2016 Annual Meeting

Mission Estate Winery, Taradale, Hawkes Bay
10.30am, Tuesday 18 October 2016

Welcome

Slide 2 – AGENDA

Slide 3 – DIRECTORS INTRODUCTION

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Slide 5 – ALSO IN ATTENDANCE TODAY

Slide 6 – OPENING FORMALITIES

Notice of Meeting

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Annual Report

Slide 7 – Operating EBITDA Reconciliation

Please note that we use Operating EBITDA as a key measure of performance within the business. This is a non-GAAP financial accounting measure and I would refer you to our full accounts for details of how this relates to Net Profit measures.

Slide 8 – Business of the Meeting

We have now covered the opening formalities and will move to the general business of the meeting. We will begin by hearing from our Chairman, Alan Lai. Alan will then pass the floor back to me and I will:

- Give an overview of the financial year for PGG Wrightson;

- Cover the financial and operational highlights for individual businesses within the Group;
- Provide an update on our strategy for the business; and
- Summarise how our businesses are tracking in the current financial year and provide some guidance about our forecast expectations for the current full year to 30 June 2017.

There will then be an opportunity for questions and discussion before we move to the formal business and resolutions that will be put to the meeting.

Alan Lai

Slide 9 – CHAIRMAN'S ADDRESS

It is my pleasure to address you today and acknowledge the excellent results over the past year and the strides that have been made by PGG Wrightson on delivering our strategy. Much credit is due to the staff that have worked in the business, with our customers and suppliers over the year.

Slide 10 to 12 – Third consecutive year of Operating EBITDA growth

Despite tougher trading conditions, the Company achieved its third consecutive year of earnings growth, increasing Operating EBITDA to $70.2 million.

The Board and I are very pleased with the operational performance of the company which has led to an outstanding financial result given market conditions.

The progress PGW has made since 2013 is worthy of significant praise. In three years PGW has grown Operating EBITDA by around 50 percent. Our balance sheet remains strong and the investments we've made over the year will prove crucial as the company continues to deliver its 'One PGW' strategy. This, combined with an expected recovery in agricultural markets and commodity pricing will provide a strong platform for further growth of PGG Wrightson's business in the future.

In addition to an outstanding Operating EBITDA, PGW achieved a 21 percent increase in Net profit after tax on last year. Net cash flow from operating activities also increased 21 percent year-on-year.

The strong financial and operating performance and balance sheet strength gave the Board the confidence to pay a final dividend of 2 cents per share. This brought the total fully-imputed dividends paid for the year to a very healthy 3.75 cents per share. This is slightly reduced from 2015's dividends of 4.0 cents per share, and reflects the Board view that we need to remain cautious given the continued challenging market conditions being faced the agricultural markets in which PGW operates.

The Board and I continue to see opportunities for improvements and growth across all aspects of the company. The management team has been given a challenge to grow the business and they are delivering. At previous annual shareholders meetings I have noted that Mark has the most engaged team of people in the market and their commitment and passion for agriculture and PGW is taking the Company to new levels. Those observations remain true and PGW is continuing to see the benefit of having such a highly engaged team in the results that the company is producing.

The Board believes that PGW will further capitalise on its unique position in the agriculture sector in New Zealand and continue to grow the other markets in which it operates internationally.

Management has the full support of the Board and has made very pleasing progress on delivering the strategy. The Board is confident that the strategy which has been refreshed over the past six months is focussed on the right areas and achieves the right balance between operational execution, continuous improvement and growth. We have every confidence that business is on the right path for the future.

Finally, on behalf of the Board I would acknowledge the effort and commitment of our staff across PGG Wrightson's business in delivering this excellent result.

Mark Dewdney – Chief Executive

Slide 13 – THE YEAR IN REVIEW

Slide 14 to 17 – SNAPSHOT

Please let me reiterate some of those points. Achieving a Group Operating EBITDA of $70.2 million is very satisfying for a number of reasons.

