

ASX Limited
Market Announcements Office
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000



31 May 2024

Dear Sir / Madam

Namoi Cotton Limited (ASX: NAM) – off-market takeover offer from Olam Agri Australia Pty Ltd – lodgement of Target’s Statement

We attach, as required by item 14 of section 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a copy of the target’s statement (**Target’s Statement**) of Namoi Cotton Limited (ACN 010 485 588) (**Namoi**) in response to the off-market takeover bid by Olam Agri Australia Pty Ltd (ACN 677 122 468) (**Olam**) for all of the fully paid ordinary shares in Namoi (**Olam Offer**). The Target’s Statement includes the Independent Expert’s Supplementary Disclosure prepared by BDO Corporate Finance Ltd in relation to the Olam Offer.

The Target’s Statement has been sent to Olam and lodged with the Australian Securities and Investments Commission today.

In accordance with section 110D and item 12 of section 633(1) of the Corporations Act, the Target’s Statement will be despatched to Namoi shareholders today by the following means:

- (a) Namoi shareholders who have nominated an email address for the purposes of receiving electronic communications from Namoi will receive an email with a communication providing a link to an electronic copy of the Target’s Statement; and
- (b) Namoi shareholders who have not nominated an email address for the purposes of receiving electronic communications from Namoi and Namoi shareholders who have validly elected to receive hard copies of shareholder communications, will receive a letter from Namoi to their registered postal address, which will contain details of a link to an electronic copy of the Target’s Statement.

Namoi shareholders may also request a hard copy of the Target’s Statement be sent to them (if in Australia, by pre-paid ordinary post or by courier, or, if outside Australia, by pre-paid airmail post or by courier) by contacting the Namoi Shareholder Information Line on 1300 265 118 (within Australia) or +61 3 9415 4151 (outside Australia) Monday to Friday between 8:30am to 5:00pm (Sydney time) on a business day.

This announcement was approved and authorised for release by the Independent Directors¹ of Namoi.

For further information, please contact:

Namoi Cotton Limited
Tim Watson
Executive Chairman
(07) 4631 6100

¹ Sarah Scales, Louis Dreyfus Company Asia Pte Ltd’s (**LDCA’s**) appointed nominee to the Namoi Board, will abstain from making a recommendation to Namoi shareholders due to the competing takeover offer from Louis Dreyfus Company Melbourne Holdings Pty Ltd (a wholly owned subsidiary of LDCA) and her association with LDCA.

TARGET'S STATEMENT

Olam Offer



This Target's Statement has been issued by Namoi Cotton Limited (ACN 010 485 588) (**Namoi**) in response to the off-market takeover bid made by Olam Agri Australia Pty Ltd (ACN 677 122 468) (**Olam**) to acquire all of the Namoi Shares for \$0.70 cash per Namoi Share.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to its contents, you should contact your financial, tax or other professional adviser.

If you have any questions in relation to the Offer you can contact the Namoi Shareholder Information Line on 1300 265 118 (within Australia) or +61 3 9415 4151 (outside Australia) which is available Monday to Friday, between 8.30am to 5.00pm (Sydney time) on a Business Day.

ACCEPT

THE OLAM OFFER

Your Independent Directors unanimously recommend that you **ACCEPT** the Offer from Olam Agri Australia Pty Ltd (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)

Financial Adviser



Legal Adviser

KING & WOOD
MALLESONS



Important notices

This document is the Target's Statement dated 31 May 2024 given by Namoi under Part 6.5 Division 3 of the Corporations Act. This Target's Statement is given in response to the replacement Bidder's Statement dated 16 May 2024 which Olam served on Namoi on 16 May 2024 in relation to the Offer by Olam to acquire all of your Namoi Shares. The purpose of this Target's Statement is to provide you, as a Namoi Shareholder, with information in response to the Bidder's Statement to assist you in your decision as to whether or not to accept the Offer.

You should read this Target's Statement in its entirety before making a decision as to whether or not to accept the Offer for your Namoi Shares.

Defined terms and interpretation

Capitalised terms and certain abbreviations used in this Target's Statement have the meanings set out in the glossary in Section 9.1. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement have the same meaning and interpretation as in the Corporations Act.

Section 9.2 sets out some rules of interpretation which apply to this Target's Statement.

Unless otherwise specified, all references to \$, A\$, AUD and cents are references to Australian currency.

All references to times in this Target's Statement are references to time in Sydney, unless otherwise stated.

No account of personal circumstances

This Target's Statement and the recommendations and other information contained in it do not constitute financial product advice and should not be taken as personal financial or taxation advice, as each Namoi Shareholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

You should seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer for your Namoi Shares.

Disclaimer regarding forward looking statements

This Target's Statement contains forward looking statements. Forward looking statements generally relate to future events or future financial or operating performance. In some cases, you can identify forward looking statements because they contain words such as "aim", "may", "might", "will", "likely", "shall", "should", "expects", "foresee", "plans", "anticipates", "could", "is confident", "intends", "target", "projects", "contemplates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these words or other

similar terms or expressions that convey expectations, strategy, plans or intentions.

You should be aware that such statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Namoi to be materially different from future results, performance or achievements expressed or implied by those statements. Those risks and uncertainties include factors and risks specific to the industry in which Namoi operates as well as general economic conditions and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected. None of Namoi, Namoi Group, any of its officers or employees, or any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation, warranty, assurance or guarantee (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statements.

The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, Namoi and its officers disclaim any obligation or undertaking to update or revise any forward looking statements to reflect any change in expectations in relation to them or any change in events, conditions or circumstances on which any forward looking statement is based.

ASIC and ASX disclaimer

A copy of this Target's Statement was lodged with ASIC and given to ASX on 31 May 2024. None of ASIC, ASX or any of their respective officers takes any responsibility for the content of this Target's Statement.

Disclaimer as to information about Olam

The information in this Target's Statement about Olam has been compiled from or is otherwise based on information obtained from publicly available sources and has not been independently audited or verified by Namoi or its advisers. Accordingly, Namoi does not, subject to the Corporations Act, make any representation or warranty (either express or implied), as to the accuracy or completeness of such information. If the information obtained or the public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement. In particular, if the information has been used as the basis for forward looking statements in this Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those

expressed or implied by the forward looking statements.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Investment advice

The information contained in this Target's Statement does not constitute financial product advice. In preparing this Target's Statement, Namoi has not taken into account the investment objectives, financial or tax situation or particular needs of individual Namoi Shareholders. It is important that you consider the information in this Target's Statement in its entirety and in light of your particular circumstances. You should seek advice from your financial, legal, taxation or other professional adviser regarding your particular circumstances and the Offer or if you are in doubt as to the contents of this Target's Statement and whether or not to accept the Offer for your Namoi Shares.

Charts, diagrams and rounding

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement. A number of amounts, percentages, prices, estimates and other figures in this Target's Statement are subject to the effect of rounding. Accordingly, actual numbers may differ from those set out in this Target's Statement.

Not an offer

This Target's Statement does not constitute or contain an offer to Namoi Shareholders, or a solicitation of an offer from Namoi Shareholders, in any jurisdiction.

Websites

The content of Namoi's website does not form part of this Target's Statement and Namoi Shareholders should not rely on website content.

Information contained in, or otherwise accessible from, those websites does not form part of this Target's Statement.

Privacy

Namoi has collected your information from the Namoi Share Registry for the purpose of providing you with this Target's Statement. The type of information Namoi has collected about you includes your name, contact details and information on your shareholding in Namoi. Without this information, Namoi would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Namoi's Related Bodies Corporate and external service providers (such as the Namoi Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC.

If you would like details of information about you held by Namoi, please contact Namoi's Share Registry at privacy@computershare.com.au.

