

## Allied Farmers Limited

### Notice of Annual Meeting of Shareholders

Notice is hereby given that the Annual Meeting of Shareholders of Allied Farmers Limited (“**ALF**” or the “**Company**”) will be held at 11am on 20 November 2024 via the MUFG Virtual Meeting Platform (“**Meeting**”). The Meeting will be an online-only meeting, meaning that shareholders of the Company (“**Shareholders**”) will not be able to attend the meeting in person, but will be able to:

- attend and participate at the meeting virtually via the MUFG Virtual Meeting Platform provided by the Company’s share registrar, MUFG Corporate Markets, at [www.virtualmeeting.co.nz/alf24](http://www.virtualmeeting.co.nz/alf24); or
- participate in the meeting by proxy.

Further details on how to do so are set out in this Notice of Meeting and the Virtual Meeting Online Portal Guide filed on the market announcement platform of the NZX and available on the Company’s website ([www.alliedfarmers.co.nz](http://www.alliedfarmers.co.nz)).

The Board has determined that, due to the very low level of Shareholder turnout at previous in-person meetings, the additional costs of holding an in-person or hybrid meeting significantly outweigh the potential benefits. The Board appreciates the support and understanding of our Shareholders regarding these arrangements and encourages all Shareholders to participate in the Meeting online and ask any questions either ahead of time (see details below) or during the Meeting online.

#### ITEMS OF BUSINESS

##### A. Chair’s Introduction

##### B. Addresses to Shareholders

##### C. Resolutions

To consider, and if thought fit, to pass the following ordinary resolutions:

1. **Resolution 1: Auditor’s Remuneration**

“That the Directors be authorised to fix the fees and expenses of the Company’s auditor, RSM Hayes Audit, for the ensuing year.”

*Refer to Explanatory Note 1 on page 5 for further details on this Resolution.*

2. **Resolution 2: Issue of FY25 Performance Rights to Richard Milsom, Managing Director**

“That approval be given for the issue of 144,032 performance rights during the financial year ending 30 June 2025, and the issue of ordinary shares on the vesting and exercise of those performance rights, to Richard Milsom under the rules of the Company’s Long Term Incentive Plan.”

*Refer to Explanatory Note 2 on page 5 for further details on this Resolution.*

3. **Resolution 3: Issue of FY26 Performance Rights to Richard Milsom, Managing Director**

“That approval be given for the issue of such number of performance rights during the financial year ending 30 June 2026 equivalent to 0.5% of the Company’s total number of ordinary shares on issue as at 1 July 2025, and the issue of ordinary shares on the vesting and exercise of those performance rights, to Richard Milsom under the rules of the Company’s Long Term Incentive Plan.”

*Refer to Explanatory Note 2 on page 5 for further details on this Resolution.*

4. **Resolution 4: Issue of FY27 Performance Rights to Richard Milsom, Managing Director**

“That approval be given for the issue of such number of performance rights during the financial year ending 30 June 2027 equivalent to 0.5% of the Company’s total number of ordinary shares on issue as at 1 July 2026, and the issue of ordinary shares on the vesting and exercise of those performance rights, to Richard Milsom under the rules of the Company’s Long Term Incentive Plan.”

*Refer to Explanatory Note 2 on page 5 for further details on this Resolution.*

**D. Shareholder Questions**

To consider any other matters that may properly be brought before the Meeting.

By Order of the Board of Directors

Shelley Ruha

16 October 2024

## PROCEDURAL NOTES

### Voting Entitlements

Voting entitlements of the Meeting will be determined with reference to the Company's share register as at 5pm NZT on 18 November 2024 ("**Record Date**"). Only those persons who are registered Shareholders on the Record Date will be entitled to attend and vote at the Meeting.

Voting on all of the Resolutions will be by way of poll, meaning that each shareholder has one vote for each ordinary share held by that that shareholder.

### Online Meeting

All Shareholders will have the opportunity to attend and participate in the Meeting online via an internet connection using the Virtual Meeting Platform at [www.virtualmeeting.co.nz/alf24](http://www.virtualmeeting.co.nz/alf24). Shareholders will require a CSN/Holder Number for verification purposes. Shareholders attending and participating in the Meeting will be able to vote and ask questions during the Meeting. The Company strongly recommends that shareholders log in to the online portal at least 15 minutes prior to the scheduled start time for the meeting.

