

30 October 2019

Listed Company Relations  
New Zealand Exchange  
Limited PO Box 2959  
Wellington

Dear Sir/Madam

### **Government's Provincial Growth Fund to assist to accelerate technology commercialisation**

Scott Technology announces today that it has been successful in its application for support for Scott Agritech from the New Zealand Government's Provincial Growth Fund. The funding was announced today by the Regional Economic Development Minister Hon Shane Jones and Hon David Parker. Dr Barbara Webster, Scott's Director of R&D and Strategy, and Chairman, Stuart McLauchlan, were in attendance as part of the Provincial Growth Fund Announcements for Otago.

Mr McLauchlan, addressing the Ministers and attendees, said "the plan for Scott Agritech is to, with the support of the Provincial Growth Fund, leverage from our breadth of global capability, and bring new opportunities to life for the benefit of the New Zealand Agritech industry, as we have proven in the Meat Industry. "

With Ministerial approval for a six year loan, both parties will now work together to determine final agreed terms, including repayment conditions. Scott Agritech will aim for fast commercialisation of evolving technologies in the horticulture and agriculture industry which is so important to the Otago region. In addition to providing technology boost to local industry, job creation and export earnings are key outcomes as is the establishment of an advanced robotics training facility for customers, staff and external students.

Dr Webster, Scott's Director R&D and Strategy, went on to say - "Today the production and manufacturing industries are challenged by labour availability and skills shortages. In addition, health and safety of workers is a top priority and producers are seeking greater differentiation of product. Automation, robotics and sensing can help with these challenges."

"Leveraging from our years of experience, our off-shore capabilities and of taking a customer-led approach, Scott Agritech will provide automation solutions and services for processors, producers and their supply chains. Our automated products will include machine vision, smart sensors, machine learning and data mining as key differentiators. These are all business as usual for Scott and we will be putting these on-top of robotics or bespoke mechanical engineered solutions. Industry 4.0 and the Industrial Internet of Things are already in our products and approach."

Scott indicated that it would be rolling in know-how and Intellectual Property to provide the New Zealand Agritech industry with solutions tailored to New Zealand-specific needs.

“Our plan is to start from the processors and pack houses and work progressively back down the supply chains to farmers and growers and we will be starting by translating our meat grading and palletising products for application to New Zealand. We will do so with reference projects in Otago and the South Island for meat, horticulture, seafood, wood processing and dairy.” Dr Webster indicated that to achieve this Scott will be needing partners and told interested parties to not hesitate to contact us if Scott Agritech was relevant to their industry needs.

“We know that for automation to be successfully implemented, skilled staff are required to operate and maintain the equipment. Scott Agritech will include a training function for customers and other interested parties that will be specific to operating and maintaining both automated and robotic equipment. Further, we will develop IIOT tools for servicing the machines.

The business plan supports up to 15 new highly skilled jobs all based in Dunedin, and our intent is to match our past contribution to the meat industry and deliver \$30m of benefits to the Agritech industry and a return to the New Zealand Government.

We are delighted to have the support of the Provincial Growth Fund so that our work can underpin Otago becoming a skilled and leading user of New Zealand-specific Agritech Automation.”

For further details contact:

**Chris C Hopkins**  
Managing Director  
+64 21 815 975

**Dr Barbara Webster**  
Director R&D and Strategy  
+64 21 026 76260

Yours faithfully



**Chris C Hopkins**  
Managing Director

#### **About Scott**

*At Scott we automate the future. The production line machinery we design and build deliver productivity gains and exceptional reliability to many of the world's leading manufacturers. We go a step beyond engineering production solutions to actually revolutionising entire industries – using robotics to automate manual processes and create genuine competitive advantage. For over 100 years Scott has looked to tomorrow and rapidly responded to shifting needs. Today, we have production bases in the United States, Europe, China, Australia and New Zealand, customers in over 80 countries, and a real commitment to developing new technology and bringing it to market. Across everything we do you will discover true quality, advanced engineering and a renowned design aesthetic.*

*Scott. Quality that lasts. Quality that inspires.*