Or write to:

Privacy Officer
Computershare Investor Service
Yarra Falls, 452 Johnston Street
Abbotsford, VIC 3067

Namoi's privacy policy is available at https://www.namoicotton.com.au/wp-content/uploads/NAM-PP-002-Namoi_Cotton_Group_-_Privacy_Policy.pdf

The registered address of Namoi is 259 Ruthven Street, Toowoomba QLD 4350.

Namoi Shareholder Information Line

Namoi has established a Namoi Shareholder Information Line which Namoi Shareholders should call if they have any queries in relation to the Offer. The telephone number for the Namoi Shareholder Information Line is:

- 1300 265 118 (within Australia); or
- +61 3 9415 4151 (outside Australia),

which is available Monday to Friday between 8.30am and 5.00pm (Sydney time) on a Business Day.

Further information relating to the Offer can be obtained from Namoi's website at <https://www.namoicotton.com.au/takeover/>.



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Key dates

Announcement of Offer	2 May 2024
Date of original Bidder's Statement	9 May 2024
Date of replacement Bidder's Statement	16 May 2024
Completion of despatch of Bidder's Statement	16 May 2024
Date of Offer	16 May 2024
Date of this Target's Statement	31 May 2024
Date for notice of status of Conditions	11 June 2024
Scheduled close of Offer Period (unless withdrawn or extended)	7.00pm (Sydney time) on 18 June 2024

Note: the closing date for the Offer may change as permitted by the Corporations Act.



Executive Chairman's Letter

31 May 2024

Dear Namoi Shareholder

RECOMMENDED OFF-MARKET TAKEOVER OFFER FROM OLAM

You should have recently received a Bidder's Statement from Olam in relation to its off-market takeover offer to acquire all of your shares in Namoi.

Recommendation

Your Independent Directors have carefully considered the Offer. Your Independent Directors unanimously recommend that you **ACCEPT** the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).

At the date of this Target's Statement, each Independent Director who holds or controls Namoi Shares intends to **ACCEPT** the Offer in respect of those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).

Background to Offer

On 19 January 2024, Namoi announced it had entered into a binding Scheme Implementation Agreement with Louis Dreyfus Company Asia Pte. Ltd. (**LDCA**) under which it agreed that LDCA (or, if applicable, a nominee of LDCA) would acquire all the Namoi Shares, it did not already own, via a scheme of arrangement for consideration of \$0.51 per Namoi Share (*inclusive* of the \$0.01 Namoi Permitted Special Dividend).

On 21 March 2024, Namoi announced it had received a non-binding indicative offer from Olam Agri Holdings Limited (**Olam Holdings**) to acquire 100% of the Namoi Shares on issue either by way of a scheme of arrangement for a total cash consideration of \$0.59 per Namoi Share or by way of off-market takeover bid for a total cash consideration of \$0.57 per Namoi Share (both *inclusive* of the \$0.01 Namoi Permitted Special Dividend).

On 29 April 2024, Namoi received a letter from Louis Dreyfus Company Melbourne Holdings Pty Ltd (**LDC**), a wholly owned subsidiary of LDCA, outlining the terms for a proposed off-market takeover offer in relation to Namoi. LDCA and Namoi subsequently terminated the existing Scheme Implementation Agreement and LDC and Namoi entered into an agreement to facilitate the Offer from LDC. On 30 April 2024, LDC lodged with ASIC and served on Namoi a copy of the LDC Bidder's Statement, which contains the LDC Takeover Offer to Namoi Shareholders to acquire all of your Namoi Shares, including any Rights attaching to those Namoi Shares for a total cash consideration of \$0.60 per Namoi Share (*exclusive* of the \$0.01 Namoi Permitted Special Dividend).

On 2 May 2024, Olam Holdings announced an intention to make an off-market takeover offer to acquire 100% of the Namoi Shares on issue for total cash consideration of \$0.66 per Namoi Share, increasing to \$0.70 per Namoi Share if Olam Holdings obtained a Relevant Interest in at least 90% of the Namoi Shares on issue before the end of the Offer Period (both *exclusive* of the \$0.01 Namoi Permitted Special Dividend).

On 6 May 2024 (after market close) Namoi received a letter from LDC increasing its off-market takeover offer to \$0.67 per Namoi Share (*exclusive* of the \$0.01 Namoi Permitted Special Dividend), which was announced on ASX 7 May 2024. On 7 May 2024, LDC lodged with ASIC and served on Namoi a copy of LDC's first

supplementary bidder's statement and replacement bidder's statement in relation to the updated LDC Takeover Offer.

On 8 May 2024, Olam (a wholly owned subsidiary of Olam Holdings) announced an intention to make an off-market takeover offer to acquire 100% of the Namoi Shares on issue for total cash consideration of \$0.70 per Namoi Share (*exclusive* of the \$0.01 Namoi Permitted Special Dividend). On 9 May 2024, Olam lodged with ASIC and served on Namoi a copy of the Bidder's Statement in relation to the updated Offer. On 16 May 2024, Olam lodged with ASIC and served on Namoi a copy of the first supplementary bidder's statement and replacement bidder's statement in relation to the updated Offer.

The Independent Directors recommend you **ACCEPT** the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) for the reasons set out below.

Current STAM Support

Namoi's largest shareholder, Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group), who holds a 25.0% shareholding interest in Namoi, has indicated that it supports the Offer and that it intends to accept the 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 Offer is fair and reasonable to Namoi Shareholders.

Independent Expert's opinion

This Target's Statement includes the Independent Expert's Supplementary Disclosure from BDO Corporate Finance Ltd as Annexure A (the original Independent Expert's Report was included in the LDC Target's Statement). The Independent Expert has concluded that the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure.

Reasons for the Independent Directors' recommendation

The key reasons why your Independent Directors recommend you **ACCEPT** the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) are:

1.	The Offer values Namoi at a substantial premium to Undisturbed Historic Market Prices and at a premium in comparison to the LDC Takeover Offer Price
2.	The Offer provides cash certainty (subject to the Conditions being satisfied or waived)
3.	The Independent Expert determined the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure
4.	Namoi Shares may trade below the Offer Price if the Offer is not accepted
5.	The Offer currently has support from Namoi's largest shareholder, STAM
6.	No superior proposal has emerged as at the date of this Target's Statement
7.	No brokerage will be payable on the transfer of Namoi Shares if the Offer proceeds

Each Independent Director who holds or controls Namoi Shares intends to **ACCEPT** the Offer in relation to those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).

How to ACCEPT the Offer

The Offer is scheduled to close at 7.00pm (Sydney time) on 18 June unless extended or withdrawn. To accept the Offer, please follow the instructions set out in the Bidder's Statement and on the Acceptance Form (which was sent to Namoi Shareholders together with the Bidder's Statement).

As outlined above and disclosed on the ASX, Namoi Shareholders should note that LDC has made an off-market takeover offer to acquire all Namoi Shares it (or its Associates) do not already own or control with an offer price of \$0.67 per Namoi Share (**LDC Takeover Offer**).

The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer. However, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.

This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.

As disclosed on the ASX, Namoi Shareholders should note that Namoi has released the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer. The LDC Target's Statement and the LDC Bidder's Statement are available via the Namoi website (www.namoicotton.com.au/takeover) or ASX's website (www.asx.com.au) using the code 'NAM'.

Your Independent Directors will keep you informed if there are any material developments in relation to the Offer or the LDC Takeover Offer (including any increases in the respective offer prices) and to the extent necessary, may release supplementary target's statements setting out your Independent Directors' recommendations in response to those material developments.

Enquiries

If you have any queries in relation to this Target's Statement or the Offer, you can call the Namoi Shareholder Information Line on 1300 265 118 (within Australia) or +61 3 9415 4151 (outside Australia) which is available Monday to Friday between 8.30am to 5.00pm (Sydney time) on a Business Day.

