

24 May 2021

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 3.30pm on Wednesday 9 June 2021.

The meeting will be held at The Piano, 156 Armagh Street, Christchurch. After the meeting has concluded, shareholders are invited to join members of the Board and Management for light refreshments.

Shareholders will also be able to attend online, vote and ask questions via www.web.lumiagm.com. Details of how to participate ‘virtually’ are provided in the accompanying Virtual Meeting Guide, including instructions for accessing the virtual meeting. If you are attending virtually you are encouraged to review this guide and access via the website address shown above.

If it is impractical or not permitted to hold a physical meeting due to COVID-19 restrictions on gatherings, the meeting will proceed as an online-only meeting. Shareholders will be advised if there is a cancellation of the physical meeting.

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 Monday 7 June 2021.

Board Renewal

As outlined in our Corporate Governance Statement, Scales does not have a tenure policy, however it recognises that a regular Board refreshment programme leads to the introduction of new perspectives, skills, attributes and experience. Each Director has committed that upcoming Board succession is to be undertaken in a planned and orderly manner. Further updates will be provided at the Annual Meeting.

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 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 Annual Meeting. Please read and consider the resolutions together with the notes.

By order of the Board.



Tim Goodacre
Chair - 24 May 2021

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, Tim Goodacre is required to retire at this meeting. Tim, 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 Tim Goodacre will be a Non-Executive Independent Director.

Biography for Tim Goodacre:

Term of Office: First appointed to the Board in 2014. Last re-elected on 13 June 2018.

Tim was elected to the Board in 2014, having been appointed Chair of Scales' Horticulture division in 2012. He has been involved in agribusiness for over 40 years and was CEO of Zespri International from 2003 to 2007. Tim is currently: Chair of The Nutritious Kiwifruit Company Limited, which is a consortium of New Zealand kiwifruit 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 and President of Nagambie Lakes Tourism and Commerce Incorporated. Tim is a member of Scales' Nominations and Remuneration Committee.

Ordinary Resolution 3: 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, Mark Hutton is required to retire at this meeting. Mark, being eligible, offers himself for re-election, and the Board unanimously supports his re-election and recommends that shareholders vote IN FAVOUR of Resolution 3.

Having had regard to the factors described in the NZX Corporate Governance Code that may impact director independence, which for this purpose included specific consideration of Mark having served as a director for longer than nine years, the Board considers that Mark Hutton will be a Non-Executive Independent Director.

Biography for Mark Hutton:

Term of Office: First appointed to the Board in 2011. Last re-elected on 13 June 2018.

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. Mark is Chair of Scales' Nominations and Remuneration Committee and of Scales' Finance and Treasury Committee and is a member of Scales' Audit and Risk Management Committee. Mark is also a Director of Evergreen Partners Limited.

Mark has indicated that, if re-elected, he does not intend to serve beyond a three-year term and will retire in line with the overall succession planning for the Board.

Attendance and voting

Your rights to vote may be exercised by:

- a) **Attending the meeting and voting in person;** or
- b) **Attending the meeting and voting online;** or
- c) **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 Monday 7 June 2021.

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

- d) **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 Monday 7 June 2021.
- e) **Online voting:** Lodge your postal vote or proxy online at 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 4 June 2021 is entitled to vote, either by attending the Annual Meeting and voting in person or 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.

Virtual Attendance

All shareholders will have the opportunity to attend and participate in the 2021 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:

- Visit 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 prior to the Annual Meeting.

Shareholders will require the meeting ID – which is 363-123-787 – as well as their CSN/Securityholder Number, which can be found on their Proxy/Voting form, for verification purposes.