More information regarding online attendance at the Meeting (including how to vote and ask questions during the Meeting) is available in the Virtual Meeting Online Portal Guide, which is available at: <https://meetings.linkgroup.com/help>.

The Company also offers the facility for Shareholders to submit questions to the Board in advance of the Meeting at <https://investorcentre.linkgroup.nz/voting/ALF>, or by using the Voting Form.

### Proxy Vote

Shareholders may attend online and vote at the Meeting or may appoint a proxy (who need not be a Shareholder) to attend online and vote on their behalf by completing and returning the enclosed Voting Form. If you return the Voting Form without directing the proxy how to vote on any particular matter, the proxy may vote as he/she thinks fit or abstain from voting.

Shelley Ruha, as Chair of the Meeting, is willing to act as proxy for any Shareholder who may wish to appoint her for that purpose, and she intends to vote for the Resolutions where she is given a "Proxy Discretion". All Shareholders wishing to appoint the Chair as proxy should clearly indicate on their Voting Form whether they wish to direct the Chair to vote for or against, or to abstain from voting on, the Resolutions.

If you do not name a person as your proxy (but have completed the Voting Form in full) or your named proxy does not attend the meeting, the Chair will be appointed your proxy and will vote in accordance with your express direction.

A company that is a Shareholder may appoint a representative to attend the Meeting on its behalf in the same manner as it may appoint a proxy.

Shareholders wishing to appoint a proxy (or representative) must complete and send the Voting Form so that it is received by MUFG Corporate Markets no later than 11am on 18 November 2024.

To appoint your proxy and vote please go to the MUFG Corporate Markets website at: <https://investorcentre.linkgroup.nz/voting/ALF>.

You will require your CSN/Holder number to successfully validate your holding. Follow the prompts if you wish to appoint a proxy and, if desired, to provide voting instructions to your proxy. A Shareholder will be taken to have signed the Voting Form by lodging it in accordance with the instructions on the website.

Alternatively, please complete and sign the enclosed Voting Form and return it in one of the following manners:

**Scan & email:** [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com)

**Deliver:** MUFG Corporate Markets, Level 30 PwC Tower, 15 Customs Street West, Auckland, New Zealand.

**Mail:** If mailing from within New Zealand, please place in the reply-paid envelope provided. If mailing from outside New Zealand please place in the pre-addressed envelope, affix the postage from the country of mailing and post to MUFG Corporate Markets, PO Box 91976, Victoria Street West, Auckland 1142, New Zealand.

### Ordinary Resolutions

The Resolutions are ordinary resolutions. Each Resolution is independent of any other Resolution being passed.

An ordinary resolution is a resolution approved by a simple majority of the votes of those Shareholders entitled to vote and voting on the resolution in person or by proxy.

### Voting Restrictions

The company will disregard any votes cast in favour of Resolutions 2 to 4 by Richard Milsom and any of his “associated persons” (as defined in the NZX Listing Rules).

The company need not disregard a vote cast in favour of Resolutions 2 to 4 if it is cast Richard Milsom as proxy for a person who is entitled to vote, in accordance with an express direction on the proxy form.

### Shareholder questions

Shareholders attending the Meeting will be given the opportunity to raise questions during the Meeting. Shareholders may also submit written questions on the bottom of the Voting Form.

Alternatively written questions can be sent:

- online at <https://investorcentre.linkgroup.nz/voting/ALF>; or
- by email to [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com).

### NZX Review

This Notice of Meeting has been reviewed by NZX Regulation Limited (“**NZ RegCo**”) in accordance with NZX Listing Rule 7.1 and NZ RegCo has confirmed it does not object to this Notice. NZ RegCo does not take any responsibility for any statement in this Notice.

## EXPLANATORY NOTES

### EXPLANATORY NOTE 1 - AUDITOR'S REMUNERATION

RSM Hayes Audit, the current auditor of the Company, will be automatically reappointed under section 207T of the Companies Act 1993. Resolution 1 authorises the Directors to fix the fees and expenses of RSM Hayes Audit as the Company's auditor in accordance with section 207S of the Companies Act 1993.

