

## **THE WAREHOUSE GROUP LIMITED**

Minutes of the Annual Meeting of Shareholders of The Warehouse Group Limited (“the company”) held in the Guineas Ballroom, Ellerslie Events Centre, 80-100 Ascot Avenue, Greenlane East, Auckland, New Zealand on Friday, 23 November 2018 commencing at 10.00am.

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### **Directors Present**

Joan Withers (Chair)

Tony Balfour

Julia Raue

Robbie Tindall (Alternate Director)

Keith Smith (Deputy Chair)

John Journee

William Easton

Vena Crawley (Future Director)

### **Leave of absence:**

Sir Stephen Tindall

### **In Attendance**

Nick Grayston (Group Chief Executive Officer), Kerry Nickels (Company Secretary), Mark Yeoman (Group Chief Operating Officer), Jonathan Oram (Group CFO), Leo Foliaki (representing PricewaterhouseCoopers), Dan Jones (representing Russell McVeagh) and various senior executives and managers of the Company.

Approximately 94 shareholders and guests were in attendance.

### **Welcome to Shareholders**

The Chair, Joan Withers, welcomed those in attendance in person and by webcast, noted that the Notice of Meeting had been circulated to shareholders, confirmed that a quorum was present and declared the meeting open.

### **Apologies and Proxies**

The Chair reported that the only apology received from shareholders was that of Sir Stephen Tindall, and this was formally recorded. The Chair also noted the previous announcement that Sir Stephen is taking a second year’s leave of absence from the Board.

No other apologies were received.

Proxies had been received from 426 shareholders representing 186,26,0069 voting shares, which represented 54.5% of the votes able to be cast at the meeting.

### **Confirmation of Minutes of 24 November 2017 Annual Meeting**

The Chair reported that the minutes of the annual meeting of shareholders held on 24 November 2017 had been confirmed and signed and are available for review on the company's website.

### **Annual Report**

The Chair noted that the financial statements for the 52 weeks ended 30 July 2018 together with the auditors' report were set out in the company's annual report and made available on the company's website on 21 September 2018. Since the company was registered under the Companies Act 1993, there is no requirement to approve the financial statements or the auditors' report at annual meetings.

### **Chair's Introductions and Address**

The Chair introduced the Directors and Executives seated on the podium.

The Chair then delivered her address to shareholders, the full text of which is posted on the company's website. The Chair noted FY18 had been a year of significant change for the Group with the operational integration of the Red and Blue Sheds as well as Noel Leeming and Torpedo7 businesses. Centres of excellence have been created and a new operating model adopted to remove duplication and create efficiency to allow the Group to take advantage of its comparative size and scale. An enterprise-wide transformation programme to fix the Group's retail fundamentals, partnered with an international advisory firm given the significance of a change of this scale, commenced in the second half of the year.

The Chair also explained the Group's move towards integrated reporting which has resulted in changes in the way the company reports on operations and the performance of its businesses, which recognises the need not only to generate financial value and return but that businesses must have a social licence to operate.

The Chair explained that one of her key priorities is to ensure that the company has a team of Directors and a set of protocols that are fit for purpose to drive the strategy and given the journey the Group is on. She noted the appointment of Will Easton, Managing Director of Facebook in Australia and New Zealand, as one example of the Board rejuvenation.

The Chair also acknowledged the energy and insight that Robbie Tindall who serves as Sir Stephen Tindall's alternate brings to the Board.

In closing, the Chair said that good progress has been made in turning the business around with more work to be done, noting that the Board was confident that the changes made will bear fruit in due course.

### **Group Chief Executive's Presentation**

The Group Chief Executive, Nick Grayston, spoke to a slide presentation containing an overview of the previous year's achievements, kicking off the implementation of the Group's transformation; the transition to Every Day Low Pricing in The Warehouse; and the strong performance of Noel Leeming. He also provided an update on the senior leadership team.

The presentation is posted on the company's website.

### **Formal Resolutions**

The Chair moved to address each of the resolutions in the order set out in the Notice of Meeting. She indicated that all voting at the meeting will be by way of a poll and explained the voting procedure for the poll. The Chair noted that the resolutions have the unanimous support of the Board.

#### ***Resolution 1 –Election of William Easton***

William Easton retires by rotation and, being eligible, offers himself for re-election.

Ms Withers introduced Mr Easton. Mr Easton addressed the meeting in respect of the motion for his re-election.

Proxy voting in respect of the resolution was 99.2% of eligible votes cast were in favour of Mr Easton's election.

*Moved: Joan Withers*

*"That William Easton be elected as a Director of the Company"*

#### ***Resolution 2 –Re- Election of Antony (Tony) Balfour***

Antony Balfour retires by rotation and, being eligible, offers himself for re-election.

Ms Withers introduced Mr Balfour. Mr Balfour addressed the meeting in respect of the motion for his re-election.

Proxy voting in respect of the resolution was 99.1% of eligible votes cast were in favour of Mr Balfour's re-election.

*Moved: Joan Withers*

*"That Antony Balfour be re-elected as a Director of the Company"*

**Resolution 3 – Re- Election of John Journee**

John Journee retires by rotation and, being eligible, offers himself for re-election.

Ms Withers introduced Mr Journee. Mr Journee addressed the meeting in respect of the motion for his re-election.

Proxy voting in respect of the resolution was 99.1% of eligible votes cast were in favour of Mr Journee’s re-election.

*Moved: Joan Withers*

*“That John Journee be re-elected as a Director of the Company”*

**Resolution 4 – Auditor**

The Chair advised that PricewaterhouseCoopers continues in office in accordance with the provisions of Section 27T of the Companies Act 1993, but a resolution was required in respect of their remuneration.

Proxy voting in respect of the resolution was 99.1% of eligible votes cast were in favour of the resolution.

*Moved: Joan Withers*

*“That the Directors are authorised to fix the remuneration of PricewaterhouseCoopers as auditor for the ensuing year”.*

**Conduct of voting by poll**

The Chair explained the voting procedure in detail and advised that once all votes have been cast they will be counted by the Company’s share registrar and scrutinised by the Company’s auditor. She advised that the results of the meeting will be released to NZX on completion of the verification of voting.

**General Business**

The Chair then invited the shareholders to raise matters of a general nature or any questions, comments or discussion relating to issues raised in the addresses by the Chair and the Group Chief Executive Officer, or the annual report and financial statements of the Company.

The following questions and comments were raised by those attending the meeting and were responded to by the Chair, Group Chief Executive Officer, Group Chief Operating Officer and Group Chief Financial Officer:

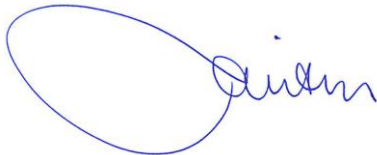
- Alan Best – sought further information on the engagement of McKinsey and changes in the cadence of Board deliberations;
- Paul Downer – commented on the position of screens at the meeting;
- Michael Bowden – queried the pay-out to shareholders in dividends in FY18;
- Steve Carruthers – commented on company and Board performance;
- Selwyn Jost – queried the expected tenure of the Group CEO;
- Peter Moosberger – queried the interest of international retailers in putting in a bid for The Warehouse; and
- Steve Carruthers – queried checkout processes.

### **Closure**

The Chair thanked shareholders for their attendance and continued interest in the Company and invited attendees to join Directors and the Senior Executive team for refreshments.

The Chair declared the meeting closed at 11.40am.

Signed as a true and correct record



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Joan Withers, Chair  
The Warehouse Group Limited

14 February 2019

Dated