

NOTICE OF SPECIAL MEETING 2018

Notice is hereby given that the 2018 Special Meeting of Zespri Group Limited (“the Company”) will be held at ASB Arena, 81 Truman Lane, Mount Maunganui, New Zealand on Wednesday, 14 March 2018 commencing at 1pm. Registration will take place from 12pm (midday).

You are encouraged to carefully read this notice and the instructions on voting.

CASTING YOUR VOTE

You may cast your vote in one of three ways:

1

Attendance

If you wish you can attend the Special Meeting in person or remotely online via the free Lumi AGM app.

Voting

All voting will be by way of poll, with voting at the meeting conducted electronically. An electronic device will be provided.

2

Postal vote

If you wish to lodge a postal vote, you must complete the Voting and Proxy Form and return it to the share registrar by 1pm on Monday, 12 March 2018. If you are unable to attend the meeting, you are encouraged to lodge a postal vote. Please see the Voting and Proxy Form on how to return your postal vote.

3

Appoint a proxy to vote

Alternatively, you may appoint a proxy to attend the meeting and vote on your behalf. However, note that companies or other incorporated bodies **must** appoint a proxy. To do this you should complete the Voting and Proxy Form, including the proxy appointment, and return it to Computershare by 1pm on Monday, 12 March 2018. If you are appointing a proxy who is not the chairman or a director of Zespri, you must provide his/her contact phone number. Please see the Voting and Proxy Form on how to return your proxy appointment.

Please do not return your Voting and Proxy Form to Zespri. This must be received by Computershare.



ONLINE VOTING: Shareholders can lodge their postal vote or proxy appointment online at www.investorvote.co.nz

ATTENDING IN PERSON?



If you would like to attend the meeting in person and vote during the meeting using your own mobile device, download the Lumi AGM app at the Apple App Store or Google Play Store. Alternatively, you can login via your web browser by visiting web.lumiagm.com.

PREFER TO ATTEND REMOTELY?



We are introducing a hybrid meeting format where shareholders can participate in the Special Meeting by attending in person or remotely online via Lumi AGM. By using Lumi AGM, you will be able to watch the Special Meeting, vote and ask questions remotely from your smartphone, tablet or desktop device. Further information, including how to access the virtual meeting online can be found in the Virtual Special Meeting Guide at the back of this notice.

LOCATION

ASB Arena
81 Truman Lane
Mount Maunganui
New Zealand



IMPORTANT DATES 2018



5PM | 15 FEB

Record date for voting entitlements for the Special Meeting.

1PM | 12 MAR

Latest time for receipt of postal votes and proxy appointments by Computershare.

1PM | 14 MAR

Special Meeting.

BUSINESS TO BE CONDUCTED

1. Notice convening the meeting
2. Apologies
3. Proxies
4. Business:

Resolutions: To consider and, if thought fit, pass the following special resolutions:

1. **Shareholder vote (current voting cap) to change constitution based on the outcomes of Resolutions 3-6.** See page 6.
2. **Shareholder vote (regulatory) to change constitution based on the outcomes of Resolutions 3-6.** See page 6.
3. **Producer interest group vote to approve share cap and voting cap.** See page 7.
4. **Non-producer interest group vote to approve dividend cap for future non-producers.** See page 7.
5. **Producer vote to approve dividend cap for future non-producers.** See page 8.
6. **Non-producer interest group vote to approve dividend cap for current non-producers.** See page 8.
7. **Shareholder vote (current voting cap) to approve share issuances, buy-backs and distributions as a major transaction.** See page 9.

EXPLANATORY NOTES

The proposed changes to the Constitution are designed to implement the share cap, the amended voting cap, the dividend caps, and other consequential matters. More detailed explanatory notes for voting on the resolutions are set out later in this Notice of Meeting. The Constitution Booklet included with this Notice of Meeting pack is marked up as follows:

- a. The **share cap** and **voting cap** changes to the Constitution are shaded in **blue**, and implement the proposed condition requiring a producer's shareholding not to exceed four times production and the proposed alterations to the voting rights attached to a producer's shares;
- b. The **dividend cap** changes to the Constitution applicable to future non-producers are shaded in **yellow**, and implement the proposed alteration to the rights of future non-producers so that they cease to receive dividends after three years;
- c. The **dividend cap** changes to the Constitution applicable to current non-producer shareholders are shaded in **green**, and implement the proposed alteration to the rights of current non-producers so that they cease to receive dividends after seven years; and
- d. The uncoloured changes to the Constitution shown in brackets and underlined implement various other consequential and remedial matters.

