



29 April 2024

ASX Release

Louis Dreyfus Company intends to make an all cash takeover offer for Namoi Cotton Limited (ASX: NAM) (Namoi)

Louis Dreyfus Company Melbourne Holdings Pty Ltd (ACN 161 877 785) (**LDC**), a wholly owned subsidiary of Louis Dreyfus Company B.V. (**LDC B.V.**) (which together with its subsidiaries is the **LDC Group**), is pleased to announce its intention to make an off-market takeover offer to acquire all of the fully paid ordinary shares in Namoi Cotton Limited (ACN 010 485 588) (**Namoi Shares**) which the LDC Group does not already own or control at \$0.60 cash per Namoi Share (**Offer Price**) (the **Offer**).

The Offer Price is exclusive of the \$0.01 per share dividend declared by Namoi on 17 April 2024 (**Namoi Permitted Special Dividend**). In aggregate, the Offer Price plus the Namoi Permitted Special Dividend is equal to \$0.61 per Share.

The LDC Group currently has a 16.99% shareholding in Namoi and has been a long-term partner of Namoi and its shareholders, employees, cotton growers and joint venture partners via its shareholding, and interests in the NCA and NCMA joint ventures.

“We are pleased to announce our cash offer for the remaining Namoi shares – a strategic move that underscores our conviction in the potential of Australian agriculture,” said Michael Gelchie, LDC’s Chief Executive Officer. “This decision is aligned with our commitment to expanding LDC’s presence and service offering in the country, where the Group has been active for over 110 years, with growing merchandizing and processing operations in cotton, grains and oilseeds.”

LDC has entered into an agreement with Namoi with respect to LDC’s intention to make this Offer to Namoi shareholders, a copy of which is attached to Namoi’s announcement regarding this transaction.

Summary of the Offer

The Offer Price of \$0.60 per Share represents a significant premium to Namoi’s undisturbed historical market prices:

- 69% to the closing price on 27 November 2023 of \$0.355;
- 65% to the 1-month VWAP on 27 November 2023 of \$0.364;
- 61% to the 3-month VWAP on 27 November 2023 of \$0.372; and
- 20% to the scheme consideration offered by the LDC Group of \$0.50 adjusting for the Namoi Permitted Special Dividend,

where Monday, 27 November 2023 was the last trading day prior to the announcement of the LDC Group’s initial approach to the Namoi Board.

The Offer to Shareholders is 100% cash and is subject to the following limited conditions:

- no prescribed occurrences occurring in relation to Namoi before the end of the offer period;
- regulatory approvals from the ACCC and FIRB; and
- a minimum acceptance condition that the LDC Group increases its relevant interest in Namoi to 50.1%.

Full details of the conditions to the Offer are set out in Annexure A of this announcement.

The Offer provides Shareholders with an opportunity to realize full value for their entire shareholding in Namoi.

Independent Namoi directors' recommendation

Each director of Namoi (other than Sarah Scales who is abstaining¹) (together, the **Independent Directors**) intends to recommend that Namoi shareholders (other than excluded shareholders) ACCEPT the Offer subject only to the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the potential transaction is fair and reasonable to Namoi shareholders.

Each Independent Director who holds Namoi shares intends to accept the Offer in respect of all Namoi shares they own or control, subject to the same qualification as above.

Bidder's Statement

LDC will lodge a copy of its Bidder's Statement with ASIC in due course which will contain detailed information relevant to the Offer, including how to accept the Offer.

LDC Scheme Proposal

The LDC Group and Namoi have mutually agreed to terminate the scheme implementation agreement dated 19 January 2024.

ASIC Market Integrity Rule 5.13.1 Disclosure

In accordance with ASIC Market Integrity Rules 5.13.1 and 5.14.1 and the Corporations Act, LDC intends to appoint UBS Securities Australia Limited (ABN 62 008 586 481) (AFSL 231098) to acquire Namoi Shares on its behalf on market during normal trading hours on the ASX during the bid period (as defined in the ASIC Market Integrity Rules). Any such purchases will be disclosed to the ASX in substantial shareholder notices which LDC is required to lodge under the Corporations Act. UBS Securities Australia Limited (ABN 62 008 586 481) (AFSL 231098) is unable to give sellers advice in respect of the proposed purchases of Namoi Shares.

Advisers

UBS is acting as financial adviser and Arnold Bloch Leibler is acting as legal adviser to LDC in relation to the Offer.

This release has been authorised to be given to ASX by LDC.

