

# NOTICE OF ANNUAL SHAREHOLDERS MEETING

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2020

Dear Shareholder,

We would be very pleased if you would attend Seeka Limited's 2020 Annual Shareholders Meeting on **Friday 17 April 2020** commencing at **2:30pm** at **Seeka360**, 34 Young Road, Paengaroa 3186, New Zealand.

In case you can't attend, please remember to complete and submit the enclosed Proxy Form so that it reaches our share registrar, Link Market Services Limited, by 2:30pm on 15 April 2020.

For shareholders attending the Annual Meeting, please bring the enclosed Proxy Form to assist with your registration.

# NOTICE OF ANNUAL SHAREHOLDERS MEETING

NOTICE is hereby given that the Annual Meeting of Shareholders of Seeka Limited ("Seeka") will be held at Seeka360, 34 Young Road, Paengaroa, on Friday, 17 April 2020 commencing at 2.30pm.

## Ordinary business

The business of the Meeting is:

### 1. Annual Report and Accounts

*"To receive, consider and adopt the Annual Report of Seeka and the Financial Statements for the year ended 31 December 2019 together with the Auditor's Report thereon."*

### 2. Directors

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

- a. *"To re-elect Martyn Brick as a Director."*
- b. *"To re-elect John Burke as a Director."*
- c. *"To re-elect Cecilia Tarrant as a Director."*

#### Explanatory note to these ordinary resolutions

Profiles of each candidate standing for re-election are enclosed.

In accordance with clause 23.1(i) of Seeka's constitution, Martyn Brick, John Burke and Cecilia Tarrant retire by rotation and, being eligible, offer themselves for re-election.

The Board supports and recommends that Shareholders vote in favour of the election of Martyn Brick, John Burke and Cecilia Tarrant.

No other nominations were received.

### 3. Directors' Remuneration

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

*"That the pool of funds available for the remuneration of directors be increased by an amount of \$80,000 per annum, from a maximum of \$450,000 per annum to a maximum of \$530,000 in each financial year payable to all directors taken together, effective 1 January 2020."*

Explanatory note to this resolution is on page 7.

### 4. Appointment and Remuneration of Auditors

*"To record the re-appointment of PwC (PricewaterhouseCoopers) as auditor of the Company, and to authorise the Directors to fix the remuneration and expenses of the auditor for the coming year."*

## General business

To consider any other matter that may be properly brought before the Meeting.

## Voting and proxies

The persons who will be entitled to vote at the Meeting are those persons who are registered on Seeka's share register as holding fully paid ordinary shares in Seeka on 15 April 2020 at 5.00pm. The Chairman advises that, pursuant to Seeka's constitution, he will call for voting on all resolutions to be by way of a poll, meaning that each Shareholder has one vote for each share held.

Resolutions 1, 2a, 2b, 2c, 3 and 4 are ordinary resolutions and must be passed by a simple majority of the votes of those Shareholders entitled to vote and voting on the resolutions.

Every Shareholder, or that Shareholder's proxy or representative, is entitled to attend the Meeting and vote.

Any Shareholder entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on that Shareholder's behalf. The proxy need not be a Shareholder. You may appoint the Chairman of the Meeting as your proxy. If you appoint the Chairman of the Meeting as your proxy and do not direct the Chairman how to vote in the proxy form, the Chairman will vote discretionary proxies in favour of Resolutions 1, 2a, 2b, 2c and 4.

The Chairman is excluded from acting as discretionary proxy on Resolution 3 but may act as your proxy under your express directions. In accordance with NZX Listing Rule 6.3.1, any director and any person who is an Associated Person (as that term is defined in the NZX Listing Rules) of a director may not vote on Resolution 3. If you appoint any such person as your proxy, that person will only be able to vote on Resolution 3 in accordance with your express instructions, as set out in your proxy form.

A corporation that is a Shareholder may appoint a person as its representative to attend the meeting and vote on its behalf, in the same manner as that in which it could appoint a proxy.