ATTENDANCE

All registered shareholders of the Company are entitled to attend the meeting or to appoint a proxy or representative (in the case of a body corporate shareholder) to attend on their behalf.

VOTING

VOTING AT THE MEETING IN PERSON OR BY PROXY

Shareholders may vote at the Special Meeting in person or may appoint a proxy to attend and vote on their behalf. **If you are attending the meeting, please ensure you bring the enclosed Voting and Proxy Form with you. If your shares are held in the name of a company or other incorporated body and you wish to vote at the meeting, the corporate shareholder must appoint a representative by returning a Voting and Proxy Form to Computershare not later than 1pm on Monday, 12 March 2018.** This can be done electronically or by post/facsimile/email (see contact details over page). Further information regarding the appointment of proxies is set out later in this Notice of Meeting.

POSTAL AND ELECTRONIC VOTING

Shareholders may also vote ahead of the Special Meeting by casting a postal vote. This can be done online or by completing the Voting and Proxy Form and returning it to Computershare not later than 1pm on Monday, 12 March 2018. Further postal voting instructions are set out on the Voting and Proxy Form. You need to either vote on **all** relevant resolutions via postal voting or all relevant resolutions at the meeting. Postal votes can be revoked up until four hours ahead of the Special Meeting by advising Computershare. **Please note that if you wish to revoke your postal vote so that your proxy can instead attend the meeting and vote, you must return the Voting and Proxy Form with a proxy nominated no later than 1pm on Monday, 12 March 2018 to ensure that your proxy can attend the meeting and vote. This applies if your shares are held in the name of a company or other incorporated body or if you hold shares in your own name.**

The person authorised by the Board to receive and count postal votes at the Special Meeting is Computershare Investor Services Limited.

VOTING RIGHTS

Please note that, for Resolutions 1 and 7, the total number of votes you or your proxy/representative can cast may not be equal to the total number of your shares. Voting rights for Resolutions 1 and 7 are subject to the current voting cap as defined in Clause 20 of the Company's Constitution. The number of votes you may cast cannot exceed your proportional share of total production supplied to Zespri as calculated in accordance with the Constitution.

The actual number of votes you are eligible to cast for Resolutions 1 and 7 (your current voting cap) is printed on your Voting and Proxy Form and was calculated as at 15 February 2018. Your production cap has been calculated using the average of the best two years' production history of the past five seasons as at 31 March 2017, for each property you were registered as owning or leasing as at 15 February 2018 subject to any pre-existing direction received by the Company in respect of production attributed to producers other than the registered owner. If your voting cap is recorded as zero, then you do not have any voting rights for Resolutions 1 and 7.

For Resolutions 2, 3, 4, 5 and 6, those who are eligible to vote can cast one vote per share.

Vote splitting within one resolution is not permitted.

MINORITY BUY-OUT RIGHTS

Minority buy-out rights apply to Resolutions 2, 3, 4, 6 and 7.

If any of the Resolutions 2, 3, 4 and 6 pass, and the changes approved by the relevant resolution take effect (because all of the necessary resolutions pass), or if Resolution 7 passes, a shareholder who voted against the resolution may give notice to the Company requiring the Company to purchase the shareholder's shares.

In this case, the Board must then offer a price for the shares which the Board considers to be fair and reasonable.

The Board has not yet resolved what price it would offer in these circumstances. However, the Board is undertaking an assessment of the share value potential range, and for this purpose, is in the process of obtaining a valuation by Cameron Partners Limited. At this stage the Board can give a preliminary indication that the fair and reasonable price it may offer could fall within the range of \$8.00 and \$9.00 per share. In giving this indication, the Board emphasises that it is possible that it fixes a fair and reasonable price outside this range.

A fuller explanation of minority buy-out rights is set out later in this Notice of Meeting.

PROXIES

If you are NOT attending the meeting, and wish to appoint a proxy or representative to attend in your place or if your shares are held in the name of a corporate entity and you wish to appoint a representative to attend, you can do so online at www.investorvote.co.nz or by completing the enclosed Voting and Proxy Form which must be received not later than 1pm on Monday, 12 March 2018, at the following address:

Zespri Group Limited
C/- Computershare Investor Services Limited,
Level 2, 159 Hurstmere Road, Takapuna,
Private Bag 92119,
Auckland 1142
or by fax to: 09 488 8787
or by email to:
corporateactions@computershare.co.nz

The Chairman of the meeting, Mr Peter James McBride of Tauranga, is willing to act as proxy for any shareholder who may wish to appoint him for that purpose.

