

14 May 2018

## Notice of Annual Meeting of Shareholders

Dear Shareholder

We invite you to join us for the Annual Meeting of the Shareholders of Scales Corporation Limited ("Scales"), to be held at:

**Where:** The Savoy West Room, Rydges Hotel, 30 Latimer Square, Christchurch  
**When:** Wednesday 13 June 2018 at 4.30pm

After the business has concluded you are welcome to join members of the Board and Management for light refreshments.

Please bring the enclosed voting form and attendance slip to the meeting to assist with your registration.

If you cannot attend, I encourage you to complete and lodge the proxy form in accordance with the instructions on the back so that it reaches Computershare by 4.30pm (New Zealand time) on Monday 11 June 2018.

### Items of Business:

- A. Chairman's address
- B. Managing Director's address
- C. Ordinary resolutions
- D. General business

### Resolutions:

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

- 1. That the Board is authorised to fix the auditor's remuneration for the coming year.
- 2. Having retired by rotation that Tim Goodacre be re-elected as a Director.
- 3. Having retired by rotation that Mark Hutton be re-elected as a Director.

Further information relating to these resolutions is set out in the Explanatory Notes accompanying this Notice of Meeting. Please read and consider the resolutions together with the notes.

By order of the Board.



Tim Goodacre  
Chairman  
14 May 2018

## Explanatory Notes

These notes form part of the Notice of Annual Meeting

### Ordinary Resolution 1: Appointment and remuneration of auditor

Section 207T of the Companies Act 1993 provides that a company's auditor is automatically re-appointed unless there is a resolution or other reason for the auditor not to be re-appointed. The Company wishes Deloitte to continue as the Company's auditor, and Deloitte has indicated its willingness to do so.

Section 207S of the Companies Act 1993 provides that the fees and expenses of the auditor are to be fixed in such a manner as the Company determines at the Annual Meeting. The Board proposes that, consistent with past practice, the auditor's fees be fixed by the Directors. The Board unanimously recommends that shareholders vote in favour of Resolution 1.

### Ordinary Resolutions 2 and 3: Re-election of Directors

The NZX Main Board Listing Rules require that at least one third of the Directors or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office at the Annual Meeting each year, but shall be eligible for re-election at that meeting. The Directors to retire are those who have been longest in office since their last election, with the exception of Andy Borland as an Executive Director nominated by the Board (pursuant to clause 27.1(c) of the Constitution).

Two Directors are required to retire at this meeting. Tim Goodacre and Mark Hutton are the Directors who have been longest in office and they will retire at the Annual Meeting. Both Tim and Mark, being eligible, offer themselves for re-election and the Board unanimously supports their re-election.

#### Tim Goodacre



#### Non-Executive Independent Chairman

Tim was elected to the Board in 2014, having been appointed Chairman of Scales' Horticulture division in 2012. He has been involved in agribusiness for nearly forty years and was CEO of Zespri International from 2003 to 2007. Tim is currently: Chairman of The Nutritious Kiwifruit Company Limited, which is a consortium of New Zealand kiwi fruit suppliers selling under a new single brand based around nutrition and health on the Australian market; Director of Prevar Limited, an Australian and New Zealand joint venture apple and pear industry company, supporting the development and commercialisation of new apple and pear varieties; Director of Nagambie Healthcare, a community hospital and aged care facility, based in regional Victoria, Australia; President of Nagambie Lakes Tourism and Commerce Incorporated; and Director of Featherston Resources Limited. Tim is a member of Scales' Nominations and Remuneration Committee.

## Mark Hutton



### **Non-Executive Independent Director**

Mark was elected to the Board in 2011. He is a founding partner of Direct Capital. Mark has a background in private equity, specialising in portfolio management with a focus on strategy, growth and capital funding. Mark is currently a Director of a number of Direct Capital entities and portfolio companies including George H Investments Limited. Mark is also: Director of dual listed (NZX and ASX) New Zealand King Salmon Investments Limited; and Director of investment company, Evergreen Partners Limited. Mark is Chairman of Scales' Nominations and Remuneration Committee, Scales' Finance and Treasury Committee and is a member of Scales' Audit and Risk Management Committee.

## Attendance and voting

Your rights to vote may be exercised by:

- a) **Attending and voting in person;** or
- b) **Postal voting:** The Board has determined that postal voting is permitted. Postal voting instructions are included in the Voting Form which accompanies this Notice of Annual Meeting. You can cast a postal vote online, or complete and send the Voting Form by post or fax so that your vote is received by the share registrar no later than 4.30pm on Monday 11 June 2018.

The Chief Financial Officer, Steve Kennelly, has been authorised by the board to receive and count postal votes at the meeting.

- c) **Appointing a proxy (or representative) to attend and vote in your place:** The proxy need not be a shareholder of the Company. The form of appointment of a proxy and voting instructions accompany this Notice of Annual Meeting. You can appoint a proxy online or complete the Voting Form, including the proxy appointment and return the proxy Voting Form by post or fax so that it is received by the share registrar by no later than 4.30 pm on Monday 11 June 2018.
- d) **Online voting:** Lodge your postal vote or proxy online at [www.investorvote.co.nz](http://www.investorvote.co.nz)

The address for the share registrar:

Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142, New Zealand  
Level 2, 159 Hurstmere Road  
Takapuna, Auckland 1142, New Zealand

### **Eligibility to vote**

Any shareholder whose name is recorded in the Scales Corporation Limited share register at 5pm on Monday 11 June 2018 is entitled to attend the Annual Meeting and vote either in person or by Proxy (subject to the time limits for returning Proxy Forms).

**Ordinary resolutions of shareholders**

An ordinary resolution is a resolution approved by a majority of more than 50% of votes of those shareholders entitled to vote and voting on the resolution.

**RSVP and questions in advance of the meeting**

Please fill out and return the RSVP form by 8 June 2018 by using the enclosed pre-paid envelope if you are planning to attend the Annual Meeting. To assist Scales Corporation Limited's Board to provide answers to questions from shareholders, Scales is offering a facility for shareholders to submit questions in advance of the Annual Meeting on the RSVP form. Questions should relate to matters that are relevant to the Annual Meeting including matters arising from the financial reports and any general questions regarding the performance of Scales. Individual responses to questions will not be provided, but the Chairman will, at the Annual Meeting, endeavour to address commonly raised questions. Alternatively, you can email your questions to: [info@scalescorporation.co.nz](mailto:info@scalescorporation.co.nz)