We will continue to update Namoi Shareholders with any material developments in relation to the Offer and the LDC Takeover Offer.

Yours sincerely



Tim Watson
Executive Chairman
Namoi Cotton Limited



Independent Directors' recommendation and intention to ACCEPT the Offer

(in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)

Independent Directors of Namoi

The Independent Directors as at the date of this Target's Statement are:

- Mr Tim Watson, Executive Chairman;
- Mr James Davies, STAM¹ nominee Non-executive Director;
- Mr Robert Green, Independent Non-executive Director;
- Ms Juanita Hamparsum, Independent Non-executive Director; and
- Mr Ian Wilton, Independent Non-executive Director.

Sarah Scales, LDCA's appointed nominee to the Namoi Board, is abstaining from making a recommendation to Namoi Shareholders due to the competing LDC Takeover Offer from LDC (a wholly owned subsidiary of LDCA) and her association with LDCA.

Recommendations and intentions

In assessing the Offer, your Independent Directors have had regard to a number of considerations, including the information set out in this Target's Statement and the Bidder's Statement.

Each of your Independent Directors recommends that you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)

However, as outlined above and disclosed on the ASX, Namoi Shareholders should note that LDC has made the LDC Takeover Offer. As disclosed on the ASX, Namoi has released the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer.

Although the Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.

This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.

Each of your Independent Directors who, as at the date of this Target's Statement, holds or controls Namoi Shares intends to accept the Offer in relation to those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders). Refer to Section

¹ Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group).

8.1(a) for more information on the respective Namoi shareholdings of your Independent Directors.

To accept the Offer, please follow the instructions set out in the Bidder's Statement and on the Acceptance Form (which was sent to Namoi Shareholders together with the Bidder's Statement).

How to **ACCEPT** the Offer

1. To accept the Offer, please follow the instructions set out in Section 10.3 of the Bidder's Statement and on the Acceptance Form (which was sent to Namoi Shareholders together with the Bidder's Statement).
2. You should read this Target's Statement which contains your Independent Directors' recommendation to **ACCEPT** the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) and the reasons for this recommendation and consult with your investment, financial, taxation or other professional adviser if in doubt about what to do.
3. If you have any queries in relation to the Offer, please contact the Namoi Shareholder Information Line on 1300 265 118 or +61 3 9415 4151 (outside Australia) which is available Monday to Friday between 8.30am and 5.00pm (Sydney time) on a Business Day.

Namoi Shareholders are encouraged to ensure that their contact details such as email, home address, TFN or ABN and banking instructions are up to date.

You can review your shareholder information either online at:

- <https://www.computershare.com.au/easyupdate/nam>; or
- **by calling the Namoi Shareholder Information Line on:**
1300 265 118 (within Australia); or
or +61 3 9415 4151 (outside Australia),
between 8.30am and 5.00pm (Sydney time) on a Business Day.

Target's Statement

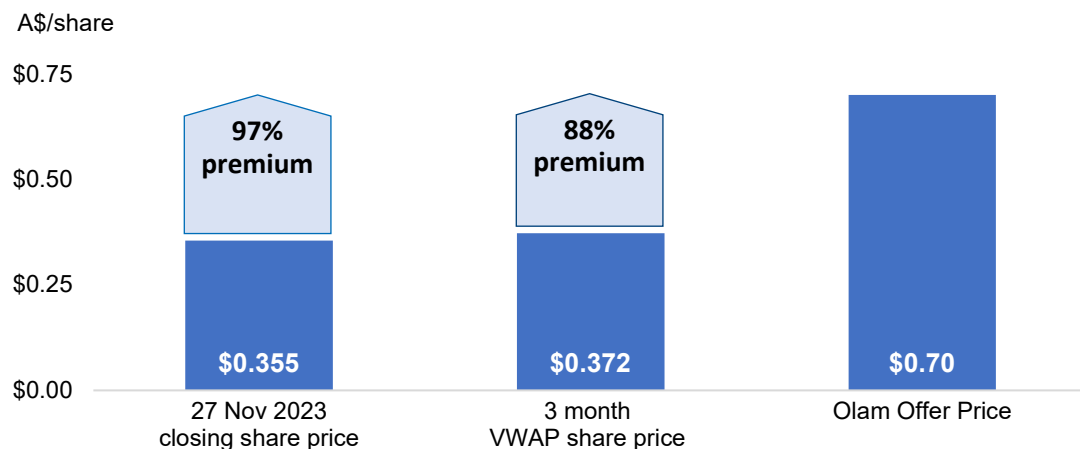
1 Reasons to ACCEPT the Offer

1.	The Offer values Namoi at a substantial premium to Undisturbed Historic Market Prices and at a premium in comparison to the LDC Takeover Offer Price
2.	The Offer provides cash certainty (subject to the Conditions being satisfied or waived)
3.	The Independent Expert determined the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure
4.	Namoi Shares may trade below the Offer Price if the Offer is not accepted
5.	The Independent Directors unanimously recommend that you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)
6.	The Offer currently has support from Namoi's largest shareholder, STAM
7.	No superior proposal has emerged at the date of this Target's Statement
8.	No brokerage will be payable on the transfer of Namoi Shares if the Offer proceeds

1.1 The Offer values Namoi at a substantial premium to Undisturbed Historic Market Prices and at a premium in comparison to the LDC Takeover Offer Price

The all-cash consideration provides an opportunity for Namoi Shareholders to realise value for their Namoi Shares. The Offer Price represents:

- (a) a premium of 97% over the price of \$0.355 per Namoi Share at the close of trading on 27 November 2023 (being the last day Namoi Shares traded on the ASX before the LDC Group's initial approach to Namoi was announced);
- (b) a premium of 88% over the three month volume weighted average price of \$0.372 per Namoi Share at the close of trading on 27 November 2023; and
- (c) a premium of \$0.03 per Namoi Share (or 4.29%) over the LDC Takeover Offer Price offered by the LDC Group of \$0.67 per Namoi Share.



1.2 The Offer provides cash certainty (subject to the Conditions being satisfied or waived)

The Offer provides an opportunity to realise certain value for your Namoi Shares. If you accept the Offer in accordance with the instructions contained in the Bidder's Statement and the Offer becomes unconditional, you will be paid \$0.70 cash for each Namoi Share that is accepted into the Offer, on the earlier of:

- (a) 10 Business Days after the later of (i) receipt of your valid acceptance or (ii) the date on which the Offer becomes unconditional; and
- (b) 10 Business Days after the end of the Offer Period.

1.3 The Independent Expert determined the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure

BDO Corporate Finance Ltd was retained to provide to Namoi the Independent Expert's Report and the Independent Expert's Supplementary Disclosure. The Independent Expert has:

- (a) estimated the fair market value of the Namoi Shares to be in the range of \$0.42 to \$0.78 per Namoi Share; and
- (b) concluded that the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure.

The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report accompanying the LDC Target's Statement and the Independent Expert's Supplementary Disclosure, a full copy of which accompanies this Target's Statement as Annexure A. You should read these documents carefully.

1.4 Namoi Shares may trade below the Offer Price if the Offer is not accepted

As at the Last Practicable Date, the closing price of Namoi Shares was \$0.70, being the same as the Offer Price of \$0.70 per Namoi Share offered under the Offer. However, there is a risk that the Namoi Shares will trade below the Offer Price. Namoi Shareholders should note that in the 12 months prior to (and including) 27 November 2023 (being the last day Namoi Shares traded on the ASX before the LDC Group's initial approach to Namoi was announced), Namoi Shares traded at prices ranging between \$0.335 and \$0.475. The market price of Namoi Shares may revert to its Undisturbed Historical Market Prices after completion of the Offer.