IMPORTANT NOTE REGARDING SHARES HELD BY CORPORATE SHAREHOLDERS: If your shares are held in the name of a company or other incorporated body and you wish to vote at the meeting, the corporate shareholder must appoint a representative by returning a Voting and Proxy Form signed by a director or authorised signatory to Computershare not later than 1pm on Monday, 12 March 2018. This can be done online or via post/facsimile/email.

If you intend to vote at the Special Meeting, leave the voting portion of the Voting and Proxy Form blank and ensure that it is signed on behalf of the body corporate by a director or authorised person. **Votes cast at the Special Meeting on behalf of a corporate shareholder that has not appointed a representative will not be counted.**

Corporate shareholders that wish to vote in advance of the meeting can submit a postal vote either electronically or by returning the completed and signed Voting and Proxy Form to Computershare not later than 1pm on Monday, 12 March 2018.

Joint shareholders

If shares are held jointly, then the joint shareholder who is named first in the share register shall be entitled to vote and will receive the Voting and Proxy Form. If such joint shareholder does not attend the Special Meeting, then the joint shareholder who brings the Voting and Proxy Form to the meeting will be entitled to vote on behalf of all joint shareholders. If no joint shareholder is going to attend the meeting, the joint shareholders may appoint a proxy. In such case, any one of the joint shareholders may sign the enclosed Voting and Proxy Form to appoint the proxy or appoint a proxy online.

Power of Attorney

If the Voting and Proxy Form has been signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must be sent with the Voting and Proxy Form by the required date.

Please do not send or deliver Voting and Proxy Forms to the Zespri offices or personnel.

Queries

If you have any queries regarding any aspect of the Notice of Meeting please contact the Zespri Grower Support Services Team on 0800 155 355 or by email to: shares@zespri.com.

If your query relates to the completion of Voting and Proxy Forms or online voting, please contact Computershare by calling +64 9 488 8777.

RESOLUTIONS AND EXPLANATORY NOTES

INTRODUCTION

Resolutions 1 to 6 enable three potential sets of Constitutional changes to be made, as highlighted in the enclosed Constitution Booklet. The first is the full set of changes, being:

- a. Introducing the shareholding cap and changes to the voting cap (changes shaded **blue**, affecting producers);
- b. Introducing the dividend cap for future and current non-producers (changes shaded **yellow** affecting future non-producers; changes shaded **green** affecting current non-producers); and
- c. Other general changes applicable to all shareholders (marked by underlining and brackets).

The Board recommends that this full set of changes be approved by shareholders.

However, if shareholders do not approve the introduction of either dividend cap, but do approve the introduction of the shareholding cap and changes to the voting cap, the shareholding cap and voting cap changes will take effect, even if no dividend caps are approved.

If the shareholders approve the three-year dividend cap applicable to future non-producers, and approve the shareholding cap and changes to the voting cap, these changes will take effect, even if the current non-producers do not approve the seven year dividend cap applicable to current non-producers.

If shareholders do not approve the introduction of the shareholding cap and the changes to the voting cap, no changes will be made to the Constitution, even if either or both dividend caps are approved.

The Companies Act and the Kiwifruit Export Regulations impose various requirements for obtaining approval of shareholders for those three potential outcomes (that is, outcome (1) the full set of changes, outcome (2) all changes except either dividend cap, or outcome (3) all changes except the dividend cap for current non-producer shareholders).

The resolutions set out later in this Notice of Meeting meet those legal requirements and enable any of the three sets of changes to be made.

All resolutions require 75 percent approval of the votes cast.

Resolution 7 is to obtain shareholder approval of the Board's proposed share issuances to producers that have no shares or are undershared (have less than 1 share per tray of actual or deemed production), buy-backs from shareholders that have no production, are overshared (have more than 4 shares per tray of actual production) and/or have shares above 1 share per tray of actual production, and distribution of any excess capital resulting subject to the needs of the business at the time. The Board has not yet finalised the details of the transaction, but in the event that the value of the transaction reaches the major transaction threshold under the Companies Act 1993, it requires shareholder approval.