### EXPLANATORY NOTE 2 - ISSUE OF PERFORMANCE RIGHTS TO RICHARD MILSOM, MANAGING DIRECTOR

#### Background

The Company currently operates a long-term incentive plan under which it grants "performance rights" to certain participating employees and executive directors (the "**Long Term Incentive Plan**" or "**LTIP**"). Each performance right entitles the participant to receive one ordinary share in the Company or, in certain circumstances, to be paid an amount of cash consideration, when the applicable vesting conditions are satisfied. The applicable vesting conditions are set when the performance rights are granted.

The Board has established the LTIP to link rewards with the strategic long-term goals and performance of the Company and the maximisation of shareholder returns. Grants under the LTIP are made under the Company's LTIP rules.

#### Proposed issue of Performance Rights

The Board has considered the long term incentive arrangements for the Company's Managing Director, Richard Milsom, with a view to putting in place arrangements for the three financial years ending 30 June 2025, 30 June 2026 and 30 June 2027.

Subject to Resolutions 2 to 4 being passed, the Board proposes to issue Mr Milsom:

- (a) 144,032 performance rights (equivalent to 0.5% of the total number of ordinary shares on issue as at 1 July 2024) in connection with his remuneration for the financial year ending 30 June 2025 (the "**FY25 Performance Rights**");
- (b) a number of performance rights equivalent to 0.5% of the Company's total number ordinary shares on issue as at 1 July 2025 in connection with his remuneration for the financial year ending 30 June 2026 (the "**FY26 Performance Rights**"); and
- (c) a number of performance rights equivalent to 0.5% of the Company's total number of ordinary shares on issue as at 1 July 2026 in connection with his remuneration for the financial year ending 30 June 2027 (the "**FY27 Performance Rights**"),

(together, the "**Performance Rights**"). The exact number of FY26 Performance Rights and FY27 Performance Rights to be issued will depend on the total number of ordinary shares on issue as at 1 July 2025 and 1 July 2026, respectively. Accordingly, the exact number of FY26 Performance Rights and FY27 Performance Rights to be issued is not known as at the date of this Notice of Meeting. However, if calculated using the total number of ordinary shares on issue as at the date of this Notice of Meeting, 144,032 FY26 Performance Rights and 144,032 FY27 Performance Rights would be issued to Mr Milsom.

The FY25 Performance Rights are intended to be issued as soon as practicable after the Meeting, and the FY26 Performance Rights and FY27 Performance Rights are intended to be issued on dates to be determined by the Board during the financial year in which those Performance Rights relate (and, in the case of the FY27 Performance Rights, to be a date no later than three years after the date of the Meeting).

An overview of the key terms of the proposed grant of Performance Rights to Mr Milsom is set out below.

### Why is Shareholder approval being sought?

The Company's constitution includes restrictions on any person having a 'relevant interest' (as defined in the Financial Markets Conduct Act 2013)<sup>1</sup> in shares that comprise or exceed 5% of shares in the Company (the "**Ownership Threshold**"). However, the constitution contains exceptions to the Ownership Threshold which are designed to permit the Company to continue to incentivise its employees under employee share purchase schemes operated by the Company (including the LTIP). Those exceptions allow persons to have a relevant interest in 5% or more of shares as a result of an issue or transfer of shares to that person under any employee share purchase scheme, where such issue or transfer is approved by an ordinary resolution of the Company's Shareholders.

As at the date of this Notice of Meeting, Mr Milsom has a relevant interest in 15.8% of the Company's ordinary shares and 144,032 performance rights. Accordingly, in order for any of the Performance Rights or shares on the vesting and exercise of those Performance Rights to be issued to Mr Milsom without breaching the Ownership Threshold, their issue will need to be approved by Shareholders.

On 7 June 2024 NZ RegCo granted the Company a waiver from NZX Listing Rule 8.1.5 in relation to the Board's ability to suspend voting rights attaching to shares in which a person has a relevant interest in excess of the Ownership Threshold.

Shareholder approval to the grant of the Performance Rights to Mr Milsom, and any subsequent issue of shares following vesting of the Performance Rights, is not required under the NZX Listing Rules (as the Performance Rights and shares will be issued in reliance of NZX Listing Rule 4.6.1). Shareholder approval to the issue of the Performance Rights (and shares on the vesting and exercise of those Performance Rights) is being sought under the Company's constitution only for the reasons set out above.