1.5 The Independent Directors unanimously recommend that you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)

The Independent Directors unanimously recommend that in the absence of a superior proposal, and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders, Namoi Shareholders accept the Offer.

In reaching their recommendation, the Independent Directors have assessed the Offer having regard to the reasons to accept or reject the Offer (including the LDC Takeover Offer), as set out in this Target's Statement.

The Independent Directors believe the Offer provides an opportunity for Namoi Shareholders to realise certain value in cash in the near term which may not be achieved if the Offer does not proceed.

Each of the Independent Directors who holds or controls Namoi Shares intends to accept the Offer in respect of those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders). If a superior proposal emerges after the date of this Target's Statement (including if the LDC Takeover Offer Price increases materially after the date of this Target's Statement), the Independent Directors will carefully reconsider the Offer and advise you of their recommendation.

1.6 The Offer currently has support from Namoi's largest shareholder, STAM

As at the date of this Target's Statement, Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group) holds 51,322,235 Namoi Shares (representing 25.0% of the Namoi Shares on issue).

STAM has notified the Namoi Board in writing² that it is supportive of the Offer and that it intends to accept the 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 Offer is fair and reasonable to Namoi Shareholders.

1.7 No superior proposal has emerged at the date of this Target's Statement

As at the date of this Target's Statement, no superior proposal to the Offer has been put to Namoi or is currently under consideration by Namoi.

The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer.³

Your Independent Directors will advise you if there are any material developments in relation to the Offer during the Offer Period.

1.8 No brokerage will be payable on the transfer of Namoi Shares if the Offer proceeds

Namoi Shareholders will not incur brokerage charges on the transfer of Namoi Shares to Olam pursuant to the Offer. However, Namoi Shareholders who hold their Namoi Shares through a CHESS Holding or through a bank, custodian or other nominee, should ask their relevant Controlling Participant (usually their Broker) or nominee, whether they will charge any transaction fees or service charges in connection with acceptance of the Offer. Namoi Shareholders who sell their Namoi Shares on the ASX (rather than disposing of them via the Offer) may incur brokerage charges.

2 Reasons you may choose not to accept the Offer

2.1 You may hold different views to the Independent Directors and the Independent Expert

Notwithstanding the recommendation of the Independent Directors and the conclusion of the Independent Expert that the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure, you may believe that the Offer Price of (\$0.70 per Namoi Share) is insufficient and/or you may hold a different view and believe that the Offer is not in your individual best interests, including on the basis that you may have concerns about the viability of the Offer.

² See ASX Announcement 'STAM support OLAM intention for off-market takeover offer' on 8 May 2024.

³ See the LDC Target's Statement dated 22 May 2024, as may be supplemented from time to time.

2.2 You may wish to maintain your investment in Namoi

You may prefer to keep your Namoi Shares to preserve your direct investment in the listed company with the specific characteristics of Namoi. You may believe that there is opportunity to receive greater returns through continued investment in Namoi as a standalone entity.

2.3 The Offer is conditional

The Offer is conditional because of the Conditions. While there are only limited Conditions, there can be no assurance that the Conditions will be satisfied (or waived by Olam) and when they will be satisfied. If you accept the Offer while it remains subject to one or more Conditions, then:

- Olam will not be obliged to acquire your Namoi Shares and you will not receive the Offer Price, unless and until such Conditions are satisfied or waived; and
- you will be unable to sell your Namoi Shares on market or to accept the LDC Takeover Offer or any other competing offer that may emerge for your Namoi Shares unless and until the Offer closes without becoming or being declared unconditional, or a right to revoke or withdraw your acceptance exists or otherwise arises under the Corporations Act.

You may withdraw your acceptance at any time while the FIRB Condition has not been fulfilled (or waived). Once the FIRB Condition has been fulfilled (or waived) you may only withdraw your acceptance if a withdrawal right exists or arises under the Corporations Act, such as if Olam varies the Offer in a way that postpones for more than one month the time by which it must meet its obligations under the Offer and the Offer is still subject to one or more Conditions at that time.

Additionally, in LDC's second supplementary bidder's statement dated 10 May 2024, LDC advised that the LDC Group would not accept the current form of the Offer with respect to any of its Namoi Shares (the LDC Group's relevant interest at that time in Namoi being 16.99%,⁴ which may change to account for any acceptances received by LDC under the LDC Takeover Offer from time to time). Accordingly, Olam may not be able to reach the threshold required for compulsory acquisition and it may be more difficult for Olam to satisfy the 50.1% Minimum Acceptance Condition. You may therefore hold the view that accepting the Offer is not in your best interests relative to accepting the LDC Takeover Offer.

2.4 You may consider there is potential for a superior proposal to emerge in the foreseeable future

You may believe that a superior proposal for all Namoi Shares could emerge in the foreseeable future. If a superior proposal is announced, Namoi Shareholders who have accepted the Offer will not be able to withdraw their acceptance in order to accept a superior proposal, unless the FIRB Condition has not been satisfied, the Offer is withdrawn, or another withdrawal right exists under the Corporations Act. However, if Olam varies the Offer to increase the consideration it is offering for your Namoi Shares, you will be entitled to receive the increased consideration even if you have already accepted the Offer.

You should note that, as at the date of this Target's Statement, no superior proposal has been received.

⁴ As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, LDCA has a relevant interest in 37,007,640 Namoi Shares with a voting power of 18.02%, which includes the relevant interest in Namoi Shares arising out of Namoi Shareholders accepting the LDC Takeover Offer.

However, as outlined above and disclosed on the ASX, you should note that LDC has made the LDC Takeover Offer. As disclosed on the ASX, Namoi has released the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer.

The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer.⁵ However, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.

This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.

2.5 You may wish to sell your Namoi Shares on market

You may wish to realise your investment in Namoi through the sale of some or all of your Namoi Shares on the ASX.

If you sell your Namoi Shares on-market, you:

- (a) will lose the ability to accept the Offer (or the LDC Takeover Offer) or any other offer which may eventuate;
- (b) will not be entitled to receive any increased consideration if Olam subsequently increases the consideration under the Offer (or if LDC increased the consideration under the LDC Takeover Offer); and
- (c) may incur brokerage.

2.6 The taxation consequences of accepting the Offer may not be favourable given your financial position

Acceptance of the Offer may result in taxation consequences (potentially including capital gains tax) for Namoi Shareholders, which may arise earlier than may otherwise have been the case.

⁵ See the LDC Target's Statement dated 22 May 2024, as may be supplemented from time to time.

3 Frequently asked questions

This Section answers some commonly asked questions in relation to the Offer. It is not intended to address all relevant issues for Namoi Shareholders. This Section should be read together with the rest of this Target's Statement.