Media Enquiries

Helen McCombie, Managing Director, Morrow Sodali
M. +61 411 756 248
E: h.mccombie@morrow sodali.com

¹ Sarah Scales, LDC's appointed representative to the Namoi Board, will abstain from making a recommendation to shareholders due to her association with LDC

Roger Newby, Managing Director, Morrow Sodali
M: +61 401 278 906
E: r.newby@morrrowsodali.com

About Louis Dreyfus Company

Louis Dreyfus Company Melbourne Holdings Pty Ltd is a wholly owned subsidiary of Louis Dreyfus Company B.V. (which collectively with its subsidiaries is the **LDC Group**). The LDC Group is a leading merchant and processor of agricultural goods, founded in 1851. We leverage our global reach and extensive asset network to serve our customers and consumers around the world, delivering the right products to the right location, at the right time – safely, reliably and responsibly. Our activities span the entire value chain, from farm to fork, across a broad range of business lines (platforms): Carbon Solutions, Coffee, Cotton, Food & Feed Solutions, Freight, Global Markets, Grains & Oilseeds, Juice, Rice and Sugar. We help feed and clothe some 500 million people every year by originating, processing and transporting approximately 80 million tons of products. The LDC Group is active in over 100 countries across six geographical regions, and employs approximately 18,000 people globally. For more information, visit www ldc.com and follow us on [LinkedIn](#), [X](#) and WeChat (ID: we_are_ldc).

The LDC Group has had an active involvement in Australian agriculture for more than 110 years, and today its core business in the country is cotton and grain.

ANNEXURE A – Conditions of the Offer

1. **Minimum Acceptance Condition:** Before the end of the offer period under the Offer, LDC has a Relevant Interest in such number of Namoi Shares which represents at least 50.1% (by number) of all of the Namoi Shares (on a fully diluted basis).
2. **FIRB Condition:** Before the end of the offer period under the Offer:
 - a. the Treasurer (or the Treasurer's delegate) has provided a written no objections notification to LDC under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) to LDC acquiring all of the Namoi Shares under the Offer without conditions (other than the conditions set out in the list of 'standard' tax conditions set out in section D of FIRB's guidance note 12 on 'Tax Conditions' (in the form last updated on 10 August 2023 and available on FIRB's website at <https://foreigninvestment.gov.au/sites/foreigninvestment.gov.au/files/2023-08/guidance-note-12-tax-conditions-august-2023.pdf>)); or
 - b. the Treasurer (and each of the Treasurer's delegates) has ceased to be empowered to make any order or decision under Division 2 of Part 3 of FATA in respect of the acquisition of all of the Namoi Shares by LDC under the Offer.
3. **ACCC Clearance Condition:** Before the end of the offer period under the Offer, the ACCC has advised LDC in writing that it does not intend to oppose, seek to prevent or otherwise intervene in relation to the acquisition of Namoi Shares by LDC (on an unconditional basis).
4. **No Prescribed Occurrences Condition:** Following lodgement of LDC's Bidder's Statement with ASIC, none of the following events happen during the bid period:
 - a. Namoi converts all or any of its Namoi Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
 - b. Namoi or a subsidiary resolves to reduce its share capital in any way;
 - c. Namoi or a subsidiary enters into a buy-back agreement or resolves to approve the terms of such an agreement under sections 257C(1) or 257D(1) of the Corporations Act;
 - d. Namoi or a subsidiary issues shares or grants an option over its Namoi Shares or agrees to make such an issue or grant such an option;
 - e. Namoi or a subsidiary issues, or agrees to issue, convertible notes;
 - f. Namoi or a subsidiary disposes or agrees to dispose of the whole, or a substantial part, of its business or property;
 - g. Namoi or a subsidiary grants, or agrees to grant, a security interest in the whole, or a substantial part of its business or property;
 - h. Namoi or a subsidiary resolves to be wound up;
 - i. a liquidator or provisional liquidator of Namoi or of a subsidiary is appointed;
 - j. a court makes an order for the winding up of Namoi or of a subsidiary;
 - k. an administrator of Namoi, or of a subsidiary, is appointed under sections 436A, 436B or 436C of the Corporations Act;
 - l. Namoi or a subsidiary executes a deed of company arrangement;
 - m. a restructuring practitioner for Namoi, or for a subsidiary, is appointed under section 453B;
 - n. Namoi or a subsidiary makes a restructuring plan under Division 3 of Part 5.3B; or
 - o. a receiver, or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of Namoi or of a subsidiary.

LDC will not trigger the Prescribed Occurrence Condition in respect of a Permitted Issue of Securities or any matters agreed between Namoi and LDC in writing from time to time.²

² Permitted Issue of Securities means: (a) the issue of new performance rights as agreed between Namoi and the LDC Group in the Namoi FY25 Remuneration Work Plan; or (b) the vesting of any Namoi Performance Rights, including as agreed in the Namoi Performance Rights Work Plan or Namoi FY25 Remuneration Work Plan; or (c) the conversion of any Residual Capital Stock (for Residual Capital Stock holders who have already made a valid election to convert their Residual Capital Stock prior to the Announcement Date), with those terms defined in the agreement attached to this announcement.