

Notice of Annual Meeting

Notice is hereby given that the 32nd Annual Shareholders' Meeting of South Port New Zealand Limited (NZBN 9429039452528) will be held online at www.virtualmeeting.co.nz/SPN20 and in person in the South Port Board Room, Administration Building, Island Harbour, Bluff on Thursday, 29 October 2020 commencing at 11:00 am (NZST).

PORT SECURITY

Please note for those attending the meeting in person, not only will a Driver's Licence ID be required to be presented at the security gate to gain access onto the South Port Island Harbour, but advance notice of the name/s of people wishing to attend is to be relayed by contacting Nicole Hodson either by phone (03)212 6009 or email nhodson@southport.co.nz. This is a mandatory requirement under the Maritime Security Regulations.

COVID-19 IMPLICATIONS

The Company is closely monitoring the situation in New Zealand with regard to Covid-19. In the event of any significant developments, the Company may, in its sole discretion, elect to hold the Annual Shareholders' Meeting as an online only meeting if it considers there are potential risks to the health of meeting attendees or if an in-person meeting is prohibited by law. In such circumstances, the Company will provide shareholders with as much notice as is reasonably practicable by way of an announcement on the NZX and on the Company's website at www.southport.co.nz/about-us-and-our-people/investors-centre/media-releases

IMPORTANT DATES

27 OCTOBER 2020

5:00PM, TUESDAY (NZST)

Record date for voting entitlements for the Annual Shareholders' Meeting

27 OCTOBER 2020

11:00AM, TUESDAY (NZST)

Latest time for receipt of postal votes and proxies

29 OCTOBER 2020

11:00AM, THURSDAY (NZST)

Annual Shareholders' Meeting

BUSINESS

A. CHAIR'S ADDRESS

B. CHIEF EXECUTIVE'S REVIEW

C. FINANCIAL STATEMENTS

To receive and consider the Directors' Report, the Financial Statements and the Auditor's Report for the year ended 30 June 2020 as contained in the Company's 2020 Annual Report.

D. RESOLUTIONS

To consider and, if thought appropriate, pass the following ordinary resolutions.

RE-ELECTION OF DIRECTORS

1. That Mr Rex Chapman be re-elected as a Director of the Company.
2. That Mr Jeremy McClean be re-elected as a Director of the Company.

(See Explanatory Note 1)

AUDITORS

3. That the Directors be authorised to fix the fees and expenses of Crowe as Agent for the Controller and Auditor General.

(See Explanatory Note 2)

DIRECTORS' REMUNERATION

4. To consider and if thought fit, resolve to increase the maximum aggregate sum available for payment to non-Executive Directors for each financial year commencing 1 July from \$278,100 to \$289,500 (4.1% increase), such sum to be divided between the non-Executive Directors as they determine.

(See Explanatory Note 3)

GENERAL BUSINESS

QUESTIONS FROM SHAREHOLDERS AT THE ANNUAL MEETING

The Company wants to provide comprehensive answers to any questions you may wish to ask at the Annual Shareholders' Meeting. Accordingly, we encourage you to send any questions you wish to raise to email address nhodson@southport.co.nz and we will then be in a better position to answer these in greater detail when they are raised at the meeting. However, not sending us questions in advance will not in any way preclude you from asking questions at the meeting.



By order of the Board

LARA STEVENS
Finance Manager

Dated at Bluff this 22nd day of September 2020

PROCEDURAL NOTES

PERSONS ENTITLED TO VOTE

The persons who will be entitled to vote on the resolutions at the Annual Shareholders' Meeting are those persons who will be the shareholders of the Company at 11:00am on Tuesday, 27 October 2020 (NZST).

CASTING A VOTE

The voting form enclosed with this notice allows you, or your proxy, to vote for or against, or abstain from, each of the resolutions. Votes may be cast in any one of the following ways:

MEETING ATTENDANCE

Attending in person:

Shareholders present at the Annual Shareholders' Meeting in person may cast their votes at the meeting. Download the "LinkVote" App available at the App Store or Google Play Store to vote at the meeting using your Apple or Android phone. Further detailed instructions will be provided on the day of the meeting. Alternatively, if you prefer to vote using a paper card, this option will be available.

Attending online:

To attend the meeting online please go to www.virtualmeeting.co.nz/SPN20. Shareholders attending online will be able to vote and ask questions during the Annual Shareholders' Meeting. More information regarding virtual attendance at the Annual Meeting (including how to vote and ask questions virtually during the meeting) is available in the Virtual Annual Meeting Online Portal Guide available at www.bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf.

Online and postal voting prior to the meeting

Shareholders may directly cast a vote prior to the meeting online at vote.linkmarketservices.com/SPN/ or by post by completing and lodging the enclosed voting form with the share registrar, Link Market Services Limited at PO Box 91976, Auckland 1142, New Zealand, in accordance with the instructions set out on the form.

In either case, the vote must reach Link Market Services Limited not later than 48 hours before the time of the holding of the meeting (i.e. before 11:00am, Tuesday, 27 October 2020 (NZST)). The Board has authorised Link Market services to receive and count postal votes.

Proxy

Shareholders may appoint a proxy to attend the Annual Shareholders' Meeting and vote in their place.

A body corporate which is a shareholder may appoint a representative to attend on its behalf in the same manner as that in which it could appoint a proxy.



