



Welcome to the
PGG Wrightson Limited

Annual Shareholders Meeting – 2017

Christchurch, Canterbury



Helping grow the country

Agenda

> Introductions and apologies

Opening formalities

Business of the Meeting

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of Guanglin (Alan) Lai as Chairman– *Resolution 1*

Item III Consider the re-election of Bruce Irvine as a Director – *Resolution 2*

Item IV Consider the election of Joo Hai Lee as a Director – *Resolution 3*

Item V Note the reappointment of KPMG as auditor and authorise the Directors to fix the auditor's remuneration – *Resolution 4*

Item VI General business

Board of Directors



Guanglin (Alan) Lai
Chairman



Trevor Burt
Deputy Chairman



Bruce Irvine
Independent Director



John Nichol
Independent Director



Lim Siang (Ronald) Seah
Independent Director



Kean Seng U

On stage today



Alan Lai

Chairman



Trevor Burt

Deputy Chairman



Mark Dewdney

Chief Executive Officer



Peter Scott

Chief Financial Officer



Julian Daly

GM Strategy and Corporate Affairs

Executive team members in attendance



Cedric Bayly

GM Wool (retired)



Grant Edwards

GM Wool



Stephen Guerin

GGM Retail and Water



John McKenzie

GGM Seed and Grain



Peter Newbold

GM Real Estate



Rachel Shearer

GM Human Resources



Peter Moore

GM Livestock

Agenda

Introductions and apologies

> Opening formalities

- Notice of meeting
- Minutes
- Proxies
- Annual Report 2017

Business of the Meeting

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Item II Consider the re-election of Guanglin (Alan) Lai as Chairman – *Resolution 1*

Item III Consider the re-election of Bruce Irvine as a Director – *Resolution 2*

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Item VI General Business

Operating EBITDA Reconciliation

(\$ millions)	June 2017	June 2016
Net profit after tax (GAAP)	46.3	43.8
<i>DEDUCT</i> Profit (loss) from discontinued operations, net of income taxes	(0.0)	0.2
<i>ADD</i> Income tax expense	10.4	10.5
<i>ADD</i> Net interest and finance costs	6.2	10.5
EBIT	62.9	64.9
<i>ADD</i> Depreciation and amortisation expense	10.7	9.2
<i>ADD</i> Fair value adjustments expense	0.4	0.2
<i>DEDUCT</i> Non-operating items income	(9.5)	(4.2)
Operating EBITDA	64.5	70.2

Agenda

Introductions and apologies

Opening formalities

Business of the Meeting

- > **Item I** **Chairman's address**
Chief Executive Officer's address
 - **The year in review**
 - **Update on our strategy**
 - **Outlook for this year**
 - **CEO appointment and strategic review**
 - **Questions and discussion**
- Item II Consider the re-election of Guanglin (Alan) Lai as Chairman – Resolution 1
- Item III Consider the re-election of Bruce Irvine as Director – Resolution 2
- Item IV Consider the election of Joo Hai Lee as Director – Resolution 3
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- Item VI General Business

Chairman's Address
Alan Lai



Helping grow the country

Financial Performance

HIGHLIGHTS

Operating
EBITDA of

\$64.5 m

Net Profit after tax
increased to

\$46.3 m

Earnings per share (EPS)
increased to

6.1 ¢

per share

Helping grow the country



Fully imputed
dividends of
3.75 ¢
per share for the year

Helping grow the country

A portrait of Mark Dewdney, a middle-aged man with short grey hair, wearing a dark blue jacket with the PGG Wrightson logo and a blue and white checkered shirt. The background is a blurred outdoor setting with trees.

The year in review
Mark Dewdney

Helping grow the country

Financial Performance

HIGHLIGHTS

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per share

Helping grow the country

2017 SNAPSHOT

South America Seed and Grain bounced back from the effects of severe flooding in April 2016 to deliver an increase on last year's Operating EBITDA.

PGW's Operating Revenue for the financial year was

NZ\$1.133 billion.

Go-Beef and Go-Lamb

products continue to grow strongly. During the year 187,964 lambs and 33,983 cattle entered the scheme.

In January 2017 the Real Estate team sold a kiwifruit property in the Bay of Plenty for \$40 million.