Not only is this the first time the business has exceeded $70 million in earnings since 2010 but it was achieved in a trading environment that was tougher than recent years.

The increased Operating EBITDA across the Group contributed to a higher net profit after tax of $39.6 million. This is a 21 percent increase on the 2015 financial year.

I am very proud of these results. From a shareholders' perspective it should be heartening to note that they been achieved when overall farm gate revenues in New Zealand have been down and as a result spending has also been down.

Our closest benchmark company, Farmlands, recently reported a loss for the same period. I note that, not to draw attention to Farmlands, but to help illustrate how strong our result was.

Our business has achieved this outstanding result because our team of committed staff have helped our customers to improve the productivity of their farming operations. This is especially satisfying as that is our strategic focus and it is what we strive to achieve throughout PGW.

A result like this cannot be achieved without a highly engaged, passionate team – so I would like to join with our Chairman in acknowledging the commitment and contribution of all of our staff in achieving this outstanding result.

We are also showing the continued benefit of having a diverse exposure within agriculture, both here in New Zealand and across our other markets in South America and Australia. While our South American business has experienced a challenging period, the performance of our Australian business was strong and New Zealand's horticulture industry is particularly strong.

Financial performance is obviously a key measure of success. However, I'd also like to spend a few minutes talking about some of the many operational highlights we achieved over the year:

- Fruitfed Supplies followed up the record 2015 result with another record year. Revenue was up $12.9 million.
- Our Australian operations performed strongly, with Operating EBITDA up $2.7m.
- We commissioned a purpose-built logistics and warehousing facility for our Seed and Grain in Montevideo, Uruguay. The first stage opened back in May, with the remaining stage, which includes research and development facilities scheduled to open next month in November.
- 7.5 million head of livestock were transacted through our Livestock business.
- We continued our Retail store upgrade and replacement programme with the opening of a new purpose-built Retail store in Blenheim and a new site for Water in Rangiora. In addition we upgraded a number of stores to better service the needs of our customers.
- We redeveloped our Gisborne maize seed processing facility, providing for significantly greater processing capacity.

These achievements are just some of the reasons why we believe PGW is a stronger company today than it was a year ago.

We have continued to invest in our people, our infrastructure and our products. This has built a strong foundation that is focussed on delivering quality products, services and advice to our customers in order to build the deep and trusted relationships we have with them.

We've put a lot of effort into the culture of the organisation; our staff engagement performance index continues to be strong. Our store refurbishment program and frontline training programs have also helped contribute to market share gains. Our investment in research and development continues to improve the performance of our product range and intellectual property, generating productivity gains for our customers.

It is great to be able to stand before you today to say that this hard work is continuing to translate into increased financial returns for our shareholders.

Slide 18 – GROUP FINANCIAL RESULTS

As I mentioned earlier, perhaps the most pleasing aspect of the 2016 financial result is that we achieved these gains in trading conditions that were tougher than last year.

As you will see shortly, the key drivers of this year's result are the strong trading performances of our larger business units: Retail, Livestock, New Zealand Seed and Australian Seed.

The parts of our business most exposed to dairy and difficult weather conditions had the most challenges; the more cautious spending from our dairy clients is the main reason for the small reduction in group revenue this year.

You may also recall that this time last year there was much discussion on the developing El Niño weather pattern. In response to concerns about the potential for dry El Niño conditions farmers took steps during last spring to mitigate the effects of the predicted summer drought by destocking. Thankfully this drought did not materialise for most of the country, but nevertheless, this heightened drought-awareness added to the general caution that gripped much of the agriculture sector during the period.

These are the macro factors to keep in mind as we now look at each major business unit.

Slide 19 – RETAIL

Starting with the Retail group, which includes the Rural Supplies, Fruitfed and Agritrade, you can see that we continued our path of steady and significant improvement.

At the top line, revenues fell 3 percent as sales into the strong beef and horticultural sectors couldn't make up for the reduced dairy sector spend. However, the nature of dairy farming means that the dairy spend tends to be more skewed towards high dollar-value, but lower-margin commodity products, for example shed chemical and stock feed. As a result of this shift in our sales mix, margins increased over the year and Operating EBITDA increased by $1.8 million to $29.2 million. This is a 7 percent increase.

