

# PGG WRIGHTSON LIMITED

## SPECIAL SHAREHOLDERS MEETING

9.30am, Tuesday 23 July 2019  
Riccarton Park, Christchurch

Slide 1 – Meeting opening slide

Slide 2 – Welcome

Slide 3 – On stage today

Slide 4 - Apologies

Slide 4 cont. – Notice of Special Meeting and Proxies

### Notice of Special Meeting

#### Proxies and Postal Votes

I can report that 1,126 shareholders have appointed proxies for the purposes of this meeting in respect of approximately 521 million shares.

### Slide 5 – Business of the meeting

We have now covered the opening formalities and will move to the business of the meeting.

This Special Meeting has been called for PGG Wrightson shareholders to consider and vote upon two special resolutions.

The first special resolution relates to a proposed scheme of arrangement to distribute capital to shareholders following settlement of the sale of PGG Wrightson Seeds Holdings Limited.

The second special resolution relates to a recommendation to revoke and replace PGG Wrightson's existing company constitution, largely to update the constitution to comply with the new NZX Listing Rules implemented this year.

The two resolutions and explanatory notes are outlined in the Notice of Meeting. We have offered Shareholders the option to cast their votes by post or online or in person. These options provide Shareholders with flexibility and convenience where they cannot attend in person 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 who have not yet cast their votes prior to the meeting will have the opportunity to do so.

The poll will be undertaken by our share registrar, Computershare, at the conclusion of the meeting. 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 results of the poll will be displayed on the projector screen following the conclusion of the meeting and announced on our PGW ticker page.

Turning now to resolution one, the Scheme of Arrangement.

### **Slide 6 & 7 – Special resolution One: Scheme of Arrangement to return capital**

On 1 May 2019, PGW announced the completion of the Seeds Sale. This transaction was the sale of all of its shares in PGG Wrightson Seeds Holdings Limited (which owned and operated PGW's Seed and Grain business in New Zealand, Australia, South America and internationally) to DLF Seeds A/S. Shareholders will recall that the Seeds Sale was approved at PGW's combined special and annual meeting on 30 October 2018.

The information supplied to shareholders for the approval of the Seeds Sale outlined that it was the intention of the PGW Board of Directors that a capital distribution would be made to PGW shareholders following completion of that transaction. The Seeds Sale subsequently received strong shareholder support with more than 96 percent of the vote cast in favour of the transaction.

On 9 May 2019 it was announced that the PGW Board of Directors had determined to recommend a distribution to shareholders of approximately \$234 million of surplus capital from the Seeds Sale. The Board has determined that the most appropriate means of effecting the return is by way of a court approved scheme of arrangement under Part 15 of the Companies Act 1993. Shareholders are being asked to approve the resolution for PGW to implement the scheme of arrangement and distribute capital to shareholders, as unanimously recommended by the PGW Board of Directors.

I do not propose to cover the detailed mechanics and background of the scheme of arrangement given that these are set out in the Notice of Meeting and Explanatory Notes. However, at a summary level, the proposed scheme contemplates that:

- a share split will be undertaken such that shareholders will receive one additional share for every one share held; then
- immediately following the share split, one of every two shares held will be cancelled in consideration of the payment to shareholders of NZ 31 cents per share cancelled.

If the special resolution of shareholders is passed, PGW will seek a final order from the High Court to sanction the implementation of the scheme. If the order is then granted by the High Court, we would expect the scheme to be executed and payment made to shareholders in early August.

#### **Slide 8 – Special Resolution One text**

The text of special resolution one is as follows:

*“That the Scheme of Arrangement relating to the return of capital to PGW’s shareholders, as set out in the explanatory notes accompanying the Notice of Special Meeting, be and is approved”.*

#### **Slide 9 –Special Resolution One - Questions and discussion**

#### **Slide 10 & 11 – Special Resolution Two: Replacement of Constitution**

On 1 January 2019, NZX Limited introduced new NZX Listing Rules.

All NZX listed companies have been required to transition to the new NZX Listing Rules on or before 1 July 2019.

To comply with the requirements of the new NZX Listing Rules, PGW needs to amend its constitution. An amended constitution has been prepared and a copy, marked up to show the proposed changes from PGW’s existing constitution has been posted on PGW’s website as outlined in the Notice of Meeting.

Again, I do not propose to explain the detail of the proposed changes given that these are set out in the Notice of Meeting and Explanatory Notes. A summary of the more

significant changes to PGW's constitution is however set out on page 14 of the Notice of Meeting and Explanatory Notes.

PGW transitioned to the new NZX Listing Rules on 1 July 2019 and shareholders are being asked to resolve that PGW's existing constitution be revoked and the amended constitution be adopted from the close of this Special Meeting.

### **Slide 12 – Special Resolution Two text**

The text of special resolution two is as follows:

*“That PGW’s existing constitution be revoked, and the constitution referred to in the explanatory notes accompanying the Notice of Special Meeting be and is adopted as PGW’s constitution, with effect from the close of this Special Meeting.”*

### **Slide 13 –Special Resolution Two: Questions and discussion**

### **Slide 14 – Move special resolutions**

I will now move Resolutions one and two as set out in the Notice of Special Meeting by way of two separate motions as special resolutions.

For those who have not cast postal or online votes already please promptly complete your ballot paper at the conclusion of discussions and hand this into the Computershare desk at the back of the room.

A poll will be conducted by Computershare shortly in respect of both resolutions.

The results of the poll will be displayed on the projector screen following the conclusion of the poll and announced on our NZX ticker page.

### **Slide 15 – Closing and thank you**

### **Slide 16 & 17 – Poll results**