RESOLUTION 1:

FIRST VOTE OF ALL SHAREHOLDERS TO APPROVE EITHER PROPOSAL (CURRENT VOTING CAP APPLIES)

“That the Company should adopt:

- a. all of the proposed changes to the Constitution, if Resolutions 1, 2, 3, 4, 5 and 6 all pass;
- b. all of the proposed changes to the Constitution except those relating to the dividend cap, if Resolutions 1, 2 and 3 pass and either Resolution 4 or Resolution 5 (or both) fails (whether Resolution 6 passes or fails); or
- c. all of the proposed changes to the Constitution except those relating to the dividend cap for current non-producer shareholders, if Resolutions 1, 2, 3, 4 and 5 pass, but Resolution 6 fails.”

Explanatory Information

Both this resolution and Resolution 2 must pass for any change to the Constitution to be adopted.

This is a resolution of all shareholders to approve any of the three proposed possible sets of changes to the Constitution—the version including both dividend caps (if the producers and non-producers each approve the three year dividend cap, and the non-producers approve the seven year dividend cap), the version with just the three year dividend cap for future non-producers (if both groups approve the three year dividend cap, but the non-producers don't approve the seven year dividend cap), or the version with neither dividend cap (if either group doesn't approve the three year dividend cap, regardless of whether the non-producers approve the seven year dividend cap or not).

The current voting cap applies to this resolution.

Note: This is a required vote under the Companies Act and Zespri's current Constitution. The actual outcome in terms of which Constitution model is approved is determined by the voting outcome of Resolutions 3, 4, 5 and 6.

RESOLUTION 2:

SECOND VOTE OF ALL SHAREHOLDERS TO APPROVE EITHER PROPOSAL (ONE VOTE PER SHARE)

“That the Company should adopt:

- a. all of the proposed changes to the Constitution, if Resolutions 1, 2, 3, 4, 5 and 6 all pass;
- b. all of the proposed changes to the Constitution except those relating to the dividend cap, if Resolution 1, 2 and 3 pass and either Resolution 4 or Resolution 5 (or both) fails (whether Resolution 6 passes or fails); or
- c. all of the proposed changes to the Constitution except those relating to the dividend cap for current non-producer shareholders, if Resolutions 1, 2, 3, 4 and 5 pass, but Resolution 6 fails.”

Explanatory Information

Both this resolution and Resolution 1 must pass for any change to the Constitution to be adopted.

This resolution is required by the Kiwifruit Export Regulations 1999. It is the same as Resolution 1, but the current voting cap does not apply; instead, each shareholder (both producers and non-producers) is entitled to cast one vote per share.

The minority buy-out rights apply to this resolution, and can be exercised if any of the three possible sets of changes to the Constitution are approved.

Note: The actual outcome in terms of which Constitution model is approved is determined by the voting outcome of Resolutions 3, 4, 5 and 6.

RESOLUTION 3:

VOTE OF PRODUCER INTEREST GROUP TO APPROVE SHARE CAP AND VOTING CAP (ONE VOTE PER SHARE)

“That the producer interest group approves the proposed share cap and voting cap changes to the Constitution.”

Explanatory Information

This is a resolution by the producer interest group to approve the share cap and voting cap changes. If this resolution passes, and Resolutions 1 and 2 also pass, the share cap, voting cap and other general changes will be adopted (whether or not the dividend caps are also adopted). The minority buy-out rights apply to this resolution, and can be exercised if Resolutions 1, 2 and 3 pass.

If this resolution does not pass, none of the proposed changes to the Constitution will be adopted.

RESOLUTION 4:

VOTE OF NON-PRODUCER INTEREST GROUP TO APPROVE DIVIDEND CAP FOR FUTURE NON-PRODUCERS (ONE VOTE PER SHARE)

“That the non-producer interest group approves the proposed dividend cap changes to the Constitution that apply to future non-producers.”

Explanatory Information

This is a resolution to approve the dividend cap for **future non-producer shareholders**.

This resolution is to be voted on by the non-producer interest group, even though current non-producers would not be affected by this dividend cap. This is a requirement of the interest group provisions of the Companies Act 1993; current non-producers must vote on matters affecting non-producers in the future, as well as in the present. Please note: producers are also being asked to vote separately on this dividend cap (Resolution 5), given it affects all current producers if and when they become a non-producer (“dry”).

If this resolution passes, and Resolutions 1, 2, 3 and 5 also pass, the share cap, voting cap and dividend cap for future non-producers will be adopted.

The minority buy-out rights apply to this resolution and can be exercised if these resolutions all pass.

RESOLUTION 5:

VOTE OF PRODUCERS TO APPROVE DIVIDEND CAP FOR FUTURE NON-PRODUCERS (ONE VOTE PER SHARE)

“That the producers approve the proposed dividend cap changes to the Constitution that apply to future non-producers.”

