

09 October 2023

New Zealand King Salmon – Proposed Buyback of certain Option Shares

New Zealand King Salmon Investments Limited (NZKS) (NZX & ASX: NZK) gives notice under section 61(5) of the Companies Act 1993 (the *Act*) that the put option granted to Grant Rosewarne, former Chief Executive of NZKS (the *Put Option*) disclosed to shareholders on 1 November 2022 will remain available for exercise until 28 February 2024.

Pursuant to the Put Option Mr Rosewarne may require NZKS to acquire up to 2,340,883 shares (the *Option Shares*) held by Mr Rosewarne and Bianca Rosewarne as holders of the Rosewarne NZ Family Trust issued in connection with certain long term incentive plans of NZKS for the purpose of repaying a loan owed by Mr Rosewarne to NZKS in relation to the acquisition of the Option Shares.

NZKS has determined that it will offer to acquire the Option Shares (*Buyback Offer*). The terms of the Buyback Offer are as follows:

1. Pursuant to the Put Option, NZKS offers to buyback the Option Shares at the volume weighted average price of NZKS' ordinary shares (the *Shares*) traded on the NZX Main Board for the five trading days prior to the exercise of the Put Option.
2. The Put Option may only be exercised once, and the proceeds will be applied to repayment of a loan owing by Mr Rosewarne to NZKS in relation to the Option Shares.

As disclosed to shareholders on 1 November 2022, the Put Option may be exercised by Mr Rosewarne such that the Option Shares are acquired by NZKS on or before 28 February 2024. In certain circumstances, NZKS may be required to purchase additional shares to enable Mr Rosewarne to repay the loan balance owing in full at the repayment date of 28 February 2024. Such additional shares will be bought back at the volume weighted average price of Shares traded on the NZX Main Board for the five trading days prior to 28 February 2024.

To give effect to the Buyback Offer, the Board resolved on 6 October 2023:

1. to make the Buyback Offer;
2. that the acquisition of the Option Shares under the Buyback Offer is in the best interests of NZKS and of benefit to the remaining shareholders;
3. that the terms of the Buyback Offer and the consideration offered for the Option Shares are fair and reasonable to both the Company and the remaining shareholders;
4. that it is not aware of any information that will not be disclosed to shareholders:
 - 4.1 which is material to an assessment of the value of the Option Shares; and
 - 4.2 as a result of which the terms of the Buyback Offer and consideration offered for the Option Shares are unfair to shareholders accepting the Buyback Offer;
5. that the Board is satisfied that NZKS will, immediately after acquiring the Option Shares, satisfy the solvency test applied under section 52 of the Companies Act 1993;
6. that, for the purposes of section 67A of the Companies Act 1993, the Option Shares shall be cancelled on acquisition; and
7. to authorise any director of NZKS to sign such documents and do such other things as may be necessary or appropriate to complete the Buyback Offer.

Authorised by:

Board of Directors of New Zealand King Salmon Investments Ltd

Ends





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