

22 June 2023

## SunRice Group enters agreement to acquire 100% of Trukai Industries Ltd (PNG)

Ricegrowers Ltd (SunRice) announces that it has today entered into a Share Buy-Back Agreement under which it will become the sole shareholder in Trukai Industries Ltd (Trukai). SunRice currently holds 66.23% of the shares issued in Trukai, a company which was incorporated in Papua New Guinea (PNG) in 1970 and which is now the leading supplier of rice, with the number 1 rice brand, in the country.

The transaction will facilitate the buy-back of all the shares held in Trukai by Melanesian Trustee Services Limited (as trustee and manager of the Pacific Balanced Fund) (MTSL). Following the buy-back, SunRice will be the sole shareholder in Trukai.

Trukai will acquire MTSL's 33.77% shareholding for PGK42,500,000 (approximately AUD17,500,000), which will be financed through local debt facilities in PNG. Completion is scheduled to occur on 30 June 2023. Upon completion, the MTSL-nominee Trukai directors will resign, at which point the Trukai Board will comprise solely SunRice nominees.

Commenting on the sale, SunRice Group CEO Mr Rob Gordon said:

*"The SunRice Group has a longstanding presence and proud history of investing in Papua New Guinea for over 50 years through its subsidiary Trukai which now employs close to 1,000 local staff and plays an important role in food security and in supporting communities across the country.*

*"Today's announcement reflects our ongoing investment in Papua New Guinea and our commitment to continue providing high quality, secure sources of rice to communities who rely upon our products."*

Authorised by Kate Cooper, General Counsel and Company Secretary, SunRice Group

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### About SunRice's structure

The structure of SunRice contains non-standard elements including its dual class share structure comprising A Class Shares and B Class Shares.

A Class Shares confer on their holders the right to vote at general meetings but no right to dividends. A Class Shares are not quoted on ASX and may only be held by rice growers who meet the production quotas prescribed by the SunRice constitution. No person may hold more than 5 A Class Shares. In practical terms the voting rights held by A Class Shareholders give those shareholders the right to control the election of directors and any changes to SunRice's constitution.

B Class Shares are quoted on ASX and confer on their holders the right to receive dividends, as determined by the directors from time to time. Holders of B Class Shares do not generally have the right to vote at general meetings of SunRice. This means B Class Shareholders have no right to vote on the election of directors of SunRice. No person may hold more than 10% of the total number of B Class Shares on issue.

For more details of the non-standard elements of SunRice's structure see: <https://corporate.sunrice.com.au/investors/>