A proxy need not be a shareholder of the Company. A shareholder who wishes to do so may appoint the Chair of the Meeting to act as proxy.

A proxy will vote as directed in the Proxy Form or, if voting is left to the proxy's discretion, then the proxy will decide how to vote on the resolutions (subject to the comments under "Voting Restrictions" below). If the Chair is appointed as proxy and the voting is left to his discretion, the Chair intends to vote in favour of each of Resolutions (2) and (3). The Chair will not be able to vote on any discretionary proxies in respect of Resolution (4).

To appoint a proxy, go online to www.investorcentre.linkmarketservices.co.nz/voting/SPN or complete and lodge the enclosed voting form with the share registrar, Link Market Services Limited, in accordance with the instructions set out on the form. In either case the proxy must be received not later than 48 hours before the time of the holding of the meeting (i.e. before 11:00am on Tuesday, 27 October 2020 (NZST)).

VOTING RESTRICTIONS

The Company will disregard any votes cast in favour of Resolution (4) by any Director of the Company and any of his or her associated persons (in each case the term "associated persons" is as defined in the NZX Listing Rules).

The Company need not disregard a vote cast in favour of Resolution (4) if it is cast by Rex Chapman as proxy for a person who is entitled to vote, in accordance with an express direction on the proxy form.

RESOLUTIONS

All the Resolutions contained in this Notice of Meeting must be passed by an ordinary resolution of shareholders, i.e. by a simple majority of the votes of those shareholders entitled to vote and voting on the resolutions in person or by proxy.

EXPLANATORY NOTES

EXPLANATORY NOTE 1

RE-ELECTION OF DIRECTORS

Under NZX Listing Rule 2.7, a Director must not hold office (without re-election) past the third annual meeting following the Director's appointment or three years, whichever is the longer.

Mr R Chapman and Mr J McClean are the Directors retiring in 2020. Being eligible, both Mr Chapman and Mr McClean offer themselves for re-election.

Both Mr Chapman and Mr McClean stand for re-election and do so with the support of the Board, having considered the tenure, contribution to the Board, attendance, experience, other commitments and positions, and performance generally.

DIRECTOR PROFILES



REX CHAPMAN LLB, CMinstD

Mr Chapman is a Senior Partner in Southland/Queenstown Law Firm Cruickshank Pryde based in Invercargill. He has been in legal practice in Invercargill for 39 years. Mr Chapman's practice covers a wide range of legal services including commercial and company law, litigation, dispute resolution and resource management. He is also a member of the Southland Aquaculture Working Group established to promote and support the development of sustainable aquaculture in Southland.



JEREMY McCLEAN BCom, CA, MInstD

Mr McClean is a Chartered Accountant with nearly 40 years of public practice in the southern region. He is a Principal in Invercargill accounting firm Malloch McClean, holds a Public Practice Certificate with Chartered Accountants Australia New Zealand and is a Justice of the Peace. Mr McClean provides strategic, succession, tax advisory and governance services to a significant portfolio of local agri and commercial businesses. He also enjoys mentoring young business leaders to grow smarter better businesses that balance the needs of work, family and the community.

EXPLANATORY NOTES CONT.

EXPLANATORY NOTE 2 AUDITOR'S REMUNERATION

The Office of the Controller and Auditor General continues in office in accordance with Section 19 of the Port Companies Act 1988 and Section 207S of the Companies Act 1993.

EXPLANATORY NOTE 3 DIRECTORS' REMUNERATION

Current Director Fees

Fees paid to the Company's non-executive Directors for the year ended 30 June 2020 totalled NZ\$278,100. A break-down of the fees paid to Directors for Board and Committee membership is set out below:

Remuneration of Directors

Directors' remuneration for the 12 month period ended 30 June 2020 was as follows:

R Chapman	\$72,100
R Christie	\$13,733
P Cory-Wright	\$41,200
N Greer	\$27,467
T Foggo	\$41,200
C Kearney	\$41,200
J McClean	\$41,200

No other benefits have been provided by the Company to a Director or in any other capacity. No loans have been made by the Company to a Director nor has the Company guaranteed any debts incurred by a Director.

Shareholders last approved an increase in total annual remuneration for the Company's non-executive Directors in October 2018.

Proposed increase to the Director Fee pool

When the fees were last reviewed, it was noted that a 2018 report from the Institute of Directors and Ernst & Young recorded that median directors' fees at that time were \$45,000. The median fees will have increased further since then. Based on this, it is apparent that our current director remuneration is at the very least about 10% below the median. It is important that the Company is able to continue to attract and retain quality directors and in order to do so, the Company must offer fair remuneration commensurate with the skills and experience required for the role. The Board seeks an adjustment to Director remuneration based on CPI movement only for the period since the last increase.

Additional to note

Pursuant to Listing Rule 2.11.3. In the event of an increase in the total number of Directors holding office, the Directors may without shareholder approval, increase the total remuneration by such an amount necessary to enable the Company to pay the additional Director/ Directors remuneration not exceeding the average amount being paid to each of the Company's other non-Executive Directors.



Island Harbour, PO Box 1, Bluff 9842, New Zealand

+64 3 212 8159

reception@southport.co.nz

South Port NZ

WWW.SOUTHPORT.CO.NZ