Explanatory Information

This is a resolution by producers to approve the dividend cap for **future non-producer shareholders**.

If this resolution passes, and Resolutions 1, 2, 3 and 4 also pass, the share cap, voting cap, and dividend cap for future non-producers will be adopted (whether or not the dividend cap for current non-producers is also adopted). If this resolution does not pass, but Resolutions 1, 2 and 3 all pass, the share cap, voting cap and other general changes to the Constitution will still be adopted.

This is not an official “interest group” vote, as producers do not constitute a separate interest group for the purposes of the dividend cap. However, the Board has decided that producers should also vote on the dividend cap for future non-producers, so that it will only take effect if both non-producers and producers approve.

As this is not an “interest group” vote, the minority buy-out rights do not apply to this resolution.

RESOLUTION 6:

VOTE OF NON-PRODUCER INTEREST GROUP TO APPROVE DIVIDEND CAP FOR CURRENT NON-PRODUCER SHAREHOLDERS (ONE VOTE PER SHARE)

“That the non-producer interest group approves the proposed dividend cap changes to the Constitution that apply to current non-producer shareholders.”

Explanatory Information

This is a resolution by the non-producer interest group to approve the dividend cap for **current non-producer shareholders**.

If this resolution passes, and all of the other resolutions also pass, all of the proposed changes will be adopted. The minority buy-out rights apply to this resolution, and can be exercised if the full set of changes to the Constitution (including the dividend cap) are approved.

If this resolution does not pass, but Resolutions 1, 2 and 3 all pass, the share cap, voting cap and other general changes to the Constitution will still be adopted, and if Resolutions 4 and 5 also pass, the dividend cap for future non-producers will also be adopted.

RESOLUTION 7:

VOTE OF ALL SHAREHOLDERS TO APPROVE SHARE ISSUE, BUY-BACK AND DISTRIBUTION AS A 'MAJOR TRANSACTION' (CURRENT VOTING CAP APPLIES)

“The Company is permitted to conduct, for all purposes including under section 129 of the Companies Act 1993, any one or more of the following during the 7 years from the date this resolution is passed:

- a. Share issuances: one or more targeted share issuances, on terms and conditions to be determined by the Board, to producers that hold less than 1 share per tray of, as applicable, actual production or, where the Board considers it appropriate, deemed production.**
- b. Buy-backs: one or more targeted share buy-backs, on terms and conditions to be determined by the Board, to one or more of the following groups of shareholders:**
 - a. shareholders that are not producers in respect of all of their shares;**
 - b. shareholders who hold shares above 4 shares per tray of actual production in respect of those excess shares; and**
 - c. shareholders who hold shares above 1 share per tray of actual production in respect of those excess shares.**
- c. Distributions: one or more distributions to shareholders, not to exceed the difference between the funds received under any one or more share issuances (including imputation credits and supplementary dividends) and the funds payable under any one or more associated share buy-backs.”**

Explanatory Information

The Company is proposing to conduct share issuances to producers that have no shares or are undershared (have less than 1 share per tray of actual or deemed production) and buy-backs from shareholders that have no production, are overshared (have more than 4 shares per tray of actual production) and/or have shares above 1 share per tray of actual production.

Trays of production will be calculated at the average of the highest numbers of trays supplied to the Company at FOBS from the relevant property in any 2 of the 5 most recent completed seasons, or as otherwise determined by the Board.

While the final details of the scope of the targeted share issue and buy-back are yet to be confirmed by the Board, **participation will not be mandatory.** Further, as the scope of the buy-back is not yet confirmed, for transparency, approval has been sought to conduct the targeted buy-backs from multiple groups of shareholders by reference to the number of shares they hold above certain thresholds.

To the extent that there are surplus funds after a share issuance and buy-back the Board may distribute them to shareholders, to the extent the Board determines that such capital is not required by the business. The terms of the share issuances, buy-backs and distributions will be determined by the Board. In this regard, the Company is working with advisers to ensure its compliance with all applicable legal requirements in the best interests of the Company in conducting this project.

The Board considers that alignment is important, so even if the amendments to the constitution are not approved, the Board may proceed with the share issuances, buy-backs and distributions, so as to promote better grower/shareholder alignment at a level closer to 1 share per tray.