We've worked hard to win market share in the categories that matter most to the bottom line. I've talked in the past about the hard work we've put into developing our technical expertise, customer service skills and logistics systems and how this is delivering positive results. This work continues. What is really exciting is that we are now seeing the momentum that these improvements are generating. The positive culture we have fostered has seen teams working together better than ever to support our customers. As a result, ideas grow and flourish. The positive culture has seen our workforce respond better to change and show greater capacity to adapt to meet the needs of our dynamic and constantly changing markets.

As you might expect our Fruitfed business within Retail has had another great year. Horticulture is doing very well in New Zealand and our Fruitfed team is the clear market leader for inputs into this sector.

Slide 20 – SEED AND GRAIN

Our Seed and Grain business overcame an extremely tough environment both here and in South America in 2016 to grow earnings by 10 percent.

Operating EBITDA was up $4.1 million in 2016 to $44.6 million.

This is an outstanding result given the reduced dairy spend in New Zealand and the combination of low commodity prices and flooding in

Uruguay. The main contributor to this increase in Operating EBITDA was Australia, with New Zealand Seeds and New Zealand seed exports also beating last year's earnings.

South America finished 2016 a little over 1 million US dollars behind 2015's Operating EBITDA. You may recall at the half-year point South America was tracking $1.7 million US dollars behind so it is good that they have been able to make up some of that lost ground over the second half of the year, particularly given the severe flooding that occurred in April. Low commodity prices have also continued to provide a headwind for demand in Uruguay.

The uplift in New Zealand Seeds was predominantly in fodder beet. It was a difficult autumn selling season in New Zealand with the low dairy pay-out reducing discretionary spend particularly with respect to under sowing and the planting of multi-seasonal pastures. Grain prices were also down from last year on the back of reduced demand for supplementary feed from the dairy sector. On the other hand, our seed export business had a strong finish to the year driven by new product marketing campaigns in Chile, USA and South Africa.

A star performer in Seed and Grain this year was Australia. After several tough years in Australia during the 2012 to 2014 period it is fantastic to see that the efforts we've put into refocussing the operations are starting to pay off. Forage seed sales to the sheep and beef market segments performed strongly on the back of good commodity prices and favourable seasonal conditions. Depressed

Australian dairy prices late in the year had little impact on the main autumn selling season.

Slide 21 – LIVESTOCK

We now return to New Zealand and Rural Services, starting with Livestock.

Our Livestock business had another steady year in the face of tough trading conditions. A strong finish to the year meant that Livestock ended up just $200,000 short of last year's result. Operating EBITDA was $15.2 million.

The domestic auction and agency part of the business had a solid year. Dairy tallies and prices were down, as were sheep prices, but this was offset by the buoyant market for beef. We also made good progress growing our new dairy grazing business and our new Go range of livestock fattening products: Go-Lamb and Go-Beef. In aggregate, these parts of the livestock business grew earnings year-on-year.

These gains, however, were offset by the tough year had by our Live Export business. Reduced international demand for dairy heifers has made the trading environment extremely competitive, making it very difficult to get many deals away. This explains the $13.6 million drop in revenue for the Livestock business year on year.

Slide 22 – OTHER RURAL SERVICES

And finally to finish off our trading units, the combined Operating EBITDA of the Other Rural Services businesses decreased by $3.2 million, from $11.8 million to $8.6 million.

It should be no great surprise that this reduction in earnings was mainly in our Water business, which is the PGW business that has been most affected by the dairy downturn. Fewer dairy conversions means less demand for new pivot irrigators. 2016 was a tough year for the Water team, and whilst there is some sign of demand returning, it is still below the levels we achieved in recent years.

On a brighter note Wool had a solid year, with earnings in line with last year. Higher wool prices led to higher revenues from our wool exports, though this has little direct effect on Operating EBITDA.

