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Market statement

20 July 2018

Share simplification implemented

On 19 July 2018, Livestock Improvement Corporation (NZX: LIC) (LIC) implemented the share simplification previously approved by its shareholders at the special meeting in March 2018. The share simplification brought LIC's two classes of shares, Co-operative Control Shares and Investment Shares (ISIN NZLICE0001S1), together into a single class of Ordinary Shares.

Share Capital

The share simplification was implemented immediately following LIC's 2018 annual co-operative share update and involved the following steps:

- LIC's shareholders were issued with 3 nil-paid Co-operative Control Shares for each Co-operative Control Share held by a shareholder;
- Each Investment Share was subdivided into 4 Investment Shares;
- All nil paid Co-operative Control Shares were reclassified into nil paid Ordinary Shares on a 1:1 basis;
- All fully paid Co-operative Control Shares and Investment Shares were reclassified into Ordinary Shares on a 1:1 basis.

All fully paid Ordinary Shares will be traded on the NZAX and will retain the ISIN previously used in respect of LIC's Investment Shares (NZLICE0001S1).

LIC is currently in trading halt to effect the operational changes and ensure its share register accurately reflects the final position following the share simplification. The trading halt is in effect until close of business on Friday 20 July.

Trading in Ordinary Shares will commence on Monday 23 July 2018.

Following the share simplification, the share capital of LIC consists of:

- 120,168,791 fully paid Ordinary Shares;
- 22,176,045 nil paid Ordinary Shares; and
- 5,337,584 fully paid Ordinary Shares held as treasury stock.

Any dividends paid on nil paid Ordinary Shares and on any other Ordinary Shares required to be held to satisfy LIC's shareholding requirement will be applied to repay the outstanding liability on nil paid Ordinary Shares. The first such dividend will be paid on 17 August 2018.

Changes to Service Rules and Constitution

LIC's service rules and Constitution have also been amended as part of the share simplification. These changes reflect the single class of shares and outline the rules that shareholders have to meet to comply with LIC's new shareholding requirement and other applicable rules. The amended service rules and Constitution are both available on the LIC website at <https://www.lic.co.nz/about/lic-service-rules/> and <https://www.lic.co.nz/shareholders/constitution/>

Ends

For any shareholder enquiries please phone 0800 542 742