

ASX Announcement



31 January 2024

The Manager
 Company Announcements Platform
 Australian Securities Exchange
 Level 4, 20 Bridge Street
 SYDNEY NSW 2000

A\$50M MALAYSIAN PALM OIL SUBSIDIARY DIVESTMENT COMPLETED

Highlights

- **155 million Ringgit Malaysian (RM) (~A\$50 million¹) sale of Cheekah-Kemayan Plantations Sdn Bhd (CKP) to Prosper Trading Sdn Bhd completed**
- **RM35.5 million (A\$11.5 million) payment now received and shares transferred**
- **Last two payments of RM52 million (A\$17 million) fall due on or before 31 July 2024 and on or before 31 December 2024 respectively**
- **Proportion of funds to be returned to shareholders:**
 - **1st special dividend of \$0.05p/s dispersed on 31 January 2024**
 - **2nd special dividend of \$0.05p/s to be dispersed in the second half of 2024**
 - **\$5M on-market share buy-back to progress**
- **PRG well-placed to accelerate vertical integration of Christmas Island Phosphate operations and downstream fertiliser supply and manufacturing globally**

PRL Global Ltd ACN 006 788 754 (“PRG”) (ASX Code: PRG), formally CI Resources Ltd, is pleased to announce the completion of the RM155 million (~A\$50 million) sale of Cheekah-Kemayan Plantations Sdn Bhd (“CKP”), a wholly-owned subsidiary of PRG’s 100%-owned subsidiary Phosphate Resources Ltd (“PRL”) to Prosper Trading Sdn Bhd (“Prosper”), a privately-owned Malaysian-based company operating in the palm oil tree farming industry and a substantial shareholder of PRG.²

The Company has now received first payment tranche of RM35.5 million following the disposal of shares in United Malacca Berhad, a company listed on the Main Board of the Bursa Malaysia (UMB Shares) by CKP to an entity nominated by PRL.

Last two payments from the CKP sale of RM52 million (A\$17 million) fall due on 31 July 2024 and 31 December 2024 respectively.

¹ RM1 – A\$0.32

² Refer to ASX announcement dated 26 September 2023



Completion of the sale of the Malaysian palm oil asset follows condition precedents to the sale being met including shareholder approval for the transaction at the Company's Annual General Meeting on 22 November 2023 as well as receipt of approvals from both PRG and Prosper boards and relevant regulatory approvals.

Funds to be returned to shareholders

With the sale completed, the Company will now deliver on its promise to return a significant proportion of funds from the sale to shareholders via special dividends and on-market buy-back of its ordinary shares.³

Two franked special dividends of A\$0.05 per share each for Shareholders registered on 22 November 2023 and 31 July 2024 respectively have now announced with the first already declared by the Board and paid on 31 January 2024.

The second franked special dividend is to be dispersed eight months from the Completion Date.

PRG has also declared an on-market share buy-back of \$5 million worth of ordinary shares. The Company intends to commence the buy-back by mid-2024 as a further benefit to shareholders.

Residual proceeds from the transaction will also be deployed to further consolidate PRG's core fertiliser value-chain with the Company continuing to vertically integrate between its Christmas Island Phosphate operations and downstream fertiliser supply and manufacturing globally.

PRL Global Chairman David Somerville said:

"The completion of this transaction is significant as it not only unlocks funds to progress our Malaysian warehouse activity through vertically integrating our global fertiliser business and reduce leverage but it also allows PRG to reward our shareholders for their loyalty in our business.

Furthermore, the disposal of its palm oil interests also substantially frees up capital in order to invest in a variety of new and prospective growth projects. This represents a major landmark in the strategic direction your Company.

The Board is excited for the future of PRG as it seeks new opportunities to build sustainable and long-term value across our various business segments via this diversification strategy."

For further information on CIR, please visit www.prlgroup.com.au, or please contact:

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³ Refer to ASX announcement dated 11 October 2023

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