

MARKET GARDENERS LIMITED NOTICE OF ANNUAL MEETING



Notice is hereby given that the Annual Meeting (AGM) of the Shareholders of Market Gardeners Limited (Company or MG) will be held on Friday 24 November 2023 at the Museum of New Zealand Te Papa Tongarewa, 55 Cable Street, Wellington (and via Zoom) commencing at 10.30 am. The meeting will be followed by morning tea from approximately 11.30am until 12.00 pm.

The AGM will be a hybrid event, with shareholders able to attend in-person or online. To register your attendance, please visit www.mggroup.co.nz/about-mg/2023agm and complete the applicable registration form or contact Trudy Lewis (email: tlewis@mggroup.co.nz or ph: 03 343 0430).

1. **ANNUAL REPORT** - To **receive and consider** the Annual Report, including the financial statements of the Company and the auditors' report, for the year ended 30 June 2023.
2. **DISTRIBUTIONS** - To **announce** the following special bonus issue and final distributions for the year ended 30 June 2023:
 - 2.1 Special bonus issue – Prior to the distributions in 2.2-2.4 below, a fully imputed taxable special bonus issue will be paid out of retained earnings as follows:
 - 2.1.1 1 new "A" share for every 12 existing "A" shares;
 - 2.1.2 1 new "B" share for every 3 existing "B" shares; and
 - 2.1.3 1 new "C" share for every 1 existing "C" share.
 - 2.2 A fully imputed taxable final gross dividend of 3 cents per "A" share.
 - 2.3 A taxable rebate of \$250,000 to be applied by the Company in paying up in full "C" shares to be issued at \$1.00 each and in such manner as the Directors determine to those Current Producers that have supplied Produce on a consignment basis during the financial year ended 30 June 2023.
 - 2.4 A fully imputed taxable bonus issue of 3 "C" shares for every 1 "C" share issued under 2.3 above, declared from the Company's retained earnings.

The distributions shall be made only to those shareholders entered on the share register as at 30 June 2023 and who continue to hold at the date of the 2023 AGM the shares held as at 30 June 2023.

Notes

After the special bonus issue detailed in 2.1, all "C" shares issued in 2022 will be converted and reclassified into "B" shares, and all "B" shares issued in 2018 will be converted and reclassified into "A" shares, on a one for one basis.

3. **ELECTION OF DIRECTORS** - to **announce** the results of the election of Directors.

Notes

In accordance with the Company's constitution, Mark O'Connor and Robin Oakley retired by rotation at the 2023 Annual Meeting and offered themselves for re-election. At the date of this notice, there were no valid nominations of any person for election as a director. As a result, no ballot is required and Mark O'Connor and Robin Oakley will be declared elected as from the close of the Annual Meeting.

4. **ELECTION OF TRUSTEES** - to **announce** the results of the election of Trustees of the MG Charitable Trust.

Notes

In accordance with the Trust Deed, Trudi Webb and John Clarke retired by rotation at the 2023 Annual Trust Meeting and offered themselves for re-election. At the date of this notice, there were no valid nominations of any person for election as a trustee. As a result, no ballot is required and Trudi Webb and John Clarke will be declared elected as from the close of the MG AGM.

5. **DIRECTORS' REMUNERATION** - To **consider and vote** on an ordinary resolution that "The directors' fees payable to all directors taken together as a pool be increased from \$695,250 to \$716,107 per annum with effect from 1 January 2024 pursuant to clause 27.1(a) of the Company's constitution".

Notes

In accordance with best practice, from time to time, the Board commissions an independent review of directors' fees. In 2021 MG engaged Strategic Pay Limited, an independent specialist, to report on directors' fees and provide a recommendation on the amount that should be paid.

The 2021 Strategic Pay report recommended a range of fees to be paid to directors and the various roles undertaken (such as chair, deputy chair, committee chair, and committee member).

After consideration of the 2021 Strategic Pay report, shareholders resolved at the 2021 AGM to increase the directors' fees pool to \$695,250 which includes all fees and daily allowances in relation to the Board, Audit Committee and the Remuneration & Nomination Committee. Full details of the amounts paid to each director in each year are disclosed in the relevant financial years annual report (statutory information section).

Whilst a full benchmark review is not proposed until 2024, formal feedback on movement over the last three years has been sought from Strategic Pay this year and after consideration of that advice, the Board is seeking to increase the current fees pool by 3% to \$716,107 as an inflationary adjustment. This pool includes all fees and daily allowances in relation to the Board, Audit Committee and the Remuneration & Nomination Committee. Other duties outside that of a normal director's duties will still be remunerated by special fees in accordance with the constitution.

The board seeks shareholder support for the new fee pool in order to maintain market relativity and to be able to continue to attract skilled people to provide governance and direction for the Company.

6. **AUDITORS** - To **note** the automatic reappointment of the auditors, KPMG, pursuant to section 207T of the Companies Act 1993 and to **authorise** the Directors to fix the auditors' remuneration for the ensuing year.
7. **OTHER BUSINESS** - To transact such other business as may be properly brought before the 2023 meeting in accordance with the Company's Constitution.

By Order of the Board



Duncan Pryor
Company Secretary
26 October 2023

Minutes of previous annual meeting of shareholders. Copies of the minutes of the 2022 Annual Meeting are available upon request from the Company Secretary (Duncan Pryor) by email to cosec@mggroup.co.nz or by phone on (03) 3430 430. Copies will be available at the meeting.

RSVP REGISTRATION FOR AGM

As a shareholder of MG, you would have already received an invitation to the 100 Year Celebration Dinner earlier in the year.

Please note that the Celebration Dinner is a separate event from the AGM. Accordingly, if you wish to attend the AGM, please ensure **you register to attend the AGM**.

There will be morning tea served following the conclusion of the AGM from approximately 11.30am to 12.00pm.

RSVP registration is appreciated for catering purposes. If you wish to attend the AGM in person, please complete the online form at www.mggroup.co.nz/agmrsvp or contact Trudy Lewis (phone: 03 343 0430 or email: tlewis@mggroup.co.nz) by 9 November 2023.

FULL ANNUAL REPORT

MG's full annual report is available on its website. If you would like to receive a printed copy this year, and in future years, please contact the Company Secretary (Duncan Pryor) by email to cosec@mggroup.co.nz or by phone on (03) 3430 430.