Our Real Estate business has had a great year. We sold more property in the 2016 year than in any other since the Global Financial Crisis. While the dairy farm market is still slow, the lifestyle, residential and horticultural markets are strong and drove this year's great Real Estate result.

As a side note, going forward 'Other Rural Services' won't be a reporting segment. From this financial year Water joins Retail in the new Retail & Water group, and Wool, Real Estate, Insurance and Finance join Livestock in the new Agency group. I'll explain this more in a minute, but before I do that

Slide 23 – Update on our Group Strategy

I am sure you will agree that it was heartening to see PGW meet the challenges of a tough trading year and come out ahead of expectations and with superior results to that of our major competitors.

That concludes our wrap up of the 2016 year. I would now like to talk about what the future holds for PGW.

In 2014 we articulated to the market our PGW Group strategic plan. Our staff and broader stakeholders have responded positively to the strategic themes and initiatives outlined in that plan and we have made good progress in implementing many of the imperatives identified in the plan. While individual business units have continued to evolve their strategic thinking since 2014 the markets in which we operate have also experieced significant change.

In response to that context we have undertaken a major piece of work to re-examine the macro-drivers and economic forces that are at play in the markets in which we operate and have made effort to try and anticipate where these developments may take the business. Today, I'd like to update you on our thinking. Our three themes of 'improve', 'grow' and 'game changers' through which we look at our business remain. These themes resonate with our staff who understand this framework and consequently they remain as relevant today as they were in 2014. I'll briefly drill down a little more into each theme in turn.

Slide 24 – Improve

'Improve' is about taking what is great about PGW and making it even better.

'One-PGW' remains a central tenet of the 'improve' theme. 'One PGW' puts the customer at the heart of everything we do as an organisation, looking for opportunities to make it easier for customers to do business with us across multiple parts of PGW. It encourages our people to work together across the organisational structure to deliver the best experience for the customer.

Also within the 'improve' theme is our commitment to eliminate inefficiencies within our organisation. Agriculture has had two tough trading years, and the 2017 season is shaping up to be a challenging year also. As an organisation we need to continue to find ways to reduce our operating costs to meet these challenging times and to improve efficiencies in the way we deliver as a business.

With this in mind, one of the many things we'll be working on will be a realigned group structure. As I mentioned a moment ago, we've split the New Zealand-based reporting segment 'Rural Services' into two groups: Agency (which contains our agency businesses such as Livestock, Wool, Real Estate, Finance and Insurance) on the one hand and Retail & Water on the other. These two grouping join 'Seed & Grain' grouping to give us three broad trading groups under the PGW umbrella, plus a corporate and shared services cost centre. We believe that organising ourselves in this way will increase the quality of the

‘One PGW’ interactions within the organisation, and lead to efficiency gains across several back office functions.

Slide 25 – Grow

Our ‘grow’ theme is about identifying specific opportunities to expand our business and reallocating resources required to make it happen.

Over the last several years we’ve invested in dairy, water and South America. We are comfortable that these were the right things for PGW to invest in and we expect those investments will deliver good earnings growth in the future.

Looking ahead, our investment cycle in each of those areas has come to a natural pause – those areas now need time to integrate and bed-down their recent growth. Over the next few years you will see more resource devoted to growing our online business models. While most of our clients will still choose to transact with us in traditional ways, we believe now is the right time to invest in building our capability to deliver e-commerce and mobile commerce solutions. Demand for these market channels in agriculture is only going to grow.

We still believe each of our businesses has the ability to grow market share in a way that will increase earnings. We are focused on how we push into adjacent markets that align with our core strengths and values, either organically or through bolt on acquisitions.

Slide 26 – Game-changers

Our third theme is 'game changers'.

Advances in precision agriculture, sensing, monitoring, data analytics and digital commerce (to name a few key ones) are being introduced to agriculture at an increasing rate. The challenge for PGW is to ensure we have the foresight and capability to adapt our offering to stay market-leading.