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2017 SNAPSHOT

Since 2015 we have realised

\$43 million

in cash from our property
divestment programme
(net book value of \$29 million).

**Retail
extends**

its market share
and makes
profitability gains.

Livestock delivers a

**record Operating
EBITDA**

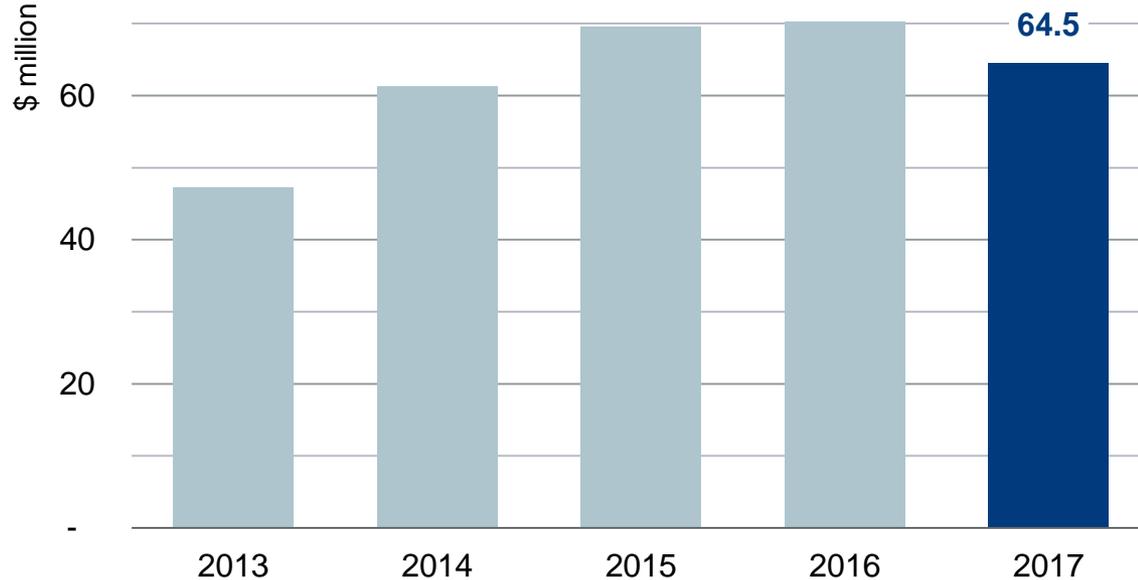
on the back of strong international
demand for New Zealand beef and lamb.



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Group Operating EBITDA

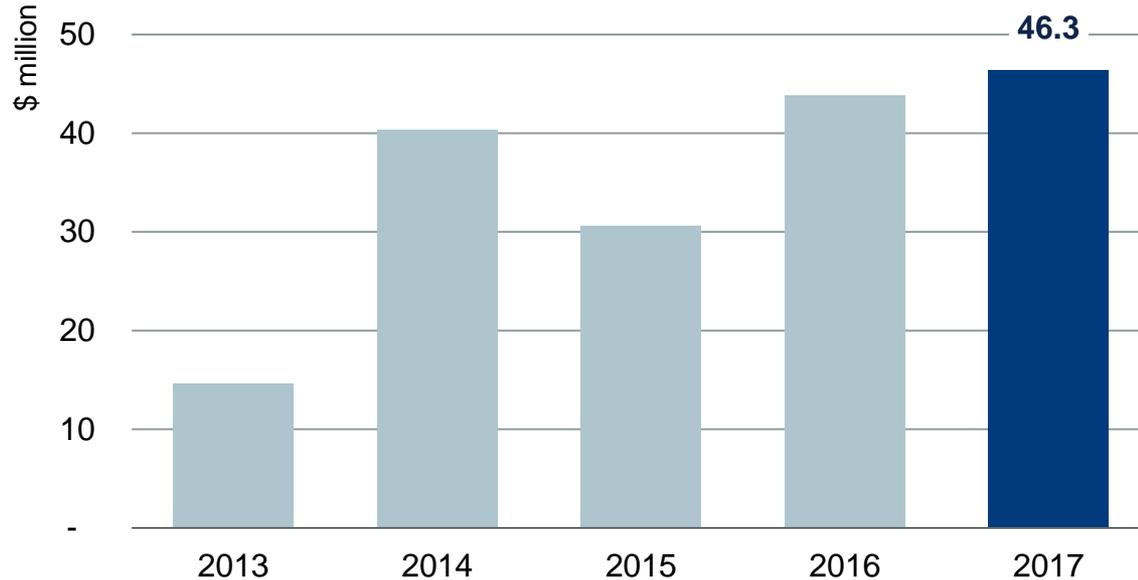
(June year end)



