

8 May 2020

## Notice of Annual Meeting of Shareholders

Dear Shareholder

In light of the various restrictions that have been introduced as a result of the current COVID-19 pandemic, the 2020 Annual Meeting of Shareholders will be held as an **online only** meeting.

We invite you to join us for the virtual Annual Meeting of the Shareholders of Scales Corporation Limited (“Scales”), to be held online at 3.30pm on Tuesday 9 June 2020. Details of how to participate ‘virtually’ are provided in the accompanying Virtual Meeting Guide, including instructions for accessing the virtual meeting. You are encouraged to review this guide and either download the app prior to the Annual Meeting, or access via the website address shown below, on your desktop computer.

If you cannot attend, I encourage you to complete and lodge the proxy form in accordance with the instructions on the reverse of the form so that it reaches Computershare by 3.30pm (New Zealand time) on Sunday 7 June 2020.

### Items of Business:

- A. Chair’s address
- B. Managing Director’s address
- C. Ordinary resolutions
- D. General business

### Ordinary 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 Nick Harris be re-elected as a Director.

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

By order of the Board.



Tim Goodacre  
Chair  
8 May 2020

**Our Board of Directors:**



Tim Goodacre



Andrew (Andy)  
Borland



Nick Harris



Mark Hutton



Alan Isaac



Tomakin Lai



Nadine Tunley

## 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 reappointed unless there is a resolution or other reason for the auditor not to be re-appointed. Scales wishes Deloitte to continue as Scales' 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 Scales 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 Resolution 2: Re-election of Director

The NZX Listing Rules state Directors must not hold office (without re-election) past the third annual meeting following the Director's appointment, or 3 years, whichever is longer. Accordingly, Nick Harris is required to retire at this meeting. Nick, being eligible, offers himself for re-election, and the Board unanimously supports his re-election and recommends that shareholders vote IN FAVOUR of Resolution 2.

Having had regard to the factors described in the NZX Corporate Governance Code that may impact director independence, the Board considers that Nick Harris will be a Non Executive Independent Director.

Biography for Nick Harris:

Term of Office: First appointed to the Board in 2014. Last re-elected on 14 June 2017.

Nick was elected to the Board in 2014, having been appointed a Director of both Scales' Storage & Logistics division and Meateor in 2012. Nick was previously the Managing Director, and was one of the founding shareholders of Hellers Limited, New Zealand's largest bacon, ham and small goods company. Nick is a shareholder and Director of several private companies. He is a past Chair of Enterprise North Canterbury Trust and is currently Deputy Chair of the Canterbury Hockey Association. Nick is Chair of Scales' Health & Safety and Sustainability 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 the meeting and voting online;** or
- b) **Postal voting:** The Board has determined that postal voting is permitted. Postal voting instructions are included in the Proxy/Voting Form which accompanies this Notice of Annual Meeting. You can cast a postal vote online, or complete and send the Proxy/Voting Form by post or fax so that your vote is received by the share registrar no later than 3.30pm on Sunday 7 June 2020.

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 Scales. 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 Proxy/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 3.30 pm on Sunday 7 June 2020.
- d) **Online voting:** Lodge your postal vote or proxy online at [www.investorvote.co.nz](http://www.investorvote.co.nz)

### **Eligibility to vote**

Any shareholder whose name is recorded in the Scales Corporation Limited share register at 3.30pm on Friday 5 June 2020 is entitled to vote, either by attending the Annual Meeting and voting online, or by postal or proxy voting (subject to the time limits for returning Proxy/Voting 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.

### **Questions in advance of the meeting**

To assist the Board to provide answers to questions from shareholders, Scales is offering a facility for shareholders to submit questions in advance of the Annual Meeting. 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 Chair will, at the Annual Meeting, endeavour to address commonly raised questions. Questions can be submitted in writing with Proxy/Voting forms. Alternatively, you can email your questions to: [info@scalescorporation.co.nz](mailto:info@scalescorporation.co.nz).

### **Virtual Meeting**

In light of New Zealand Government restrictions and recommendations designed to limit the spread of COVID-19, particularly limiting large gatherings of people, Scales has made the decision to hold its first virtual Annual Meeting. All shareholders will have the opportunity to attend and participate in the 2020 Annual Meeting online via an internet connection (using a computer, laptop, tablet or smartphone).

Virtual meetings will be accessible on both desktop and mobile devices. In order to participate remotely you will need to either:

- Download Lumi AGM from the App Store or Google Play Stores for free – search for Lumi-AGM; or
- Visit [web.lumiagm.com](http://web.lumiagm.com) on your desktop or mobile device. Ensure that your browser is compatible – Lumi AGM supports the latest version of Chrome, Safari, Internet Explorer, Edge or Firefox.
- If you have any questions, or need assistance with the online process, please contact Computershare on +64 9 488 8777 between 8.30am and 5.00pm Monday to Friday.

Audio will stream through the selected device, so shareholders will need to ensure that they have the volume control on their headphones or device turned up.

Shareholders will be able to view the presentations, vote on the resolutions to be put to shareholders and ask questions, by using their own computers or mobile devices. Shareholders will still be able to appoint a proxy to vote for them or send a postal vote, as they otherwise would, by following the instructions on the proxy form and this Notice of Annual Meeting.

Details of how to participate 'virtually' are provided in the accompanying Virtual Meeting Guide, including instructions for accessing the virtual meeting. Shareholders are encouraged to review this guide and download the app prior to the Annual Meeting.

Shareholders will require the meeting ID – which is 329-551-492 – as well as their CSN/Securityholder Number, which can be found on their Proxy/Voting form, for verification purposes.