Under section 129 of the Companies Act 1993, transactions that exceed a certain financial size require the approval of shareholders of a company by way of a special resolution as ‘major transactions’. The proposed share issuances, buy-backs and distributions, taken together, may exceed the financial threshold set out in the Companies Act 1993, and therefore shareholder approval is being sought by the Company. If this resolution is not approved, and the share issuances, buy-backs and distributions do exceed that financial threshold, they cannot occur.

This resolution is also intended to cover any future share issuances, buy-backs and distributions that support greater alignment at a level closer to 1 share per tray, where possible. Such further share issuances, buy-backs and distributions may occur over the course of the 7 years following this resolution being passed.

At the 2015 Annual Meeting, shareholders approved the entry into certain major transactions by the Company for a 5 year period; however, as such approval is limited to transactions occurring in the normal course of the Company’s business, it does not cover any of the proposed issuances, buy-backs and distributions. Therefore, this approval is now being sought.

The minority buy-out rights apply to this resolution, and can be exercised by any shareholders voting all of their shares against this resolution, if this resolution is approved by shareholders. See [page 12] of this Notice of Meeting for details on minority buy-out rights.

OVERVIEW OF THE PROPOSED CHANGES TO THE CONSTITUTION

(REFER TO CONSTITUTION BOOKLET)

SHAREHOLDING CAP AND VOTING CAP

The changes shaded **blue** introduce new rules linking the production at a property to the owner's (and lessee's, if any) entitlement to buy and hold shares and to vote those shares.

The basic rule is that each tray of production at a property generates an entitlement to buy four shares and to cast one vote. The owner has priority over that entitlement, and to the extent the owner does not take it up, the lessee (if any) of that property can instead. In the case of Glasgow leases, this priority is reversed, as the lessee has rights that are more like ownership in that situation. In the case of a long-term lease (i.e. more than 20 years) in existence at the time the changes take effect, the priority is shared between the owner and the lessee (i.e. they each have priority to half of the entitlement).

To avoid large annual fluctuations in entitlement, the entitlement is based on the average of the highest number of trays supplied from the property in any two of the past five seasons. This is the same method for determining production from a property as is used for the current voting calculations.

Where a shareholder owns and/or leases more than one orchard, then for the purposes of calculating how many shares the lessees at any of those properties are entitled to hold and/or vote, the new rules operate to spread the landowner's shares across the properties proportionally. The lessees at each of those properties will be able to take up

any entitlement that then remains. When separate parts of a property are operated by separate shareholders, each of those parts is treated as a separate property for the purposes of these rules and entitlements are allocated in proportion to the production from each separate part.

A new entrant to the industry (i.e. who doesn't own or lease any other orchards) who converts Greenfield land to an orchard will not have any production for a number of years while the orchard gets established. To enable new entrants to buy shares immediately, they will be assigned a level of "deemed production" equivalent to the regional average production, and they will be able to buy shares based on that deemed production (but only one share per deemed tray). The deemed production will last for three years after the Greenfield is assigned a KPIN, after which the new entrant will need to use actual production instead and the same rules will apply as for other producers. Note that the Greenfields rules do not affect voting rights — voting rights are based on historical production only, and so a new entrant with no actual production yet cannot vote.

Producers who hold more shares than they are entitled to for a period of three years will be required to sell those shares, and if they fail to, the Board may sell them on their behalf. This period is shorter in the case of new entrants who fail to establish an orchard.

Transition rules apply to protect any producer who is overshaired at the date the changes become

effective. Assuming that the producer does not become less overshared in the meantime, they will have seven years (instead of three) to sell their overshared shares. To the extent they become less overshared, the normal rule will then apply to shares later held in excess of that lower overshared level (i.e. a “sinking lid” protection). For example, if a producer is overshared by 500 shares at the time the new rules come into effect, then they later become overshared by only 300 shares, the seven years applies to that lesser number only. If they then become further overshared again, those further shares are subject to the three year rule.

DIVIDEND CAP

The yellow and green-shaded changes introduce new rules restricting the payment of dividends. For current producers that become non-producers after the rules have changed, the changes to the constitution shaded yellow provide that they will no longer receive dividends three years after they become a non-producer. Grandfathering rules ensure that this rule will not apply to existing non-producer shareholders for seven years (green changes), unless they become a producer in that time, in which case they will be subject to the same rules as current producers.

The dividend caps work by creating a new class of share (the “B Class” share) that does not pay dividends. When a shareholder has been a

non-producer for three years (or seven years, in the case of current non-producers), all of their shares are converted to “B Class” shares, and the shares stop earning dividends. The “B Class” shares will automatically convert back to ordinary shares if the shareholder later becomes a producer, or if they are sold to someone who is a producer.

