



# Dividend Reinvestment Plan

## Offer Document and Participation Notice

**Effective 11 January 2021**

Please visit [www.mggroup.co.nz](http://www.mggroup.co.nz)  
for more company information



## DIVIDEND REINVESTMENT PLAN OFFER DOCUMENT

**IMPORTANT: This offer document and the enclosed participation notice explain important rights available to you. If you are in doubt as to what to do, you should consult your solicitor, accountant or other financial advisor.**

### 1. INTRODUCTION

This document (*Offer Document*) contains the terms and conditions of the Market Gardeners Limited (*MG*) Dividend Reinvestment Plan (*the Plan*).

Under the Plan holders of Class A ordinary shares in MG may elect to reinvest the net proceeds of cash dividends payable or credited on all or some of their Class A ordinary shares in MG (*Class A Shares*) by acquiring further fully paid bonus Class A ordinary shares in MG (*Additional A Shares*) instead.

This Offer Document has been prepared: as at 11 January 2021; and in accordance with clause 10 of Schedule One to the Financial Markets Conduct Act 2013.

### 2 THE OFFER

#### 2.1 Offer to all Shareholders

Subject to clause 2.3, MG offers to all Class A Shareholders (*Shareholders*) the right to elect to participate in the Plan.

#### 2.2 Available options

Shareholders may elect to participate in the Plan by exercising one of the following options:

##### (a) Full participation

If you elect full participation, participation in the Plan will apply to the cash dividends payable or credited in respect of all of your Class A Shares.

##### (b) Partial participation

If you elect partial participation, only the number of Class A Shares nominated by you will be eligible for participation in the Plan.

##### (c) Non participation

If you do not wish to participate in respect of your Class A Shares and you wish to receive any dividends in cash you are not required to do anything.

#### 2.3 Ability to exclude overseas Shareholders

MG may, in its absolute discretion, elect not to offer participation under the Plan to Shareholders whose address is outside New Zealand if MG considers that to do so would risk breaching the laws of places outside New Zealand.

### 3 PARTICIPATION IN THE PLAN

#### 3.1 Participation Notice

To participate in the Plan a Shareholder must:

- (a) complete the participation notice which accompanies this Offer Document (the *Participation Notice*) in accordance with the instructions on that notice; and
- (b) forward the completed Participation Notice to:

The Company Secretary  
Market Gardeners Limited  
P O Box 8581  
Riccarton  
Christchurch 8440

email: [cosec@mggroup.co.nz](mailto:cosec@mggroup.co.nz)

or such other person or address as MG may determine.

#### 3.2 Participation effective for first record date

The record date is 5.00pm on the date fixed by MG for determining entitlements to a dividend (*Record Date*). Participation will be effective 15 working days (being a date on which trading banks in Christchurch are open for business, not being a Saturday, Sunday or public holiday (*Working Day*)) before the date set for payment of dividends, subject to MG having first received a properly completed Participation Notice.



## 4 ADDITIONAL SHARE ENTITLEMENT

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### 4.1 Number of Additional A Shares

The number of Additional A Shares to be issued to a Shareholder who has elected to participate in the Plan (a *Participant*) in return for a cash dividend will be calculated in accordance with the following formula:

$$N = \frac{S \times D}{100}$$

Where in the case of Class A Shares:

**N** is the number of Additional A Shares which the Participant will receive (with fractional entitlements to be rounded down to the nearest whole number);

**S** is the number of Class A Shares in respect of which an election to participate in the Plan has been made by the Participant; and

**D** is the net proceeds per Class A ordinary share from MG (expressed in cents and fractions of cents, including any tax refunds but excluding any tax credits and after deduction of any New Zealand withholding taxes, if any) of cash dividends paid or credited on that Class A ordinary share and which are to be reinvested under the Plan.

### 4.2 Share price information

MG will ensure that, at the time the number of Additional A Shares is determined, it will have no information that is not publicly available that would, or would be likely to, have a material adverse affect on the realisable price of the Additional A Shares if the information were publicly available.