- Operating EBITDA of \$64.5 million achieved during the toughest trading conditions since 2013.
- Since 2013 PGW has grown Operating EBITDA by 36 percent (8% CAGR).

Group Net Profit After Tax

(June year end)

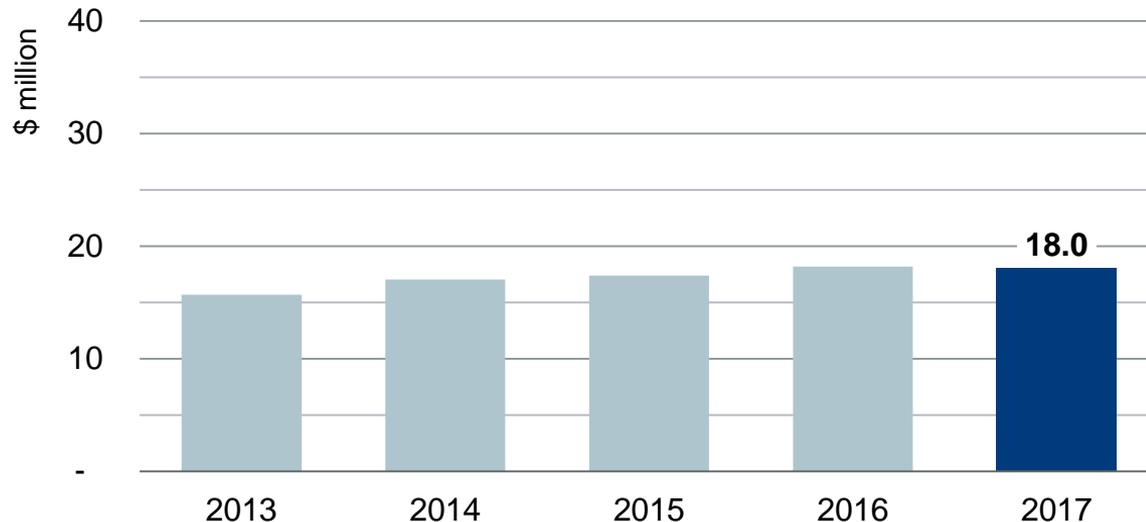


- Net profit after tax increased to \$46.3 million
- The 2016 and 2017 financial years benefited from non-operating items including gains on sale of property assets.

* Excluding goodwill impairment, refer to 2013 Financial Statements

Agency Operating EBITDA

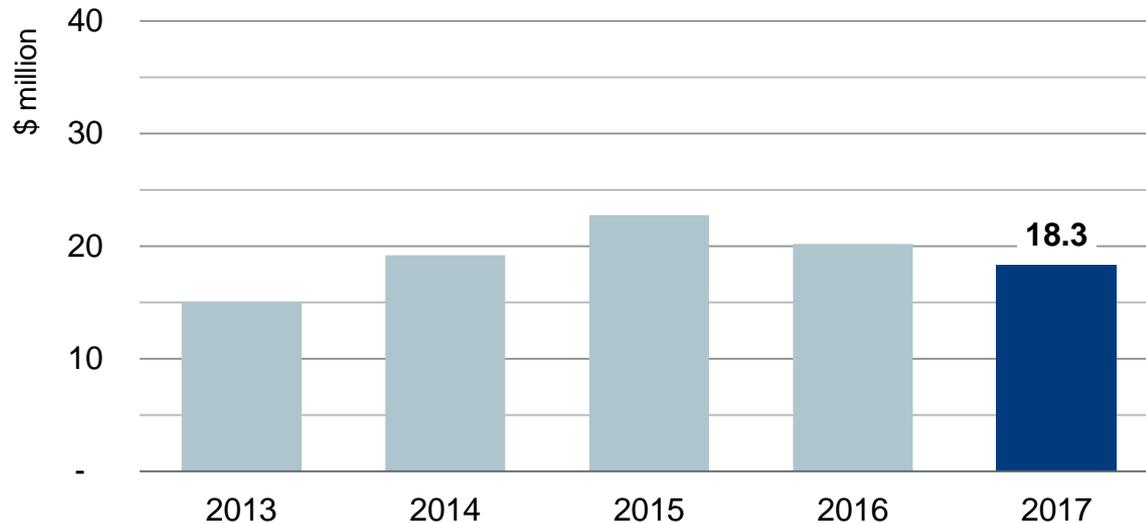
(June year end)



