



Allied Farmers Ltd

201 Broadway, Stratford, 4332

PO Box 304, Stratford 4352

Web: <http://www.alliedfarmers.co.nz>

Email: headoffice@alliedfarmers.co.nz

28 August 2025

announce@nzx.com

SALE OF NZ FARMERS LIVESTOCK LIMITED

Allied Farmers Limited ("Allied Farmers" NZX: **ALF**) is pleased to announce conditional agreement has been reached to sell NZ Farmers Livestock Limited (**NZFL**) to Rural Livestock Ltd (**RLL**), a South Island based livestock agency. Allied Farmers owns 67.77 percent of NZFL, with the balance owned by a combination of NZFL livestock agents and directors/management.

Allied Farmers' goal is to deliver sustainable earnings growth for its shareholders by leveraging its core strengths in managing rural assets.

In the past few years NZFL's profitability has markedly improved. This has provided an optimal opportunity for Allied Farmers to maximise its investment value, and at the same time enable the creation of a larger, more robust and competitive livestock business that will benefit the whole rural sector.

The NZFL sale will enable Allied Farmers to focus on and grow its strongly performing rural asset management business, and to explore additional complementary investment opportunities.

The transaction has no impact on Allied Farmers from a tax continuity perspective, ensuring that tax losses are preserved.

The sale will be effected by the transfer of all NZFL's ordinary shares to RLL for an enterprise value of \$10.988 million, adjusted at completion to recognise RLL's assumption of net debt and employee and vehicle lease liabilities, the value of NZFL's loan book, and to recognise agreed Target Trade Net Working Capital. Allied Farmers 67.77 percent of the sale proceeds will be fully satisfied in cash.

The sale includes NZFL's veal processing and marketing business Farmers Meat Export Ltd, 52% share of Hawke's Bay based Redshaw Livestock Ltd, and saleyard interests. NZFL and Redshaw Livestock will continue to operate as separate businesses – staff/livestock agents will continue to be employed/contracted as they currently are, and with the same management team.

There are several usual conditions precedent, including that Allied Farmers obtain shareholder approval (by way of ordinary resolution) as a Major Transactions pursuant to NZX Listing Rule 5.1.1 (a). This approval will be sought at Allied Farmers' Annual Meeting, likely to be held in early November 2025. Further details of the transaction, including in relation to the impact on Allied Farmers' financial statements, will be included in the Notice of Meeting.

Completion is targeted for 1 December 2025.

Shelley Ruha
Chair

For more information:
Richard Milson richard@nzrlm.co.nz
ph. 021 274 2476