We have some exciting projects on the go in this space and we are looking forward to launching these initiatives in the future. Right across the organisation, being successful within this theme requires building an internal culture that recognises the opportunities and actively explores them. I am pleased to report that we've taken positive strides in building this culture over the past few years.

Further details regarding our strategy are set out in our annual report and I encourage you to look at the summary on pages 28 and 29 of the report.

Slide 27– First quarter FY 2017

Now let's return to the current financial year.

The first quarter of any financial year is the quietest time of year for us. We are currently tracking according to plan, but it is still very early days for us in the annual cycle.

I last updated the market in early August at the time of our results announcement. The key development since then has been an improvement in dairy prices and pay-out forecasts. This has been welcome relief for the New Zealand dairy sector, who were facing their third season in a row of cash-flow losses. However, it is still too early to tell what this means for dairy farmers' spending intentions this season. Uncertainty on the pay-out level remains high, and I suspect that if a dairy farmer is planning on receiving a higher pay-out on their milk cheque this year then their first thought will be to reduce debt rather than spend more on inputs. In short, while the recent price rise is undoubtedly a positive, we don't think it's enough to translate into a materially higher spend from our dairy clients this year.

In red meat we are continuing to see weaker market prices than last year, though thankfully for beef these lower prices are still very good and well above the 5 year average. The current store cattle market remains very strong, but we not sure the current levels will hold through the year.

Significantly lower volumes of wool are being traded due to the recent collapse in international wool prices, and a large reduction in Chinese demand. There is very little demand for pivot irrigators from the diary sector, but again, it remains early days in the year for us.

Confidence in the horticulture and viticulture markets remains high.

Slide 28 –OUTLOOK FOR FINANCIAL YEAR 2017

In August when we announced that we would update our thoughts on guidance for the full-year results at this meeting. At the time we said that repeating the 2016 Operating EBITDA result in 2017 would be a stretch target given current market conditions.

While it remains early in the 2017 financial year, we have observed that the trading environment for agricultural inputs and services has become marginally tougher in New Zealand. Additionally, we note that the full effects of the flooding experienced earlier this year in South America still remains to be seen.

For these reasons we believe that 2017 will be a tougher trading environment than 2016. In spite of the relatively challenging market assessment for the year ahead we continue to have confidence in the way that the business is performing and consider that we remain well positioned to capitalise on opportunities that the market presents. While some sectors are facing lower commodity pricing and a more challenging environment other sectors such as horticulture and the beef market continue to be optimistic about their prospects.

To summarise therefore, we consider that exceeding the 2016 Operating EBITDA result would be a stellar result and would likely require a net positive shift in the market. At the current time therefore we forecast an Operating EBITDA range of $62 to $68m for the year to 30 June 2017. At a net profit after tax level it is expected that performance will be broadly in line with the 2016 financial year.

So that's the outlook for now. It is important to note that it is early in the year to be forecasting with the vast majority of the year's trading still ahead of us.

As always, we will keep the market informed as the season develops.

Slide 29 – QUESTIONS AND DISCUSSION

Ladies and Gentlemen, we will now take questions and discussion on the annual report, and on the matters covered by the Chairman and I.

Before moving to the remaining agenda items I'd like to take this opportunity on behalf of management to thank the PGW staff and customers for a great year.

Our Audit Committee Chairman, Bruce Irvine will chair this part of the meeting.

Bruce Irvine – Independent Director/Chair of Audit Committee

Slide 30 – RESOLUTIONS

The formal business of the meeting comprises of three resolutions, which are outlined in the Notice of Meeting. Similar to recent years we have again offered shareholders the option to cast their votes on meeting business by post or online. This option provides shareholders with more flexibility and convenience where they cannot attend in person or by proxy but nevertheless wish to cast their votes on meeting business.

Given that votes can be cast by shareholders not attending the meeting it makes sense that all resolutions will be determined by way of a poll. After the business of the meeting is concluded those in attendance that have not yet cast their votes prior to the meeting will have the opportunity to do so.