A proxy form accompanies this Notice of Meeting. If you are unable to attend the Meeting in person, please complete the Proxy Form and return it in the reply-paid envelope provided to (Link Market Services, PO Box 91976, Victoria Street West, Auckland 1142) or fax to 09 375 5990 or scan and email to [meetings@linkmarketservices.co.nz](mailto:meetings@linkmarketservices.co.nz) (please put the words "Seeka Proxy Form" in the subject line for easy identification) to arrive no later than 2.30pm on Wednesday 15 April 2020.

Alternatively, you may lodge your proxy online. Go to <https://investorcentre.linkmarketservices.co.nz/voting/SEK>.

Initial information including your CSN / Holder number and FIN (authorisation code) will be required to successfully validate your holding online before shareholding information and voting pages are displayed.

A Shareholder will be taken to have signed the Proxy Form by lodging it in accordance with the instructions on the website.

The appointment of a proxy or representative does not preclude a Shareholder from attending and voting at the Meeting.

## Independence of Directors

The Board has considered whether the directors seeking re-election (Martyn Brick, John Burke and Cecilia Tarrant) qualify as independent directors under the NZX Listing Rules (the "**Rules**"), and Seeka's Board Charter.

Under the Rules, the Board must determine and identify its independent directors having regard to the non-exhaustive factors described in recommendation 2.4 of the NZX Corporate Governance Code, see [www.nzx.com/regulation/nzx-rules-guidance/corporate-governance-code](http://www.nzx.com/regulation/nzx-rules-guidance/corporate-governance-code).

In addition, under Seeka's [Board Charter](#), a director is deemed to be non-independent if he or she:

- is, or is associated (directly or indirectly) with, a shareholder holding 5% or more of the shares on issue in the Company and is as a result likely to derive a substantial portion of his or her income from that relationship; or
- is an executive of the Company.

For the purposes of the Rules and Seeka's Board Charter, in the Board's view:

- if Martyn Brick is re-elected as a director, he will not qualify as an independent director;
- if John Burke is re-elected as a director, he will not qualify as an independent director;
- if Cecilia Tarrant is re-elected as a director, she will qualify as an independent director.

## By order of the Board

S T McKinstry  
Secretary  
13 March 2020

## CANDIDATE PROFILE



### **Martyn (Marty) Brick**

BAGCom

Non-executive Director

Appointed 23 April 2013

Martyn or "Marty" has an agribusiness background and started working in the New Zealand rural banking and finance industry after completing a Bachelor of Agricultural Commerce at Lincoln University.

He was appointed general manager of publicly-listed horticultural company Grocorp Pacific Limited where his primary function was to manage large-scale fruit supply to both Enza and the New Zealand Kiwifruit Marketing Board.

Marty then established Omega Pack and Cool Limited, a kiwifruit business that was subsequently sold to Te Awanui Huka Pak. He then became a director of Te Awanui Huka Pak and chairman of the Te Awanui Growers Council, positions he held until Huka Pak was sold to Seeka in 2009.

Since the amalgamation, Marty has been a member of Seeka Growers Council and actively seeks improvement in all aspects of producing kiwifruit to the offshore markets. He has in-depth experience in the kiwifruit industry and a passion for growing that spans 40 years.

## CANDIDATE PROFILE



### John Burke

BAGSc

Non-executive Director

Member Audit and Risk Committee

Appointed 24 April 2012

John is the former chief executive and director of Te Awanui Huka Pak Limited, a kiwifruit post harvest business. He has an agri-business background having worked for the Rural Bank and operated a rural valuation and consultancy practice.

John was directly involved in developing the kiwifruit industry supply structure and has an intimate knowledge of kiwifruit growing, processing and the supply chain, and while at Huka Pak established collaborative licences to directly export kiwifruit to Asia and North America. Huka Pak's kiwifruit business was sold to Seeka in 2009.