#	Question	Answer	Further information
3.1 Information about the Offer			
(a)	What is this Target's Statement?	This Target's Statement has been prepared by Namoi and provides Namoi's response to the Bidder's Statement to help you decide whether to accept or reject the Offer, including the recommendation of your Independent Directors to ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).	N/A
(b)	What is the Bidder's Statement?	The Bidder's Statement is the document setting out the terms of the Offer. Olam lodged the Bidder's Statement with ASIC on 16 May 2024 and served it on Namoi on the same date. The Bidder's Statement was sent to Namoi Shareholders on 16 May 2024.	N/A
(c)	Who is Olam?	<p>Olam is making the Offer. Olam is a wholly owned Subsidiary of Olam Agri Holdings Limited (Olam Holdings), a company incorporated in Singapore. Olam Holdings and its Subsidiaries (collectively, the Olam Agri Group) is a global, market-leading agribusiness in food, feed and fibre, built over 34 years.</p> <p>Olam Agri Group's Australian cotton business is a part of the Olam Agri Group's global cotton business, comprising trading and ginning operations in the US, farming and trading operations in Brazil, and end to end production to export operations in Africa where Olam Agri Group supports a network of 340,000 farmers to improve cotton production practices and maximize income.</p> <p>The Olam Agri Group acquired Queensland Cotton (QC) in 2007, a company with more than 100-year history of successful operations in the Australian cotton industry and listed on the ASX. QC is one of Australia's longest established ginner, merchants and exporters of cotton.</p> <p>Olam is indirectly 64.57% owned by Olam Group Limited, a leading food and agri-business supplying food, ingredients, feed and fibre to 22,000 customers worldwide which is listed on the Singapore Stock Exchange (SGX: VC2). Olam Group Limited's value chain spans over 60 countries and includes farming, processing and distribution operations, and direct engagement with a global network of farmers.</p>	Section 5.1

#	Question	Answer	Further information
(d)	Does Olam currently hold any Namoi Shares?	As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, Olam has a Relevant Interest in 863,425 Namoi Shares with a voting power of 0.42%, arising out of Namoi Shareholders accepting the Offer (which may change to account for any further acceptances received by Olam under the Offer from time to time).	Section 5.2
(e)	What is Olam offering for my Namoi Shares under the Offer?	Olam is offering \$0.70 cash per Namoi Share that you hold.	Section 5.3(b)
(f)	When does the Offer Period open?	The Offer Period is open for acceptance from 16 May 2024.	Section 5.3(c)
(g)	When does the Offer close?	The Offer is currently scheduled to close at 7.00pm (Sydney time) on 18 June 2024, unless extended or withdrawn in accordance with the Corporations Act. Your Independent Directors will keep you informed if there are any material developments in relation to the Offer. If you wish to follow the Independent Directors' recommendation and ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders), you should follow the instructions set out in the Bidder's Statement.	Section 5.3(c)
(h)	Who may accept the Offer?	Any person who is capable of, during the Offer Period, giving good title to a parcel of Namoi Shares that: <ul style="list-style-type: none"> • are on issue as at the Register Date; or • are issued or come into existence before the end of the Offer Period as a result of the vesting of and conversion of the Namoi Performance Rights; and • has not already accepted an offer for those Namoi Shares. 	Section 5.3(g)
(i)	Can Olam extend the closing date of the Offer?	Yes. Olam can extend the Offer in accordance with the Corporations Act. In addition, the Offer Period may be extended automatically in certain circumstances. However, the Offer Period cannot exceed 12 months.	Section 5.3(d)
3.2 The recommendation of your Independent Directors			
(a)	What is the recommendation of your	Your Independent Directors unanimously recommend that you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the	Pages 5 and 6 and Section 1

#	Question	Answer	Further information
	Independent Directors?	Offer is fair and reasonable to Namoi Shareholders). To follow your Independent Directors' recommendation, you should follow the instructions at Section 10.3 of the Bidder's Statement. If there is a change in this recommendation or any material developments in relation to the Offer, Namoi will lodge a supplementary target's statement.	
(b)	Why do your Independent Directors recommend you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)?	<p>The key reasons why your Independent Directors recommend you ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) are:</p> <ul style="list-style-type: none"> • The Offer values Namoi at a substantial premium to Undisturbed Historical Market Prices and at a premium in comparison to the LDC Takeover Offer Price • The Offer provides cash certainly (subject to the Conditions being satisfied or waived) • The Independent Expert determined the Offer is fair and reasonable to Namoi Shareholders as at the date of the Independent Expert's Supplementary Disclosure • Namoi Shares may trade below the Offer Price if the Offer is not accepted • The Offer currently has support from Namoi's largest shareholder, STAM • No superior proposal has emerged at the date of this Target's Statement • No brokerage will be payable on the transfer of Namoi Shares if the Offer proceeds 	Page 3 and Section 1
(c)	What do your Independent Directors intend to do with their own Namoi Shares?	Each Independent Director who holds or controls Namoi Shares intends to ACCEPT the Offer in respect of those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).	Section 8.1
(d)	What will happen if a superior proposal emerges?	Your Independent Directors will carefully consider any competing or superior proposal and will advise Namoi Shareholders accordingly.	Section 7.2(b)
(e)	What does the Independent Expert say?	<p>The Independent Expert has concluded that the Offer is fair and reasonable as at the date of the Independent Expert's Supplementary Disclosure.</p> <p>The Independent Expert's Supplementary Disclosure accompanies this Target's Statement as Annexure A.</p>	Annexure A

#	Question	Answer	Further information
3.3 Your choices as a Namoi Shareholder			
(a)	What choices do I have as a Namoi Shareholder?	<p>As a Namoi Shareholder, you have 3 choices available in relation to the Offer:</p> <ol style="list-style-type: none"> 1. ACCEPT the Offer for some or all of your Namoi Shares. If you choose to accept the Offer you should follow the instructions in the Bidder's Statement in line with the Independent Directors' unanimous recommendation to ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders). <p>Once you accept the Offer, you may only validly revoke or withdraw your acceptance in limited circumstances (see Section 5.9).</p> 2. Reject the Offer and do nothing and remain a Namoi Shareholder (unless your Namoi Shares are Compulsorily Acquired). If you disagree with the Independent Directors' recommendation to ACCEPT the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) then do not fill in or return any of the Offer documentation. <p>Ignore all correspondence, documents and communications received from Olam. You are not required to do anything.</p> 3. Sell your Namoi Shares on ASX (unless you have already accepted the Offer (or the LDC Takeover Offer) and have not validly revoked or withdrawn your acceptance as permitted in limited circumstances (see Section 5.9 of this Target's Statement and Section 5.10 of the LDC Target's Statement)) which may be at a higher or lower price than the Offer Price. <p>If you wish to sell your Namoi Shares on ASX, you should not accept the Offer and should instruct your Broker at the time you wish to sell.</p> <p>If you are in any doubt as to what to do, you should seek independent financial and taxation advice from your professional advisers. Namoi Shareholders should carefully consider the Independent Directors' recommendation and other important information set out in this Target's Statement.</p>	Section 4
(b)	What happens if I do nothing?	<p>You will remain a Namoi Shareholder.</p> <p>However, if Olam acquires 90% or more of Namoi Shares, Olam has stated that it intends to Compulsorily Acquire your Namoi Shares. You should note that in LDC's second supplementary</p>	Sections 5.10, 5.11 and 7.3

#	Question	Answer	Further information
		<p>bidder's statement dated 10 May 2024, LDC advised that the LDC Group would not accept the current form of the Offer with respect to any of its Namoi Shares (the LDC Group's relevant interest at that time in Namoi being 16.99%,⁶ which may change to account for any acceptances received by LDC under the LDC Takeover Offer from time to time). Accordingly, Olam may not be able to reach the threshold required to Compulsorily Acquire your Namoi Shares.</p> <p>If Olam acquires between 50% and 90% of Namoi Shares under the Offer and all of the Conditions of the Offer are satisfied or waived, you will become a minority shareholder of Namoi.</p>	
(c)	How do I reject the Offer?	To reject the Offer, you should do nothing. You should take no action in relation to all documents from Olam regarding the Offer.	Section 4
(d)	How do I accept the Offer?	To accept the Offer, you should refer to Section 10.3 of the Bidder's Statement for instructions on how to do so.	Section 4
(e)	What are the risks of rejecting the Offer?	If you reject the Offer you will continue to hold Namoi Shares and your investment will remain subject to the risks associated with Namoi.	Section 7.3
(f)	What happens if Olam increases the Offer Price?	If Olam increases the Offer Price, all Namoi Shareholders, whether or not they have already accepted the Offer before then, will be entitled to receive the increased Offer Price if they accept the Offer and it becomes unconditional.	Section 4
(g)	What are the consequences of accepting the Offer now?	<p>If you accept the Offer, you will, subject to your right to revoke or withdraw your acceptance of the Offer in limited circumstances (see Section 5.9):</p> <ul style="list-style-type: none"> • limit your right to sell your Namoi Shares on ASX (or any other trading platform) or otherwise deal with your Namoi Shares while the Offer remains open (this may prevent you from accepting any superior proposal, if such an offer were to emerge); and • relinquish control of your Namoi Shares with no guarantee of receiving the Offer Price until if and when the Offer becomes unconditional. <p>As outlined above and disclosed on the ASX, Namoi Shareholders should note that LDC has made the LDC Takeover Offer. As disclosed on the ASX, Namoi has released the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer.</p>	Section 5.7

⁶ As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, LDCA has a relevant interest in 37,007,640 Namoi Shares with a voting power of 18.02%, which includes the relevant interest in Namoi Shares arising out of Namoi Shareholders accepting the LDC Takeover Offer.

