon's LTI award face value opportunity by 3.5556, being the volume weighted average price of Ingham's shares traded on the ASX in the 10 days after 22 August 2017 (ie the announcement of Ingham's FY2017 annual results). The actual value that Mr McMahon will receive (if any) will depend on whether the performance conditions are achieved.
- As the performance rights will form part of Mr McMahon's remuneration, they will be granted at no cost and there will be no amount payable on vesting.
- Each performance right entitles Mr McMahon to one ordinary share in the Company on vesting. The Board retains a discretion to make a cash payment to participants on vesting of the performance rights in lieu of an allocation of shares.
- Prior to vesting, performance rights do not entitle Mr McMahon to any dividends or voting rights.

Performance period

The FY18 LTI award will be subject to a performance period of 3 years commencing on 2 July 2017 and ending on 30 June 2020.

Performance conditions and testing

- Performance rights granted as part of the LTI award will vest at the end of the performance period, subject to the satisfaction of the performance conditions.
- The performance conditions are as follows:
 - 75% of the performance rights will be subject to a performance condition based on Ingham's absolute earnings per share (**EPS**) over the performance period (**EPS Component**); and
 - the remaining 25% of the performance rights will be subject to a relative total shareholder return (**TSR**) performance condition, measured over the performance period (**TSR Component**). Ingham's relative TSR will be compared to a comparator group comprising the ASX 200 (excluding companies classified as financial, mining and resources) (**Relevant Comparator Group**).

EPS Component

- In order for any performance rights in the EPS Component to vest, a threshold target must be achieved (as set out below). The percentage of performance rights comprising the EPS Component that vest, if any, will be determined over the performance period by reference to the following vesting schedule:

Ingham's EPS over the performance period	% of performance rights that vest
Less than threshold	Nil
Equal to threshold	50%
Greater than threshold up to target	Straight line pro rata vesting between 50% and 100%
At or above target	100%

- The EPS target is commercially sensitive. However, the Board will include retrospective disclosure of the EPS target in the remuneration report following the end of the relevant performance period along with the relevant vesting outcomes.
- EPS results for the three years will be averaged to provide an overall outcome for the performance period. A threshold of 50% of target over the performance period must be reached before any performance rights measured against the EPS target can vest.

TSR Component

- The percentage of performance rights comprising the TSR Component that vest, if any, will be based on Ingham's TSR ranking over the performance period, as set out in the following vesting schedule:

Ingham's TSR rank in the Relevant Comparator Group	% of performance rights that vest
Less than 50th percentile	Nil
At 50th percentile (threshold performance)	50%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% and 100%
At 75th percentile or above	100%

- Performance will not be re-tested if the performance conditions are not satisfied at the end of the performance period. Any performance rights that remain unvested at the end of the performance period will lapse immediately.

Voting and dividend entitlements

The performance rights granted under the LTI award do not carry dividend or voting rights prior to vesting.

Shares allocated upon vesting of performance rights carry the same dividend and voting rights as other Shares.

Cessation of employment

If the participant ceases employment for cause or due to their resignation, unless the Board determines otherwise, any unvested performance rights will automatically lapse.

In all other circumstances, the performance rights will be pro-rated (based on the proportion of the performance period that has elapsed) and remain on foot and subject to the original performance conditions, unless the Board exercises a discretion to treat them otherwise.

Change of control

Under the Plan rules and the terms of the LTI award, the Board may determine in its absolute discretion that some or all of participants' Rights will vest on a likely change of control.

Clawback and preventing inappropriate benefits

Under the Plan rules and the terms of the LTI award, the Board has clawback powers which it may exercise if, among other things:

- the participant has acted fraudulently or dishonestly, has engaged in gross misconduct, brought Ingham's, the Ingham's group or any Ingham's group company into disrepute or breached their obligations to the Ingham's group, or Ingham's is required by or entitled under law or Ingham's policy to reclaim remuneration from the participant;
- there is a material misstatement or omission in the accounts of an Ingham's group company; or
- the participant's entitlements vest or may vest as a result of the fraud, dishonesty or breach of obligations of any other person and the Board is of the opinion that the Rights would not have otherwise vested.

Restrictions on dealing

- Mr McMahon must not sell, transfer, encumber, hedge or otherwise deal with performance rights.
- Mr McMahon will be free to deal with the Shares allocated on vesting of the performance rights, subject to the requirements of Ingham's Securities Dealing Policy.

Additional information provided in accordance with ASX Listing Rule 10.15

- This is the first time the Company is seeking approval under Listing Rule 10.14 in respect of the Equity Incentive Plan.
- Mr McMahon is the only Director (or associate of a Director) entitled to receive performance rights under the Equity Incentive Plan.
- No loan will be made by the Company in relation to the acquisition of performance rights.
- If approval is given under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1 and any shares issued pursuant to this approval will not use up part of the 15% cap available under ASX Listing Rule 7.1.

A voting exclusion statement applies to this resolution, as set out in the Notice of Meeting.

Recommendation

The Board (with Mr McMahon abstaining) recommends that shareholders vote in favour of the grant of performance rights to Mr McMahon.

5. Appointment of Auditor

KPMG was appointed as the auditor of the Company by the Board on 18 February 2016.

Section 327B(1)(a) of the Corporations Act requires a public company to appoint an auditor at its first Annual General Meeting. Accordingly, the Company is seeking shareholder approval of the appointment of KPMG as the Company's auditor.

KPMG has been duly nominated for appointment as the Company's auditor by a shareholder of the Company, as required by section 328B of the Corporations Act. A copy of the shareholder's written notice of nomination is set out below.

The Directors Inghams Group Limited Level 4, 1 Julius Ave, North Ryde, NSW 2113 Dear Sir/ Madam Nomination of KPMG as auditor of the company I, Neil Favager, a member of Inghams Group Limited (ACN 162 709 506) (the Company), pursuant to section 328B of the Corporations Act 2001, hereby nominate KPMG to be appointed as auditor of the Company on and from the date of the annual general meeting to be held on 31 October 2017, or any adjournment thereof. Yours sincerely Neil Favager Member of Inghams Group Limited	27 September 2017
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Recommendation

The Board recommends that shareholders vote in favour of the appointment of KPMG as auditor of the Company