

4 July 2019

PGG Wrightson Capital Distribution Update

PGG Wrightson (PGW) Chair, Rodger Finlay announced today that a Special Shareholders Meeting will be convened on 23 July 2019 to consider and vote upon two special resolutions to:

- approve a proposed capital distribution of approximately \$234 million whereby shareholders will receive 31 cents per share; and
- adopt an updated company constitution for PGW.

Mr Finlay said “The Board has determined that the most appropriate means of effecting the capital return is by way of a Court approved scheme of arrangement under Part 15 of the Companies Act 1993. The High Court has issued initial orders for the scheme to be put to shareholders and the Notice of Special Meeting and Explanatory Notes and other relevant materials have been announced through NZX, posted on the investor section of PGW’s website and have been sent to PGW shareholders.”

“Assuming the scheme is approved and implemented it is the intention of the Board to shortly thereafter effect a consolidation of PGW’s shares on a 1 for 10 basis, whereby every 10 shares will be consolidated into one share.”

“Shareholders will also be invited to vote on a special resolution to update PGW’s constitution to accommodate changes needed to comply with the new NZX Listing Rule requirements and a number of additional recommended amendments. Full particulars relating to both resolutions and their rationale are set out in the Notice of Special Meeting and Explanatory Notes.”

“The proposed capital distribution was initially announced by PGW back in August 2018 when agreement was reached to sell the Seed and Grain business to DLF Seeds. Accordingly, shareholders have been anticipating the distribution and it is timely to now be able to put that decision to a vote.”

“It is also pleasing to note that PGW has negotiated and entered into new bank facilities in recent days. Very competitive terms have been struck and this further underscores confidence in the fundamentals of the business and PGW’s future.”

“The PGW Board is recommending both the proposed scheme, which enables a return of capital on a pro-rata basis and the updating of PGW’s constitution as outlined in the materials for the meeting. The Board encourages shareholders to read the Notice of Meeting and Explanatory notes and to cast their votes in favour of the two resolutions” said Mr Finlay.

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