#	Question	Answer	Further information
		<p>The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer. However, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.</p> <p>This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.</p> <p>The effect of accepting the Offer is set out in Section 10.7 of the Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise rights attaching to your Namoi Shares and the representations and warranties which you make if you accept the Offer.</p> <p>It is uncertain when, if ever, the Offer will become unconditional.</p>	
(h)	What should I do?	<p>To follow the Independent Directors' recommendation to accept the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders), you should follow the instructions in Section 10.3 of the Bidder's Statement.</p> <p>You may wish to seek independent financial and taxation advice from your professional adviser in relation to the action that you should take in relation to the Offer and your Namoi Shares.</p>	N/A
(i)	Can I accept the Offer for only some of my Namoi Shares?	<p>Yes. You may accept the Offer for all or some of your Namoi Shares.</p> <p>If you accept the Offer for some of your Namoi Shares, you may still accept the Offer for all or part of the balance of your Namoi Shares at any time during the Offer Period, as if an offer in the form of the Offer had been made to you in respect of the balance of your Namoi Shares.</p>	Section 5.3
(j)	If I accept, can I later change my decision and revoke or withdraw my acceptance?	<p>Once you have accepted the Offer, you will be able to revoke your acceptance at any time while the FIRB Condition has not been fulfilled (or waived).</p> <p>Once the FIRB Condition has been fulfilled (or waived), you will only be permitted to withdraw your acceptance if the Offer lapses without becoming unconditional or the Offer is varied by Olam in a way that extends the Offer Period and postpones Olam's obligations to pay the Offer Price by more</p>	Section 5.9

#	Question	Answer	Further information
		<p>than one month and the Offer is still subject to one or more Conditions.</p> <p>Section 10.7(d) of the Bidder's Statement describes in more detail the circumstances in which Namoi Shareholders may validly withdraw their acceptance.</p>	
(k)	When will I be paid if I accept the Offer?	<p>If you accept the Offer, and the Offer becomes unconditional, you will have to wait until the earlier of:</p> <ul style="list-style-type: none"> • 10 Business Days after the later of (i) receipt of your valid acceptance or (ii) the date on which the Offer becomes unconditional; and • 10 Business Days after the end of the Offer Period. <p>It is uncertain when, if ever, the Offer will become unconditional.</p>	Section 5.3(b)
(l)	Can I be forced to sell my Namoi Shares?	<p>You cannot be forced to sell your Namoi Shares unless Olam is legally entitled to proceed to Compulsory Acquisition of the Namoi Shares.</p> <p>If Olam obtains more than 90% Voting Power in Namoi, then (subject to satisfaction of various legal requirements) Olam will be entitled to proceed to Compulsory Acquisition of Namoi Shares held by Namoi Shareholders who did not accept the Offer, in which case you will receive the same consideration as the Offer Price, but it will take longer for you to receive your Offer Price.</p>	Section 5.10
(m)	During the period of the Offer, can I sell my Namoi Shares on ASX?	<p>Yes, unless you have accepted the Offer (or the LDC Takeover Offer) in respect of those Namoi Shares and have not validly revoked or withdrawn your acceptance (see Section 5.9 of this Target's Statement and Section 5.10 of the LDC Target's Statement).</p> <p>If you sell your Namoi Shares on market:</p> <ul style="list-style-type: none"> • you will not benefit from any possible increase in the value of Namoi Shares; and • you will not benefit from any possible increase in the consideration that may be provided under the Offer (or the LDC Takeover Offer) or any other offer, should one emerge. 	Section 4
3.4 Conditions and their implications			
(a)	What are the Conditions to the Offer?	<p>The Offer is conditional. The Conditions include (in summary form only):</p> <ul style="list-style-type: none"> • 50.1% Minimum Acceptance Condition: Olam acquiring a Relevant Interest in at least 50.1% (by number) of all of the Namoi Shares (on a fully diluted basis); • FIRB Condition: either Olam receiving FIRB approval without conditions (or subject only to standard tax conditions), or 	Section 5.4

#	Question	Answer	Further information
		<p>FIRB ceasing to be empowered to make an order or decision in respect of the acquisition of the Namoi Shares;</p> <ul style="list-style-type: none"> • ACCC Clearance Condition: ACCC confirming to Olam that it does not intend to oppose, seek to prevent or otherwise intervene in relation to the acquisition of Namoi Shares under the Offer (on an unconditional basis); and • Prescribed Occurrences Condition: none of the events listed in section 652C(1) or (2) of the Corporations Act occurring during the Bid Period. <p>This is only a summary of the Conditions of the Offer. See Section 5.4 for further details and the views of the Independent Directors on the likelihood of the Conditions being satisfied. The Conditions are also set out in full in Section 10.14 of the Bidder's Statement.</p>	
(b)	Can Olam waive the Conditions?	Yes, Olam can waive any or all of the Conditions (other than any Conditions which are regulatory approvals and required by law).	N/A
(c)	What happens if the Conditions of the Offer are not satisfied or waived by Olam?	If the Conditions are not satisfied or waived by Olam before the Offer closes, the Offer will lapse, and you will not receive the Offer Price (even if you had accepted the Offer). However, you would then be free to deal with your Namoi Shares.	Section 5.5
(d)	What happens if I accept the Offer and the Conditions are satisfied or waived?	<p>If you have accepted the Offer and each of the Conditions are satisfied or waived, then the Offer will become unconditional, you will relinquish control of your Namoi Shares and the rights attaching to them to Olam and receive the Offer Price from Olam.</p> <p>Once you accept the Offer, you may only validly revoke or withdraw your acceptance in limited circumstances (see Section 5.9).</p>	Section 5.7
3.5 LDC Takeover Offer			
(a)	What is the LDC Takeover Offer?	<p>LDC has made an off-market takeover offer to acquire all Namoi Shares for \$0.67 per Namoi Share.</p> <p>The LDC Takeover Offer is 100% cash and is conditional on:</p> <ul style="list-style-type: none"> • LDC acquiring a Relevant Interest in at least 50.1% (by number) of the Namoi Shares (on a fully diluted basis); • either LDC receiving FIRB approval without conditions (or subject only to standard tax conditions), or FIRB ceasing to be empowered to make an order or decision in respect of the acquisition of the Namoi Shares; 	LDC Bidder's Statement and LDC Target's Statement