## 5 OPERATION OF THE PLAN

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### 5.1 Issue of Additional A Shares

MG will, on the day that a Participant would otherwise have been paid a dividend, issue the Additional A Shares to that Participant in accordance with clause 4.

### 5.2 Terms of issue and ranking of Additional A Shares

Additional A Shares issued to Participants under the Plan will be issued on the terms set out in this Plan, and subject to the rights of termination, suspension and modification set out in clause 7, will not be issued on any other terms and will all be subject to the same rights as each other.

The Additional A Shares issued to Participants under the Plan will, from the date of issue, shall be Class A ordinary shares credited as fully paid and shall rank equally in all respects with each other and with all other Class A ordinary shares of MG on issue as at that date.

## 6 STATEMENT TO PARTICIPANTS

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Subject to clause 2.3, MG will send to each Participant on each dividend payment date, a statement detailing in respect of that Participant:

- (a) the number of Class A ordinary shares of the Participant as at the relevant Record Date;
- (b) the amount of the cash dividend reinvested in respect of participating Class A Shares and the amount paid in respect of Class A Shares not nominated for participation in the Plan (if applicable);
- (c) the amount of any withholding tax deducted;
- (d) the value and number of Additional A Shares issued under the Plan;
- (e) advice as to the amount of any taxation credits; and
- (f) such other matters required by law with respect to dividends and/or reinvestment.



## 7 TERMINATION, SUSPENSION AND MODIFICATION

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### 7.1 The Board's discretion

The Board of MG may, in its sole discretion, at any time:

- (a) terminate, suspend or modify the Plan. If the Plan is modified, then a Participation Notice will be deemed to be a Participation Notice under the Plan as modified unless that Participation Notice is withdrawn by the Participant; or
- (b) resolve that participation will not apply to the whole or part of any dividend and that the applicable part will be paid in cash; or
- (c) resolve that in the event of the subdivision, consolidation or reclassification of the Class A Shares into one or more new classes of shares, that a Participation Notice will be deemed to be Participation Notice in respect of the shares as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the Participant; or
- (d) resolve that a Participation Notice will cease to be of any effect.

### 7.2 Notice

Notice of any modification or termination by MG will be given to all Participants.

### 7.3 Variation or termination by a Participant

A Participant may, at any time:

- (a) increase or decrease the number of participating Class A Shares by completing and sending a new Participation Notice to MG; or
- (b) terminate the Participant's participation in the Plan by written notice to that effect to MG.

Such variation or termination will take effect 7 Working Days after receipt by MG of the new Participation Notice or the written termination notice, as the case may be.

### 7.4 Death of Participant

If a Participant dies, participation by that Participant will cease upon receipt by MG of a notice of death in a form acceptable to MG. Death of one of two or more joint Participants will not automatically terminate participation.

## 8 REDUCTION OR TERMINATION OF PARTICIPATION WHERE NO NOTICE GIVEN

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### 8.1 Dispositions where partial participation

Where a Participant participating in respect of some but not all its Class A Shares, disposes of some of its Class A Shares then, unless the Participant notifies MG otherwise in writing:

- (i) the Class A Shares disposed of will be the Participant's non-participating Class A Shares; and
- (ii) if the number of Class A Shares disposed of is greater than the number of the Participant's non-participating Class A Shares, the balance will be attributed to Class A Shares participating in the Plan.

### 8.2 Partial dispositions where full participation

If a Participant with full participation disposes of part of its holding of Class A Shares without giving MG written notice terminating the Participant's participation in the Plan, the Participant will be deemed to have terminated its participation in the Plan with respect to the Class A Shares disposed of by it from the date MG registers a transfer of those Class A Shares.

### 8.3 Dispositions of all of Class A Shares

If a Participant disposes of all of its holding of Class A Shares without giving MG written notice terminating the Participant's participation in the Plan, the Participant will be deemed to have terminated participation in the Plan from the date MG registers a transfer of those Class A Shares.