For the three year rule for future non-producers to apply (yellow-shaded changes), both producers and non-producers must vote in favour of it.

For the seven year rule applicable to current non-producers to apply (shown by the green-shaded changes), non-producers must vote in favour of it, and the three year rule must have been approved by producers and non-producers as well. If the current non-producers do not vote in favour of the seven year rule, they will not be subject to a dividend cap (unless they later become a producer).

CONSEQUENTIAL AND REMEDIAL CHANGES

The changes marked in brackets and underlined apply to all shareholders generally, and include unrelated minor improvements to the Constitution and changes that are necessary consequences of the dividend, share and voting caps. They include clauses allowing the Board to seek evidence of a person’s status, clauses dealing with how shareholders are updated with relevant information, and a number of clause reference changes.

MINORITY BUY-OUT RIGHTS UNDER THE COMPANIES ACT 1993

To exercise a minority buy-out right, if a shareholder has voted all of their shares against either the regulatory vote, an interest group vote or to approve the major transaction, and the applicable resolution has passed, they must, within 10 working days of the passing of the special resolution, give written notice to the Company that the shareholder requires the Company to purchase all the shareholder's shares.

If a shareholder gives notice to the Company that it exercises its minority buy-out right, the Company will request that the auditor (KPMG) verify that the shareholder did vote all of their shares against the applicable resolution by accessing and looking at their voting paper and confirming their votes to the Board.

Within 20 working days of receipt of the notice, if the notice is valid, the Board of directors of the Company must agree to the purchase of the shares. Written notice of the Board's decision must be given to the relevant shareholder(s).

Under the Companies Act, the Board could also seek to arrange for some other person to agree to purchase the shares (for example, the market maker); or apply to the court for an order exempting the Company from the obligation to purchase the shares; or ask shareholders to rescind the changes, which would require another special resolution of shareholders. The latter two options are highly unlikely, but are a possibility.

If the Board agrees to the purchase of the shares, it must give written notice to the relevant shareholder(s) (within five working days of giving notice that it agrees to buy the shares) of the price it offers for the shares to be acquired, which must be a fair and reasonable price. It must also include information about the methodology for calculating that price.

A shareholder may object to the offered price by written notice to the Company within 10 working days of the Board giving notice to the shareholder of the Board's offered price. If no objection to the price is received by the Company within that time, it must purchase the shares at the price fixed by the Board.

If an objection is received by the Company within 10 working days of the offer being made, the fair and reasonable price for the shares must be submitted to arbitration, to be conducted in accordance with the Arbitration Act 1996. The Company must also pay the price nominated by the Board to the shareholder on a provisional basis within 5 working days of receiving the objection. If the price determined by the arbitral tribunal:

- a. Exceeds the provisional price paid by the Company, the arbitral tribunal must order the Company to pay the balance owing to the shareholder; or
- b. Is less than the provisional price paid by the Company, the arbitral tribunal must order the shareholder to pay the excess to the Company.



VIRTUAL SPECIAL MEETING GUIDE 2018

GETTING STARTED

The Zespri Group Limited Special Meeting is viewable from smartphone, tablet or desktop devices. In order to participate online you will need to either:

- a) Download the free Lumi AGM app from the Apple App or Google Play Stores—search for **Lumi AGM**; or
- b) Visit **web.lumiagm.com** on your desktop or mobile device. Lumi AGM supports the latest versions of Chrome, Safari, Internet Explorer, Edge and Firefox. Ensure that your browser is compatible.

Shareholders are encouraged to download the app prior to the Special Meeting.

MEETING ID: 366-455-300

LOGGING IN

To log in, you must have the following information (which can be found on your Shareholders' Voting and Proxy Form):

New Zealand Residents

Username (CSN or Holder number) and password (postcode).

Overseas Residents

Username (CSN or Holder number) and password (three-character ISO3 country code) e.g. AUS is the ISO3 code for Australia.

You can find a full list at **www.computershare.com/iso3**

Appointed Proxy

A username and password will be provided prior to the meeting.

If you have not received your username and password, please contact Computershare on +64 9 488 8777 between 8.30am-5pm Monday to Friday.