#	Question	Answer	Further information
		<ul style="list-style-type: none"> the ACCC confirming to LDC that it does not intend to oppose, seek to prevent or otherwise intervene in relation to the acquisition of Namoi Shares under the LDC Takeover Offer (on an unconditional basis); and none of the events listed in section 652C(1) or (2) of the Corporations Act occurring during the LDC Takeover Offer period. <p>The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer. However, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.</p> <p>This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.</p> <p>Further information in respect of the LDC Takeover Offer is available via the Namoi website (www.namoicotton.com.au/takeover) or ASX's website (www.asx.com.au). In particular Namoi Shareholders should read and consider the LDC Bidder's Statement, and the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer.</p>	
(b)	Who is LDC?	<p>LDC is a wholly owned Subsidiary of LDC B.V., a company incorporated in the Netherlands. LDC B.V. and its Subsidiaries (collectively, the LDC Group) is a leading merchant and processor of agricultural goods.</p> <p>The LDC Group's activities span the entire value chain across a broad range of business lines (platforms). Since its inception in 1851, the LDC Group's portfolio has grown and as of 31 December 2023, included carbon solutions, coffee, cotton, food and feed solutions, freight, global markets, grains and oilseeds, juice, rice and sugar. The LDC Group is active in over 100 countries across six geographical regions and employs approximately 18,000 people globally.</p>	N/A
3.6 Other			
(a)	What impact does the Offer have on any Namoi dividends or other rights?	Olam will be entitled to all Rights (including any Namoi dividends) declared, paid, made, or which arise or accrue after the Announcement Date in respect of any Namoi Shares that it acquires pursuant to acceptances of the Offer.	N/A

#	Question	Answer	Further information
		<p>If any Rights are declared, paid, made or arise or accrue in cash after the Announcement Date, Olam will (provided the same has not been paid to Olam) be entitled to reduce the Offer Price payable by it to any Namoi Shareholders who accept the Offer by an amount equal to the value of the cash Rights in respect of their accepted Namoi Shares.</p> <p>If any non-cash Rights are issued or made or arise or accrue after the Announcement Date, Olam will (provided the same has not been issued to Olam) be entitled to reduce the Offer Price payable by it to any Namoi Shareholders who accept the Offer by an amount equal to the value of the non-cash Rights (as reasonably assessed by Olam) in respect of their accepted Namoi Shares.</p> <p>See Section 10.7 of the Bidder's Statement for more information.</p>	
(b)	Are there any tax consequences of accepting the Offer?	<p>A general outline of the tax consequences for certain Namoi Shareholders of accepting the Offer is set out in Section 8 of the Bidder's Statement and Section 5.12.</p> <p>You should not rely on the outline in the Bidder's Statement (or this FAQ 3.6(b) or Section 5.12) as advice on your own affairs. It does not deal with the position of certain Namoi Shareholders. The Independent Directors encourage you to seek your own professional financial and taxation advice before making a decision whether or not to accept the Offer.</p>	Section 5.12
(c)	Will I need to pay brokerage or stamp duty if I accept the Offer?	<p>If your Namoi Shares are registered in an Issuer Sponsored Holding in your name on acceptance of the Offer, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.</p> <p>If your Namoi Shares are registered in a CHES Holding, or if you are a beneficial owner whose Namoi Shares are registered in the name of a Broker, bank custodian or other nominee, you will not be obliged to pay stamp duty if you accept the Offer, but you should ask your Controlling Participant (usually your Broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.</p>	Section 5.12
(d)	Can Olam withdraw its Offer?	Olam may only withdraw the Offer with the written consent of ASIC in accordance with the requirements of the Corporations Act and subject to the conditions (if any) specified in such consent.	Section 5.3(e)
(e)	Is the Offer open to converted Namoi Residual Capital Stock and/or Namoi	The Offer extends to Namoi Shares that are issued or otherwise come into existence during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into Namoi Shares. This includes the Namoi	Sections 8.7 and 8.8

#	Question	Answer	Further information
	Performance Rights?	<p>Performance Rights that are on issue as at the Register Date but does not include the Namoi Residual Capital Stock, given that they are no longer able to be converted into Namoi Shares.</p> <p>On 17 April 2024, Namoi announced that it has elected to redeem all the outstanding Namoi Residual Capital Stock on issue (for which Namoi has not received a valid conversion notice) as permitted by and in accordance with the Namoi Residual Capital Stock Terms. Accordingly, holders of Namoi Residual Capital Stock can no longer elect to convert Namoi Residual Capital Stock to Namoi Shares (see Section 8.8).</p> <p>The Namoi Board has, in exercise of the discretions granted to it under the Equity Plan Rules, passed resolutions, which provide for all existing Namoi Performance Rights to vest and be exercised in time for the holders of the Namoi Performance Rights to acquire Namoi Shares at the time the 50.1% Minimum Acceptance Condition is satisfied.</p>	
(f)	Will Namoi remain listed on ASX?	<p>That depends on the outcome of the Offer.</p> <p>If Olam Compulsorily Acquires the Namoi Shares (as is its stated intention if it becomes entitled to do so), Olam will seek to delist Namoi from ASX at the conclusion of the Compulsory Acquisition process. In addition, Olam has stated that if it were to acquire a Relevant Interest of more than 50%, Olam also intends to seek to delist Namoi from ASX as soon as it is able to do so. Further information on Olam's intentions on delisting Namoi is set out at Sections 6.2 and 6.3 of the Bidder's Statement.</p> <p>Any proposal to delist Namoi from ASX will require ASX's consent and may be subject to conditions imposed by ASX.</p> <p>Although there is a possibility of Namoi being delisted if Olam obtains a Relevant Interest of more than 50% but less than 90% of Namoi Shares, the Independent Directors consider it is unlikely that Namoi would be delisted in these circumstances so long as there are a substantial number of minority Namoi Shareholders.</p>	Section 5.14
(g)	Do I get to keep the Namoi Permitted Special Dividend?	<p>Namoi Shareholders who were on the Register on 24 April 2024, the record date for the Namoi Permitted Special Dividend and who accept the Offer, will be entitled to retain the Namoi Permitted Special Dividend of \$0.01 per Namoi Share in addition to being paid the Offer Price of \$0.70 cash per Namoi Share (if the Offer becomes unconditional).</p>	N/A
(h)	How can I get updates on the Namoi Share price?	<p>You can receive updates by visiting the ASX website at www.asx.com.au using the code 'NAM'.</p>	Section 8.12

#	Question	Answer	Further information
(i)	If I have any questions who can I contact?	<p>You can contact the Namoi Shareholder Information Line on 1300 265 118 (within Australia) or +61 3 9415 4151 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday on a Business Day.</p> <p>Announcements made to ASX by Namoi and other information relating to the Offer can be obtained from Namoi's website at www.namoicotton.com.au/takeover.</p>	N/A

4 Your choices as a Namoi Shareholder

The Independent Directors unanimously recommend that you **ACCEPT** the Offer

(in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders)

However, as a Namoi Shareholder you have 3 choices currently available to you in relation to the Offer. The Independent Directors encourage you to consider your personal risk profile, investment objectives and financial and tax circumstances before making a decision as to whether or not to accept the Offer for your Namoi Shares.

Option 1 ACCEPT the Offer

The Independent Directors unanimously recommend that you accept the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).

If you choose to accept the Offer:

- you will not receive the Offer Price unless and until each of the Conditions of the Offer are all either satisfied or waived by Olam. Details of the Offer Price that you will receive if you accept the Offer are set out in Section 5.3(b) as well as in the Bidder's Statement;
- you will only be able to revoke or withdraw your acceptance in limited circumstances which are set out in Section 5.9; and
- you may be liable for tax on the disposal of your Namoi Shares as a result of your acceptance. An overview of the taxation consequences for certain Australian resident Namoi Shareholders of selling Namoi Shares is provided in Section 8 of the Bidder's Statement. See also Section 5.12 for further information on the tax consequences of the Offer.

If Olam increases the Offer Price, all Namoi Shareholders, whether or not they have already accepted the Offer before then, will be entitled to receive the increased Offer Price if they accept the Offer and it becomes unconditional.

