

Incitec Pivot Limited

INNOVATION ON THE GROUND

ASX RELEASE

IPL announces details for return of ~\$500 million to shareholders

25 January 2024

Incitec Pivot Limited (ASX:**IPL**) today confirmed the details and timetable for its ~\$500 million return of surplus capital to shareholders. At the 2023 Annual General Meeting on 20 December 2023, IPL shareholders voted in favour of reducing IPL's share capital by up to \$500 million by way of an equal capital reduction.

IPL confirms that ~\$500 million will be returned by way of:

- a \$0.1557 per share equal capital reduction, totalling \$302,404,437.02 in aggregate; and
- an unfranked special dividend of \$0.1017 per share, totalling \$197,524,285.45 in aggregate.

IPL expects the Australian Taxation Office (**ATO**) to issue a Class Ruling following completion of the capital reduction and payment of the dividend in respect of the Australian income tax implications of the capital reduction. IPL expects no part of the capital reduction should be treated as a dividend for Australian taxation purposes.

Subject to the ATO's Class Ruling, IPL expects that for IPL shareholders who hold their shares on capital account for Australian income tax purposes, the cost base (and reduced cost base) of each share will be reduced by \$0.1557 per share for the purposes of calculating any capital gain or loss on the ultimate disposal of that share for Australian income tax purposes. An immediate capital gain would arise for shareholders where their cost base of any share is less than \$0.1557.¹

Once the Class Ruling has been published by the ATO, IPL will release an ASX announcement confirming that the Class Ruling has been issued and make it available on its website at www.incitecpivot.com.au.

The \$0.1557 per share capital return constitutes an equal capital reduction for the purposes of the Corporations Act. No shares will be cancelled in connection with the capital reduction. Accordingly, the capital reduction will not affect the number of shares held by each shareholder, nor will it affect the control of IPL. The Board is satisfied that the capital reduction is fair and reasonable to IPL's shareholders as a whole and does not materially prejudice IPL's ability to pay its creditors.²

IPL's Dividend Reinvestment Plan will not apply in respect of the return of capital or the unfranked special dividend.

Key dates for the capital return and special dividend are set out below.

¹ The information in this release does not take into account the individual circumstances of each shareholder and does not constitute tax advice. Shareholders should seek their own professional advice as to their income tax implications arising from the capital return and unfranked special dividend.

² For further details of the capital reduction, please refer to IPL's 2023 Notice of Annual General Meeting released on ASX on 20 November 2023.

Key dates

29 January	Effective date (capital return)	Effective date for return of capital.
30 January		Last date for trading in 'cum return of capital' shares.
31 January	Ex return of capital date Ex dividend date	Shares commence trading on an 'ex return of capital' and 'ex dividend' basis.
1 February	Record date (capital return and dividend)	Record date for determining entitlement to participate in the return of capital and the dividend.
8 February	Payment date (capital return and dividend)	Payment date for return of capital and dividend. Shareholders to receive their payment advice.

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This document has been authorised for release by Richa Puri, Company Secretary.

This announcement contains certain forward-looking statements, including statements in relation to expectations, intentions, estimates, targets, and indications of, and guidance on, future outcomes and matters concerning IPL. The words "expect", "potential", "may" and other similar expressions are intended to identify forward-looking statements. Indications of, and expectations in relation to, the outcome of the capital reduction and special dividend may constitute forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of IPL, its officers and employees. Undue reliance should not be placed on forward-looking statements. IPL disclaims any responsibility to update or revise any forward-looking statement, except to the extent required by law. Additionally, to the maximum extent permitted by law, IPL and its affiliates, directors, officers, partners, employees, agents and advisers disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise.

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