- Livestock business had record result.
- Buoyant market for beef cattle continues.
- Ewes and lamb had strong finish to the year.
- Dairy herd activity picks up.
- Wool business impacted by falling prices.
- Steady contributions from Real Estate and Insurance.

Retail and Water Operating EBITDA

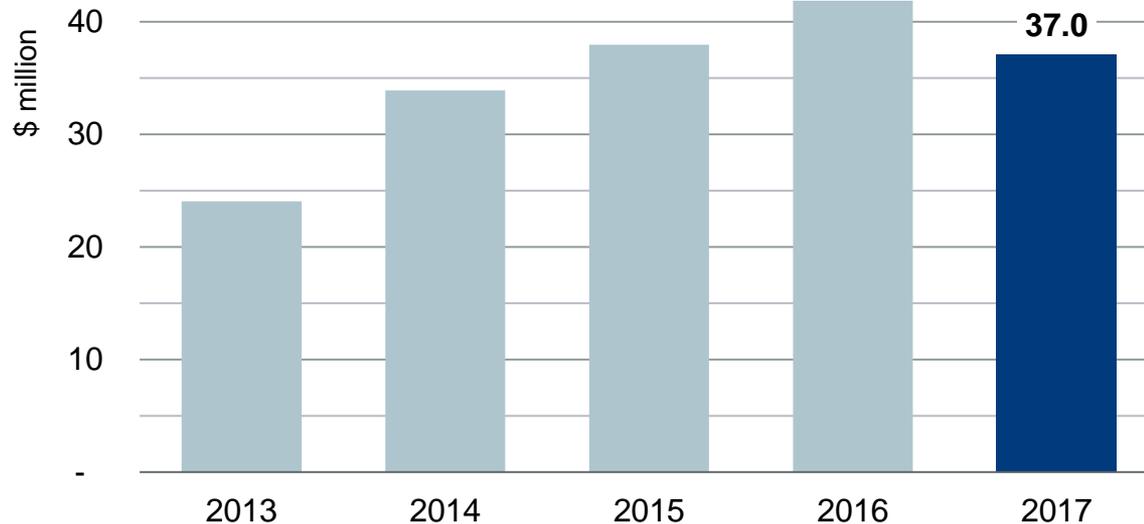
(June year end)



- Retail continues to grow earnings.
- Rural Supplies, Fruited Supplies (horticulture) and Agritrade all increased their contributions.
- Water business impacted by reduced demand for pivot irrigation installations due to low dairy confidence at the start of the year.

Seed and Grain Operating EBITDA

(June year end)



- New Zealand earnings impacted by extremely wet April that reduced the grain harvest and made paddocks difficult to regrass.
- South America increased earnings significantly.
- Australia impacted by a mild summer and falling confidence in dairy in Victoria.



Our people

Helping grow the country

Update on our
STRATEGY

Improve

Grow

Game-changers



Helping grow the country

Improve

Our highly-competitive, volatile sector demands continuous improvement to stay ahead.

- Organisation restructure
- Property divestment programme/Capital reallocation
- 'One-PGW'



Grow

With volatility comes opportunity – we need to stay nimble to invest in that opportunity.

