
NAMOI COTTON LIMITED (ASX: NAM)
OLAM INTENTION TO MAKE AN OFF-MARKET TAKEOVER OFFER OF \$0.70 PER SHARE

Namoi Cotton Limited ('Namoi') notes the announcement by Olam Agri Holdings Limited ('Olam') in respect of Olam's intention to make an increased off-market takeover offer ('Olam Takeover Offer') for all of the issued shares in Namoi. Under the proposed Olam Takeover Offer, Namoi shareholders would receive a total cash consideration of \$0.70 cash per Namoi share¹ (up from \$0.66 per Namoi share) ('Olam Revised Offer Price').

The proposed Olam Takeover Offer would be subject to the following conditions:

- a 50.1% minimum acceptance condition;
- receipt of the required regulatory approvals from the ACCC and FIRB; and
- no 'Prescribed Occurrences'.

The Olam Revised Offer Price is not subject to Olam obtaining a relevant interest in at least 90% of the Namoi shares before the end of the Olam Takeover Offer period.

- The Olam Revised Offer Price represents a premium to Namoi's undisturbed² historical market prices and the off-market takeover offer from Louis Dreyfus Melbourne Holdings Pty Limited ('LDC'): 97% to the closing price on 27 November 2023 of \$0.355 per share;
- 88% to the 3-month VWAP on 27 November 2023 of \$0.372 per share; and
- 4% to the LDC Revised Offer Price (as defined below) of \$0.67 which was announced to the market on 7 May 2024.

The proposed Olam Takeover Offer will be made via a Bidder's Statement to be dispatched by Olam to Namoi shareholders.

STAM support for Olam Takeover Offer

Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group) ('STAM'), with a 25.0% shareholding in Namoi, has advised Namoi that it intends to accept the proposed Olam Takeover Offer in respect of all the Namoi shares that it holds as at the date of acceptance, in the absence of a superior proposal and subject to the independent expert concluding (and continuing to conclude) that the proposed Olam Takeover Offer is fair and reasonable to Namoi shareholders.

LDC Update

Namoi notes the Replacement Bidder's Statement lodged by LDC in respect of its off-market takeover offer for the remaining ~83% of issued shares in Namoi that it (or its related entities) does not currently own ('LDC Takeover Offer'), which included an increased offer price of \$0.67 cash per

¹ Exclusive of the \$0.01 per share dividend announced on 17 April 2024. Under the proposed Olam Takeover Offer, any other dividends declared by Namoi will reduce the cash consideration under the proposed Olam Takeover Offer by an equivalent amount per share.

² Prior to the announcement of the NBIO on 28 November 2023.

Namoi share³ (up from \$0.60 per Namoi share) ('LDC Revised Offer Price'). The LDC Takeover Offer is subject to the following conditions:

- a 50.1% minimum acceptance condition;
- receipt of the required regulatory approvals from the ACCC and FIRB; and
- no 'Prescribed Occurrences'.

The LDC Takeover Offer is made via the Replacement Bidder's Statement which has been dispatched by LDC to Namoi shareholders. Namoi notes that LDC's Takeover Offer opened for acceptances on 7 May 2024 and will close on 7 June 2024 unless extended or withdrawn as permitted under the Corporations Act 2001 (Cth) ('Corporations Act').

Namoi's Target Statement in response to the LDC Takeover Offer, that will outline the Independent Directors' recommendation and include a copy of the report of the independent expert, is expected to be sent to Namoi shareholders in the week commencing 20 May 2024.

Take No Action

Namoi shareholders should **TAKE NO ACTION** in respect of the proposed Olam Takeover Offer at this stage, noting that Olam has not yet lodged a Bidder's Statement and no offer has opened yet in respect of the proposed Olam Takeover Offer.

Namoi shareholders should **TAKE NO ACTION** in respect of LDC's Takeover Offer at this stage given the following:

- LDC's Takeover Offer will not close before 7 June 2024 and may be extended;
- the LDC Revised Offer Price of \$0.67 per share is below the Olam Revised Offer Price of \$0.70 per share; and
- the Independent Directors' recommendation and the report of the independent expert in respect of LDC's Takeover Offer will be outlined in the Target's Statement provided to Namoi shareholders in due course.

Namoi also notes the price of Namoi shares of \$0.73 at the close of trade on 7 May 2024.

Namoi shareholders will receive the Target's Statement in ample time to consider their alternatives and make a decision prior to close of LDC's Takeover Offer. Until then, there is no need for Namoi shareholders to take any action.

Namoi shareholders should be aware that, once the FIRB Condition (as defined in LDC's Replacement Bidder's Statement) has been fulfilled (or waived), any Namoi shareholders who accept into LDC's Takeover Offer, will be unable to withdraw that acceptance unless a withdrawal right exists or arises under the Corporations Act.

Next steps

³ Exclusive of the \$0.01 per share dividend announced on 17 April 2024. Under the LDC Takeover Offer, Namoi is not entitled to declare any additional special dividends. Namoi is permitted to declare ordinary dividends consistent with past practice, however these will reduce the cash consideration under the LDC Takeover Offer by an equivalent amount per share.

The Independent Directors⁴ will consider the proposed Olam Takeover Offer and provide a recommendation to Namoi shareholders in due course.

Namoi will continue to keep shareholders and the market informed of material developments associated with the proposed Olam Takeover Offer and the LDC Takeover Offer.

Blackpeak Capital is acting as financial advisor to Namoi. KWM is acting as legal advisor to Namoi.

This announcement was approved by the Executive Chairman of Namoi.

For further information, please contact:

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⁴ Sarah Scales, LDC's appointed representative to the Namoi Board, will abstain from making a recommendation to shareholders due to her association with LDC.