## 9 COSTS

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There are no charges for participation or withdrawal from the Plan. No brokerage costs will be incurred on the issue of Additional A Shares.



## 10 NZX LISTING

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The Additional A Shares which may be issued under the Plan will not be listed on the NZX.

## 11 GOVERNING LAW

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The Offer Document and the Plan, and its operation, will be governed by the laws of New Zealand.

## 12 OTHER INFORMATION

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A copy of MG's most recent Annual Report, financial statements and a copy of the auditor's report on those financial statements, is available to Shareholders electronically free of charge at [www.mggroup.co.nz](http://www.mggroup.co.nz) by selecting "business" and then "financial information".

Shareholders have a right to receive from MG, free of charge, a copy of MG's most recent Annual Report, financial statements and a copy of the auditor's report on those financial statements. Requests should be made in writing to:

The Company Secretary  
Market Gardeners Limited  
PO Box 8581  
Riccarton  
Christchurch 8440  
email: [cosec@mggroup.co.nz](mailto:cosec@mggroup.co.nz)

## DIVIDEND REINVESTMENT PLAN – PARTICIPATION NOTICE

### DO NOT COMPLETE THIS FORM IF YOU WISH TO RECEIVE IN CASH ANY DIVIDENDS DECLARED

A Dividend Reinvestment Plan operates for your Market Gardeners Limited (MG) Class A ordinary shares.

Full details of the Plan are set out in the accompanying Offer Document dated 11 January 2021.

If you already participate in the Plan and wish to vary your participation, then you will need to complete and return this form.

#### Steps required:

- Complete the appropriate box if you wish:
  - to participate in the Plan for all, or for some, of your MG Class A ordinary shares; or
  - to vary your existing participation.
- Tick the first box if Full Participation is required. If Partial Participation is required, state the number of MG Class A ordinary shares that you wish to participate in the second box.
- When completed, please sign the form and forward to:  
The Company Secretary  
Market Gardeners Limited  
P O Box 8581  
Riccarton  
Christchurch 8440  
cosec@mgroup.co.nz

The net proceeds of your cash dividends are reinvested subject to adjustment by MG in certain cases.

Joint holders must each sign. Companies must execute by an authorised officer or attorney. If signed by an attorney, a non-revocation declaration must accompany this Notice, and the relevant authority must either have been exhibited previously to MG or must accompany this notice.

MG may suspend, vary or terminate your Participation, subject to the terms and conditions of the Plan (see Offer Document).

#### PLEASE CHOOSE ONE

##### MG Class A ordinary shares

###### FULL PARTICIPATION

(including any future MG Class A ordinary shares issued or purchased)

###### PARTIAL PARTICIPATION

(state number of MG Class A ordinary shares to participate)

I/We acknowledge receipt of a copy of the Offer Document.

I/We agree to be bound by the terms and conditions of the Dividend Reinvestment Plan set out in the Offer Document dated 11 January 2021.

I/We hereby direct that the net proceeds of all cash dividends I am/we are entitled to be paid or credited in respect of my/our Participating Shares be applied towards the purchase of additional MG Class A ordinary shares in accordance with the Plan.

I/We acknowledge that this election will continue to apply until varied or terminated by written notice in accordance with the terms and conditions of the Plan.

NAME

SHAREHOLDER NO.

ADDRESS

  
  

TELEPHONE

DATE

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DD / MM / YY

SIGNATURE OF SHAREHOLDER(S)

Participation will commence 15 working days (being a date on which trading banks are open for business in Christchurch, not being a Saturday, Sunday or public holiday) prior to payment of dividends (or such shorter period at MG's discretion) subject to MG first having received this Participation Notice correctly completed.

Once completed, please scan and email to cosec@mgroup.co.nz. Alternatively, you can post to the Company Secretary at the address noted above.