- **Digital focus**



Game-changers

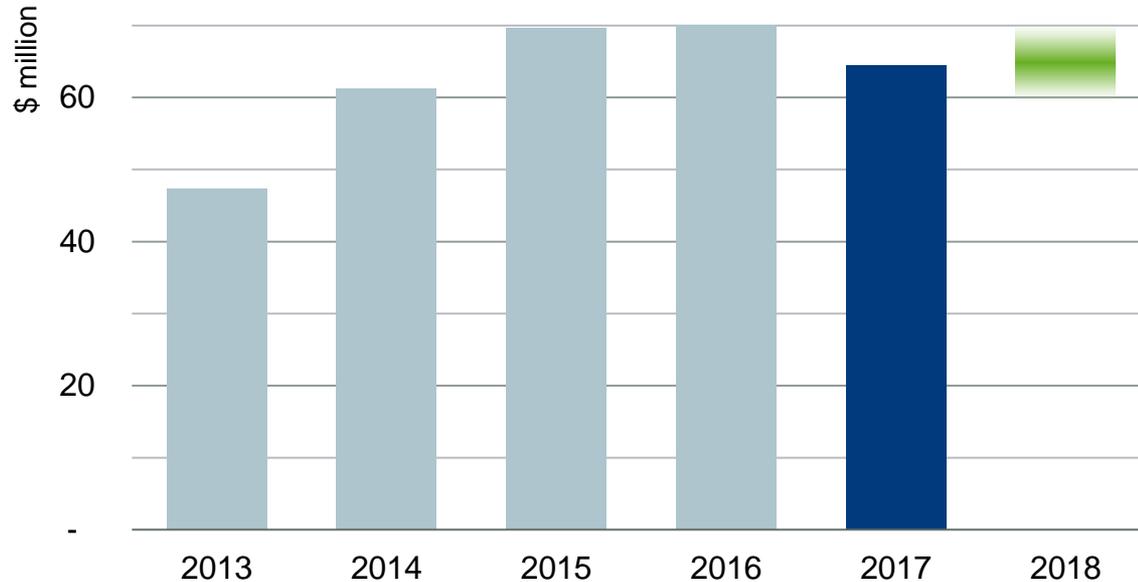
The world is changing – we must anticipate future customer needs and adapt our offering accordingly.

- Go Products
- Agri Optics



Group Operating EBITDA

(June year end, guidance range)



- FY18 Operating EBITDA broadly similar to last year.
- Without the benefit of gains on sale of property, NPAT should reduce to more normalised levels approximately 30% lower than last year.
- Commodity prices generally good for New Zealand.
- New Zealand ag sector production likely to be lower than previously thought.
- Wet New Zealand weather delaying spring season for PGW.
- Weather and commodity prices key drivers of results over the short term.

Agenda

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Opening formalities

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Item VI General business

Questions and discussions

Please wait for the microphone before addressing the room.

Agenda

Introductions and apologies

Opening formalities

> **Business of the Meeting - Resolutions**

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of Guanglin (Alan) Lai as Chairman – Resolution 1

Item III Consider the re-election of Bruce Irvine as a Director – Resolution 2

Item IV Consider the election of Joo Hai Lee as a Director – Resolution 3

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Item VI General business

Agenda

Introductions and apologies

Opening formalities

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Item VI General business

Resolution 1: **Guanglin (Alan) Lai** Chairman



Alan Lai is a current Director and Chair of PGG Wrightson Limited and joined the PGG Wrightson Board on 30 December 2009. He was appointed Chairman on 22 October 2013. Alan retires by rotation in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

Alan has served as the Chairman of Agria Corporation's Board of Directors since June 2007 and is a member of Agria's Remuneration Committee. Alan is the sole Director of Brothers Capital Limited, which is Agria's largest shareholder. Alan is the Chairman of the Board of Directors, Chairman of the Nomination Committee and a member of the Remuneration Committee of Softpower International Limited (previously China Pipe Group), a Hong Kong listed company. Softpower International Limited is a leading provider to the construction and infrastructure sector offering a wide range of pipe related product and services in Hong Kong and Macau. His wholly-owned investment vehicle, Singapore Zhongxin Investment Co Limited, is the largest controlling shareholder of Softpower International Limited. Alan holds a Masters degree in Finance from The Chinese University of Hong Kong, a Bachelor's degree in Accounting from Monash University, Melbourne and is a Fellow certified public accountant in Australia. Mr Lai is a Fellow of Monash University and also a member of the Global Advisory Council of the Faculty of Business and Economics at Monash University. Mr Lai is the Vice Chairman of Shenzhen General Chamber of Commerce in China and Vice Chairman of China Chamber of Commerce in New Zealand.