The proposed resolutions will now be considered by the meeting, with all three resolutions to be determined by a poll that will be undertaken by our share registrar, Computershare. The company's Auditors, KPMG are here to act as scrutineers, if required. The resolutions and accompanying explanatory notes are set out in the notice of meeting.

The first two resolutions relate to the election of Directors. Biographical notes for each Director are set out in the notice of meeting. These details are also summarised on the following PowerPoint slides.

Slide 31 – Trevor John Burt

Deputy Chairman

Trevor Burt is a current Director of PGG Wrightson Limited and joined the PGG Wrightson Board on 11 December 2012. He was appointed as Deputy Chairman on 11 August 2014. Trevor retires by rotation in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

Trevor has had extensive international experience in the industrial gas industry, joining BOC Gases New Zealand in 1986 and retiring from the

Executive Board of Linde AG in 2007. During his time with BOC, he served as Managing Director China, Managing Director North Asia and later president for North America. As an executive Board member for Linde AG his accountabilities included overall responsibility for Asia-Pacific operations.

In addition to chairing Ngai Tahu Holdings Corporation Limited and Lyttelton Port Company Limited, Trevor is also a director on a number of other well-known New Zealand businesses including Silver Fern Farms Limited, Landpower Holdings Limited and Mainpower New Zealand Limited.

He holds a Bachelor's degree in Science from Canterbury University, and has completed postgraduate studies in marketing and public relations.

Trevor Burt is an associated person of substantial security holder Ngai Tahu Capital Limited. The Board has determined that he does not qualify as an Independent Director as defined by the NZX Listing Rules.

The Company's Directors recommend shareholders vote in favour of Trevor Burt's re-election.

I'll now give Trevor John Burt the opportunity to say a few words in relation to his nomination for election.

Slide 32 – John Ernest Nichol

Independent Director

John Nichol is a current Director of PGG Wrightson Limited and is a member of the Audit Committee. He was appointed to the PGG Wrightson Board on 22 October 2013. John retires by rotation in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

John has been Managing Director of Optica Life Accessories Limited for the past 13 years. Prior to that he held a number of executive roles within the banking and finance sector and for 10 years was Managing Director of the investment company, Broadway Industries Limited.

John is a Director of Watson & Son Limited and he has been a director of a number of businesses within the primary sector including Fortex Group Limited, The New Zealand Salmon Company Limited, Alpine Dairy Products Limited, Craigpine Timber Limited, the New Zealand Dairy Board and The New Zealand Merino Company Limited. He has also been a director of a number of significant other New Zealand businesses including New Zealand Post Limited and State Insurance Limited.

The Board has determined that John Nichol qualifies as an Independent Director as defined by the NZX Listing Rules.

The Company's Directors recommend shareholders vote in favour of John Nichol's re-election.

I'll now give John Nichol the opportunity to say a few words in relation to his nomination for election.

Slide 33 – Resolution 3, Auditors' Remuneration

I note the automatic reappointment of KPMG as the company's Auditors under section 200 of the Companies Act 1993.

The proposed ordinary resolution is to authorise the Board of Directors of PGG Wrightson to set the Auditors' remuneration. As is usual with audit fees, due to the complexity and changing nature of the company's affairs, it is impractical to set the remuneration at the beginning of the year. Accordingly, the Board of Directors are seeking authority from the shareholders of the company to set the audit fees at the appropriate time.

Slide 34 – Resolutions

I will now move each of the three motions separately as ordinary resolutions. A poll will be conducted in respect of all three resolutions at the conclusion of general business. For those that have not cast postal votes already please complete your ballot paper at the conclusion of general business and hand this in to the Computershare desk at the back of the room. The results of the poll will be displayed on the projector screen following the conclusion of the meeting and announced on NZX.

Slide 35 – GENERAL BUSINESS

Ladies and gentlemen, the meeting is now open for general business. Are there any further matters for discussion or questions?

Closing

That completes the business of the meeting. The documents from today's presentation are on the PGG Wrightson website.