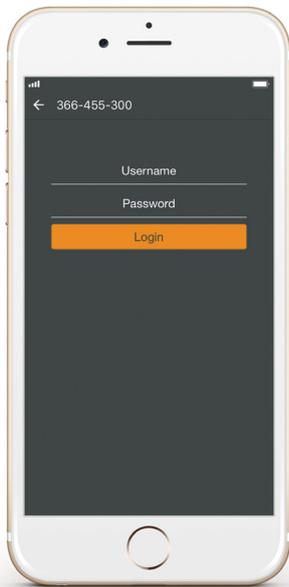
USING LUMI AGM

Accessing the virtual meeting

Once you have downloaded Lumi AGM or entered web.lumiagm.com into your internet browser, you'll be prompted to enter the Meeting ID and accept the terms and conditions.

You will then be required to enter your:

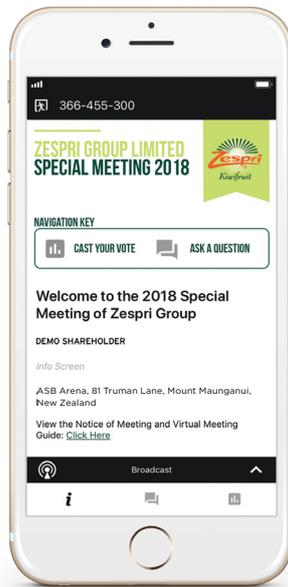
- username (CSN or Holder number);
- password (postcode, or country code for overseas residents)



Navigating Lumi AGM

When successfully authenticated, the info screen will display.

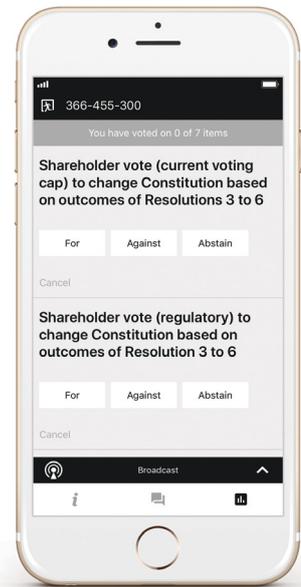
You can view meeting information, ask questions and watch the webcast.



How to vote in Lumi AGM

Once the poll has been opened,  will appear on the nav bar at the bottom of the screen—from here, the resolution and voting directions will be displayed.

To vote, simply select your voting direction from the options shown on screen. To change your vote, simply select another direction—you can cancel your vote by clicking 'Cancel'.





MEETING ID:
366-455-300

Viewing company documents

Links to the Notice of Meeting, Virtual Meeting Guide and Constitution Booklet are present on the info screen.

When you click on a link, the selected document will open in your browser.

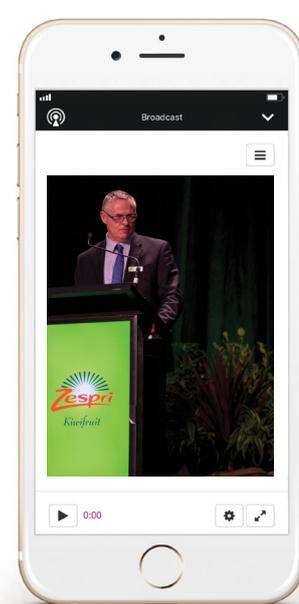
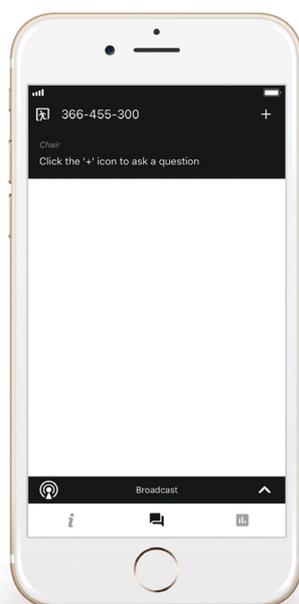
Asking questions

Any shareholder or appointed proxy/representative attending the meeting is eligible to ask questions. If you would like to ask a question, select  then type and submit your question. It will be sent to the Board for an answer.

Please note that not all questions may be able to be answered during the meeting. In this case, questions will be followed up by email after the meeting.

Watching the webcast

To watch the webcast, click the black broadcast bar on screen. The video and/or slides will appear shortly after (dependent on the speed of your internet connection).



REMOTE ENTRY TO THE SPECIAL MEETING WILL OPEN AT 12.45pm NZT ON WEDNESDAY 14 MARCH 2018

VOTING AT A GLANCE

STEP 1

Open Lumi AGM and enter the Meeting ID shown in top right corner

STEP 2

Enter your username and password (CSN/Holder Number and postcode)

STEP 3

When the poll is opened, click  and select your desired voting direction