Alan Lai is an associated person of substantial security holder Agria (Singapore) Pte Limited. The Board has determined that he does not qualify as an Independent Director as defined by the NZSX Listing Rules.

The Company's Directors recommend shareholders vote in favour of Alan Lai's re-election

Agenda

Introductions and apologies

Opening formalities

> **Business of the Meeting**

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of David Chan

Item III Consider the re-election of Bruce Irvine as a Director – *Resolution 2*

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Item VI General business

Resolution 2: **Bruce Irvine** Independent Director



Bruce Irvine is a current Director of PGG Wrightson Limited and is a member and Chair of the Audit Committee. He was appointed to the PGG Wrightson Limited Board on 24 June 2009. Bruce retires by rotation in accordance with the Company's Constitution and being eligible, offers himself for re-election.

Bruce was Managing Partner at Deloitte Christchurch from 1995 to 2007 before his retirement in May 2008. He now acts as an independent director on various boards including: Director of Heartland Bank Limited and subsidiaries, House of Travel Holdings Limited, Godfrey Hirst NZ Limited and subsidiaries, Market Gardeners Limited and subsidiaries, Rakon Limited and subsidiaries, Scenic Hotels Limited and Skope Industries Limited.

The Board has determined that Bruce Irvine qualifies as an Independent Director as defined by the NZSX Listing Rules.

The Company's Directors recommend shareholders vote in favour of Bruce Irvine's re-election.

Agenda

Introductions and apologies

Opening formalities

> **Business of the Meeting**

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of Director – *Resolution 1*

Item III Consider the re-election of Bruce Young as a Director – *Resolution 2*

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Item VI General business

Resolution 3: **Joo Hai Lee** Nominee for Director



Joo Hai Lee was appointed as an Independent Director of Agria Corporation in November 2008. Mr Lee, aged 61, has more than 30 years experience in accounting and auditing. He was a partner of an international public accounting firm in Singapore until his retirement from the firm in 2012. He has serviced clients in the manufacturing, hospitality, insurance, insurance brokers and other service industries. His clients include large multinational corporations and listed entities.

His professional memberships include those of the Institute of Chartered Accountants in England and Wales, CPA (Australia), ACCA (UK), Institute of Directors of both Hong Kong and Singapore. Mr Lee also sits on the board of three listed companies in Singapore and one in Hong Kong.

Following the retirement of WK Tsang on 15 October 2017, Joo Hai has been nominated by, and is an associated person, of substantial security holder Agria (Singapore) Pte Limited. The Board has determined that he does not qualify as an Independent Director as defined by the NZX Listing Rules.

Agenda

Introductions and apologies

Opening formalities

> **Business of the Meeting**

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of Directors

Item III Consider the re-election of Bruce Irvine as a Director – Resolution 3

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Item V Note the reappointment of KPMG as auditor and authorise the Directors to fix the auditor's remuneration – Resolution 4

Item VI General business

Resolution 4: Auditor's remuneration

Noting the automatic reappointment of KPMG as the Company's auditor under section 207T of the Companies Act 1993, the proposed ordinary Resolution is to authorise the Directors to fix the auditor's remuneration for the following year for the purposes of section 207S of the Companies Act 1993.

The Company's Directors recommend shareholders vote in favour of this Resolution.

Agenda

Introductions and apologies

Opening formalities

> ***Business of the Meeting – Move resolutions***

Item I Addresses by the Chairman and the CEO

Item II Consider the re-election of Directors

Item III Consider the re-election of Bruce Irvine as a Director – Resolution 2

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Item VI General business

Agenda

Introductions and apologies

Opening formalities

> *Business of the Meeting – Move resolutions*

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Item VI General Business

A large flock of white sheep is gathered in a field. Two men are standing among the sheep, one in a purple shirt and one in a blue shirt. In the background, there are rolling hills and large, rugged mountains covered in snow under a blue sky with some clouds. The text "Thank You" is overlaid in large white letters across the top half of the image.

Thank You

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The logo graphic consists of two curved lines above the text. The top line is white and the bottom line is green, both curving from left to right.

PGG Wrightson

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