

1 May 2019

Settlement of Seed and Grain transaction

PGG Wrightson Limited (PGW) has today completed settlement of the sale of its Seed and Grain business (PGW Seeds) to Danish based DLF Seeds A/S.

Incoming PGW Chair, Rodger Finlay said “It was very positive news to have completed settlement after a lot of hard work since the deal was announced in August last year. The transaction would deliver significant value for PGW stakeholders while also enabling the PGW Seeds business to benefit from being part of the international DLF Seeds operation.”

Mr Finlay said “The Board wished to acknowledge and thank the staff of the Seed and Grain business for their immense contributions over many years and looked forward to their continued close working relationship with PGW’s Rural Servicing business under the ongoing strategic distribution relationship. With settlement complete, the immediate focus would now turn to ensuring a smooth transition to separate the business structures.”

“Following receipt of the NZ\$426 million purchase price (inclusive of interest), PGW has paid off its bank debt in the interim while the Board continues to assess options for the capital return to shareholders. With completion of the transaction now behind us this is a priority. The Board expects it will soon be in a position to make a recommendation to shareholders regarding the proposed capital return. This would allow PGW to reset its debt position and recalibrate its corporate operations for the Rural Servicing business going forward.” Mr Finlay said.

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