### Key terms of the proposed Performance Rights

The key terms of the proposed issue of Performance Rights are set out below.

<b>Performance Rights</b>	<p>Each Performance Right represents a right to receive one ordinary share in the Company or, in certain circumstances, be paid an amount of cash consideration, subject to satisfaction of certain vesting conditions. No consideration is payable by Mr Milsom to receive a Performance Right or a share on vesting of a Performance Right.</p> <p>Each ordinary share issued on vesting and exercise of the Performance Rights will on issue rank equally with all other ordinary shares of the Company.</p>
<b>Issue date</b>	<p>The FY25 Performance Rights are intended to be issued as soon as practicable after the Meeting.</p> <p>The FY26 Performance Rights and FY27 Performance Rights are intended to be issued on a date to be determined by the Board during the financial year in which</p>

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<sup>1</sup> In broad terms, a person has a 'relevant interest' in a share if the person (a) is the registered holder or beneficial owner of the share; or (b) has the power to exercise, or control the exercise of, a right to vote attached to the share or has the power to acquire or dispose of, or to control the acquisition or disposition of, that share. A person may also have a 'relevant interest' in a share to which another person has a 'relevant interest' depending on the nature of the relationship between them.

those Performance Rights relate (and, in the case of the FY27 Performance Rights, to be a date no later than three years after the date of the Meeting).

**Vesting conditions**

The vesting conditions that apply to Performance Rights are determined by the Board at the time of issue of the relevant Performance Rights. Unless the Board determines otherwise, any Performance Rights which do not satisfy the vesting conditions will automatically lapse.

**FY25 Performance Rights**

*Performance condition*

For vesting of the FY25 Performance Rights to occur the Company and its subsidiaries (the “**Group**”) must achieve a certain three year average Group net profit after tax (**NPAT**) relative to budgeted targets. The NPAT targets are set by the Board at the beginning of each of the three financial years and performance is assessed each year relative to the targets. Performance will be determined as the average of the annual performance assessments for the three years.

The proportion of FY25 Performance Rights that satisfy the performance vesting condition, and will be eligible for vesting, will be determined in accordance with the following scale:

Performance against target (budgeted) three-year average of Group NPAT	Percentage of FY25 Performance Rights to satisfy Vesting Condition
<80% of target	0%
80% to 100% of target	50% paid if achieve 80%. 100% paid if achieve 100% or more. with a pro rata allocation between the 80% and 100% achievement levels.

*Other conditions*

Vesting of the FY25 Performance Rights is also conditional on Mr Milsom remaining employed by the Company on 30 June 2027 and Board approval.

**FY26 Performance Rights and FY27 Performance Rights**

The vesting conditions for the FY26 Performance Rights and FY27 Performance Rights have not yet been determined by the Board. However, the Board expects that the vesting conditions will be consistent with those set for the FY25 Performance Rights.

**Reorganisation of capital**

In the event of certain reorganisations/restructures of the share capital of the Company, the number of Performance Rights held by Mr Milsom will be revised to ensure a fair treatment as between Mr Milsom as a participant in the LTIP and Shareholders.

**Other**

If all of the Performance Rights were to vest, and ordinary shares issued to Mr Milsom, Shareholders will be diluted by an amount equal to the number of ordinary shares issued, which is expected to be approximately 1.5% in aggregate.

The Performance Rights cannot be transferred. Any shares issued to Mr Milsom on vesting and exercise of the Performance Rights also cannot be transferred without complying with the transfer procedure contained in the LTIP rules (which, broadly, requires a transfer to be undertaken in accordance with the Company's securities trading policy).

The Performance Rights will not be quoted on the NZX Main Board. So long as the Company remains listed on the NZX Main Board, it is intended that the shares issued on exercise of performance share rights will be quoted on the NZX Main Board.

The Company may amend the terms of the LTIP rules, subject to the consent of any adversely affected participant.

**Board recommendation**

The Board (excluding Richard Milsom who has abstained from giving a recommendation) recommends that Shareholders vote in favour of all Resolutions.

If Shareholders do not approve the proposed issue of Performance Rights, and shares on the vesting and exercise of those Performance Rights, to Mr Milsom, the Board will investigate alternative long-term variable remuneration arrangements for Mr Milsom which are equivalent (taken overall) to the Performance Rights.