Previous roles include GM of Kiwifruit Vine Health and GM Apiary and Manuka Plantations for Comvita New Zealand Limited. John is currently a co-ordinator for Project Parore - an environmental restoration project across seven catchments in the Katikati region.

John is a director of Seeka Limited, a kiwifruit grower and a pastoral farmer.

## CANDIDATE PROFILE



### **Cecilia Tarrant**

BA/LLB Hons, LLM

Independent, non-executive Director

Member Remuneration Committee

Appointed 27 April 2017

Cecilia is a professional company director. She is a director of Payments NZ, chair of New Zealand Green Investment Finance Limited, a trustee of the University of Auckland Foundation and a member of the University of Auckland Council.

Cecilia is involved in both the beef and dairy industries through her family's ownership of a dry stock farm in the Waitomo area and partnership in a dairy farm in the Otorohanga district. Her family have lived in the Waitomo area for over 100 years.

Cecilia is interested in entrepreneurship and innovation. She is the chair of the ArcAngels Angel Investment Network and a member of ICE Angels. In addition to her governance roles, Cecilia is an executive-in-residence at the University of Auckland Business School where she leads a women's mentoring programme.

Cecilia previously worked in law and banking, first as a lawyer in Auckland and San Francisco and then as an investment banker in New York and London. She worked as a lawyer for the firm of Simpson Grierson in Auckland before going overseas. In banking, she worked first for Credit Suisse First Boston and then for Morgan Stanley. Her last position at Morgan Stanley was as a managing director in the Global Capital Markets Group in London.

## EXPLANATORY NOTE - DIRECTORS' REMUNERATION

New Zealand director fees are normally based on the key factors that define a business, including financial size, international reach, industry segment, ownership structure, organisational performance and Board performance.

Seeka directors are remunerated by fixed fees drawn from the annual pool of director fees as approved by shareholders. Each director's fee is then set according to expected time commitments and responsibilities as determined by the Board. Seeka directors receive no equity-based remuneration, and receive no performance or retirement benefits.

Seeka's director remuneration policy is to set the annual pool available for director fees at a mid-range point, relative to the market, rather than using the top-end range, with the Chairman using professional advice and market information to review director remuneration within a two-year period. Approval from shareholders to increase director remuneration was last sought April 2018 when the pool limit was set at \$450,000 per annum.

No pro-rata fee increase has been made between annual shareholder meetings for director appointments as permitted by the company's constitution.

Seeka engaged Strategic Pay Limited to review Seeka's director remuneration in January 2020. Strategic Pay is an independent remuneration consultancy that undertakes annual director fees surveys, and used the key metrics of market capitalisation, revenue, assets, and market sector (agribusiness), to benchmark Seeka within their database of listed public companies and more than 200 New Zealand private sector businesses.

To see Strategic Pay's full report visit [www.seeka.co.nz/investors](http://www.seeka.co.nz/investors).

The Board considered Strategic Pay's recommendations, and took into account Seeka's performance, growth in complexity, scale of operations, regulatory risks and obligations, and recommends that the pool available to pay director fees be increased by \$80,000 from \$450,000 per annum to \$530,000.

**If approved, the Board proposes to allocate the pool as detailed in the following table, effective from 1 January 2020.**

	Number	Current pool	2020 proposal	Increase
<b>Annual pool of director fees</b>		\$ 450,000	\$ 530,000	17.8%
<b>Individual allocations As determined by the Board</b>				
Chairman	1	\$ 100,000	\$ 125,000 <sup>1</sup>	25.0%
Chair Audit and Risk Committee	1	\$ 67,500	\$ 77,500	14.8%
Directors - Non Executive	5	\$ 56,500	\$ 62,500	10.6%
New Director - Succession Planning		-	\$ 15,000	
<b>Total allocation</b>	<b>7</b>	<b>\$ 450,000</b>	<b>\$ 530,000</b>	<b>17.8%</b>

As part of the Board's succession planning, the proposed pool has a \$15,000 provisional fee for the Board to appoint a new director prior to the 2021 annual shareholder meeting. If the Board makes an appointment, at the 2021 annual shareholder meeting the new director would stand for election, and if successful a sitting director would retire with the number of directors reverting to seven, as provided for under Seeka's constitution.

