

MEDIA RELEASE

16 October 2025

Proposed Dawn Meats investment in Alliance Group increases by up to \$25 million

Dawn Meats Group will increase its proposed investment in Alliance Group by an additional \$20-\$25 million following stronger than forecast year-end results by Alliance.

The increase brings Dawn's total proposed cash investment to approximately \$270 million in Alliance Group, should the proposal be approved by farmer-shareholders at the Special General Meeting in Invercargill on Monday October 20.

Mark Wynne, chair of Alliance Group, said the additional investment has been triggered by an agreed adjustment mechanism between Dawn and Alliance, which rewards stronger-than-forecast year-end performance.

"Alliance's unaudited year-end profit projection of between \$18 million and \$24 million is above the agreed profit target, and the company's net debt position is lower than forecast.

"Under this adjustment mechanism, this means an additional \$20-\$25 million investment from Dawn.

"This is a strong endorsement of Alliance's performance and the proposed partnership with Dawn. It recognises the hard work of our people in turning the business around and the loyalty of our farmers over the past 12 months.

"The adjustment ensures the final investment reflects Alliance's improved performance. It's a tangible vote of confidence in our business and in the proposed partnership with Dawn Meats."

Mr Wynne encouraged farmer-shareholders to vote on the proposed strategic investment partnership with Dawn.

"This is a once-in-a-generation decision for our farmers. Every farmer-shareholder has a voice and a vote.

"It is important farmers take the time to understand the details, talk to their fellow farmers, and make sure they have their say on the future of Alliance."

Mr Wynne said that as part of the purchase price negotiations with Dawn in July 2025, Alliance agreed to year-end profit and net debt targets.

“These were designed to give both Alliance farmer-shareholders and Dawn Meats certainty -- farmer-shareholders about the \$250 million investment amount, and Dawn about the value of its proposed shareholding.

“Both parties recognised the potential volatility of trading conditions in the final quarter of the financial year and agreed an adjustment mechanism to account for over- or under-performance against the targets.”

The additional payment will be distributed as a dividend from the joint venture to the proposed Alliance Investment Co-operative.

This is in addition to the \$40 million in loyalty payments already planned, bringing the total dividend distribution to approximately \$60 million.

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