### Background information

**The following table summarises medium benchmarking data provided by Strategic Pay from their survey of director and chairman fees.**

Strategic Pay key metrics	Seeka FY19	Survey range	Survey sample	Director fees	Chairman fees
Market capitalisation	\$ 148m	\$ 75m - \$ 225m	14	\$ 70,000	\$ 125,000
Revenue	\$ 237m	\$ 190m - \$ 290m	13	\$ 80,000	\$ 145,000
Assets	\$ 368m	\$ 300m - \$ 500m	13	\$ 63,560	\$ 117,000
Industry	Agribusiness	N/A	8	\$ 50,000	\$ 102,500
Private sector companies		N/A	200	\$ 60,460	-
Seeka Board proposal April 2020				\$ 56,500	\$ 125,000

**The following table summarises the growth in Seeka's business over the two year period since director remuneration was last reviewed April 2018.**

Seeka key business metrics	FY17 \$'000s	FY19 \$'000s	Increase
Market capitalisation - 31 December	\$ 102,675	\$ 147,733	43.9%
Revenue	\$ 186,814	\$ 236,868	26.8%
Total assets <sup>2</sup>	\$ 249,598	\$ 368,246	47.5%

1. Consistent with Strategic Pay's advice that New Zealand chairman fees are typically twice the base director fee.

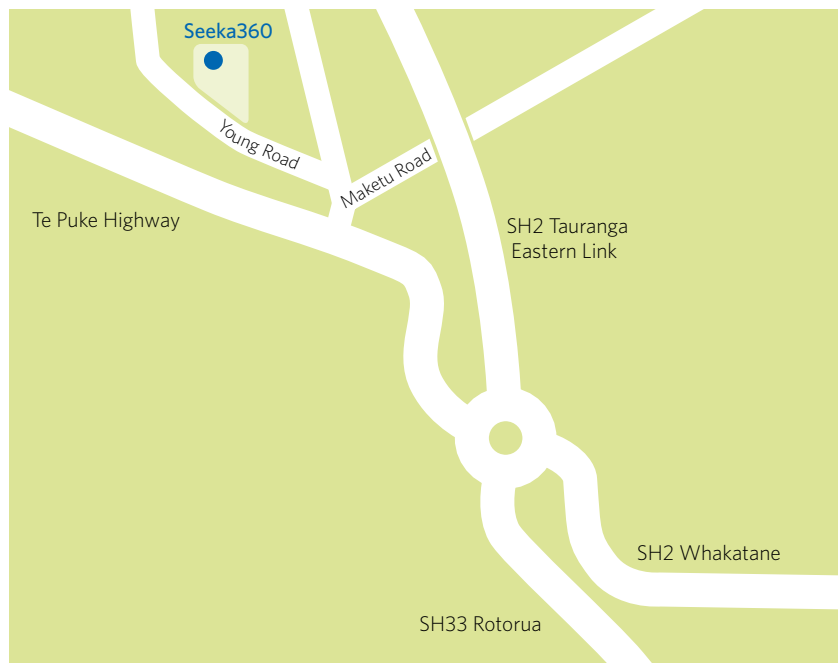
2. NZ IFRS16 Leases was implemented FY19, with the FY17 total assets value restated as if the standard had always applied. Excluding the right-of-use lease assets, total assets at 31 December 2019 would be \$323m, an increase of 45.6% on FY17 total assets of \$222m.

# LOCATION OF ANNUAL SHAREHOLDERS MEETING

## Seeka360

34 Young Road, Paengaroa 3186, New Zealand

Friday, 17 April 2020 commencing at 2.30pm



Please bring the enclosed Proxy Form to assist with your registration.



34 Young Road, RD 9, Te Puke 3189  
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