As outlined above and disclosed on the ASX, Namoi Shareholders should note that LDC has made the LDC Takeover Offer. As disclosed on the ASX, Namoi has released the LDC Target's Statement which sets out the Independent Directors' recommendation and provides other material information in relation to the current form of the LDC Takeover Offer.

The Independent Directors consider the LDC Takeover Offer, in its current form, to be an inferior proposal to the Offer. However, Namoi Shareholders should be aware that if they were to accept the Offer (and the FIRB Condition were to be satisfied) they will be unable to withdraw their acceptance of the Offer unless a withdrawal right exists or arises under the Corporations Act.

This means that if LDC were to increase the LDC Takeover Offer Price such that it were to become a superior offer, after a Namoi Shareholder has already accepted the Offer from Olam (and the FIRB Condition has been satisfied), that Namoi Shareholder would not be able to accept the LDC Takeover Offer.

Further information on the consequences of accepting the Offer is discussed in Section 5.7. See Section 10.3 of the Bidder's Statement and the Acceptance Form (which was sent to Namoi Shareholders together with the Bidder's Statement) for instructions on how to accept the Offer.

<p>Option 2 Reject the Offer</p>	<p>If you do not wish to accept the Offer and wish to retain your Namoi Shares, you should do nothing. Simply disregard the documents sent to you by Olam.</p> <p>You should note that:</p> <ul style="list-style-type: none"> • if you choose not to accept the Offer, you will not receive the Offer Price unless the Olam Agri Group holds 90% of the Namoi Shares at the end of the Offer Period. In this event (subject to satisfaction of various legal requirements), the Olam Agri Group will become entitled to Compulsorily Acquire all those Namoi Shares that it does not already own (see Section 5.10 for further information regarding Compulsory Acquisition); and • if Olam acquires more than 50% but less than 90% of the Namoi Shares and all of the Conditions of the Offer are satisfied or waived, and you continue to hold Namoi Shares, you will be exposed to the risks associated with being a minority shareholder of Namoi. Some of these risks are explained in Section 5.11.
<p>Option 3 Sell your Namoi Shares on market</p>	<p>During the Offer Period, you may sell your Namoi Shares on market through ASX at the prevailing market price for cash (less any brokerage), provided you have not accepted the Offer (or, if you have accepted the Offer, provided you have validly revoked or withdrawn that acceptance (see your rights at Section 5.9)).</p> <p>As at the Last Practicable Date, the closing price of Namoi Shares was \$0.70, being the same as the Offer Price of \$0.70 per Namoi Share offered under the Offer.</p> <p>If you sell your Namoi Shares on market, you will receive the consideration for your Namoi Shares sooner than if you accept the Offer while it is subject to the Conditions. However, you:</p> <ul style="list-style-type: none"> • will lose the ability to accept the Offer and receive the Offer Price (and any subsequent improvement in the Offer Price), in relation to those Namoi Shares; • will lose the ability to accept any superior proposal for your Namoi Shares if one emerges (including any superior proposal from LDC); • will receive cash consideration for the sale of your Namoi Shares which may be more or less than the value of the Offer Price; • may incur a tax liability on the sale of those Namoi Shares; • may incur a brokerage charge; and • will lose the opportunity to receive future returns from Namoi in relation to those Namoi Shares. <p>You should contact your Broker for information on how to sell your Namoi Shares on ASX and your tax adviser to determine your tax implications from such a sale.</p>

5 Information about Olam, the Offer and other important information

5.1 Information about Olam

Olam Agri Australia Pty Ltd is a wholly owned Subsidiary of Olam Agri Holdings Limited, a company incorporated in Singapore.

The Olam Agri Group is a global, market-leading agribusiness in food, feed and fibre, built over 34 years. Olam Agri Group's Australian cotton business is a part of the Olam Agri Group's global cotton business, comprising trading and ginning operations in the US, farming and trading operations in Brazil, and end to end production to export operations in Africa where Olam Agri Group supports a network of 340,000 farmers to improve cotton production practices and maximize income.

The Olam Agri Group acquired QC in 2007, a company with more than 100-year history of successful operations in the Australian cotton industry and listed on the ASX. QC is one of Australia's longest established ginner, merchants and exporters of cotton.

Olam is indirectly 64.57% owned by Olam Group Limited, a leading food and agri-business supplying food, ingredients, feed and fibre to 22,000 customers worldwide which is listed on the Singapore Stock Exchange (SGX: VC2). Olam Group Limited's value chain spans over 60 countries and includes farming, processing and distribution operations, and direct engagement with a global network of farmers.

Further information on Olam can be found in Section 4 of the Bidder's Statement.

5.2 Overview of Olam's interest in Namoi

As at close of trading on the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, Olam has a Relevant Interest in 863,425 Namoi Shares with a voting power of 0.42%, arising out of Namoi Shareholders accepting the Offer (which may change to account for any further acceptances received by Olam under the Offer from time to time).

5.3 Summary of the Offer

Olam has lodged with ASIC and served on Namoi a copy of the Bidder's Statement, which contains the Offer to Namoi Shareholders to acquire all of your Namoi Shares, including any rights attaching to those Namoi Shares.

(a) Level of acceptance

You have the option of accepting the Offer for some or all of your Namoi Shares. Those of your Namoi Shares that are subject to your acceptance will constitute the Accepted Shares (as set out in the Bidder's Statement). Further information can be found at Section 10.6 of the Bidder's Statement.

(b) Offer Price

Olam is offering \$0.70 per Namoi Share that you hold. If you accept the Offer, and the Offer becomes unconditional, you will have to wait until the earlier of:

- (i) 10 Business Days after the later of (i) receipt of your valid acceptance or (ii) the date on which the Offer becomes unconditional; and
- (ii) 10 Business Days after the end of the Offer Period,

before you receive the Offer Price. It is uncertain when, if ever, the Offer will become unconditional.

(c) Offer Period

The Offer Period is open for acceptance from 16 May 2024 until 7.00pm (Sydney time) on 18 June 2024, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act. The Offer Period will be automatically extended by law if within the last seven days of the Offer Period:

- (i) the Offers made under the Bidder's Statement are varied to improve the consideration; or
- (ii) Olam's Voting Power in Namoi increases to more than 50%.

In either case, the Offer Period will end at 7.00 pm (Sydney time) 14 days after the event in paragraph (i) or (ii).

If you choose to accept the Offer, then your acceptance must be received by Olam before the end of the Offer Period. Instructions on how to accept the Offer are set out in the Bidder's Statement and on the Acceptance Form that accompanies the Bidder's Statement. If you want to accept the Offer, you should follow those instructions carefully to ensure that your acceptance is valid. Once you accept the Offer, you may only validly revoke or withdraw your acceptance in limited circumstances (see Section 5.9).

If your Namoi Shares are in a CHESS Holding and you want to accept the Offer, you should accept the Offer online in accordance with Section 10.3(a) of the Bidder's Statement or complete the CHESS Acceptance Form, or give instructions to your Broker in sufficient time before the end of the Offer Period to allow your Broker to initiate your acceptance under CHESS. If your Namoi Shares are in an Issuer Sponsored Holding and you want to accept the Offer, you should accept the Offer online in accordance with Section 10.3(b) of the Bidder's Statement or complete and deliver the Issuer Acceptance Form in sufficient time so that it is received by Olam before the end of the Offer Period.

(d) Extension of the Offer Period

If the Offer is unconditional (that is, all the Conditions are satisfied or waived), Olam may extend the Offer Period at any time before the end of the Offer Period. However, if the Offer is subject to Conditions, Olam may extend the Offer Period at any time before it gives Namoi Shareholders a Notice of Status of Conditions (as described in Section 5.6), but may only extend the Offer after it gives the Notice of Status of Conditions in the circumstances described in the next paragraph or in other limited circumstances set out in the Corporations Act, which only apply where another person also announces or makes a takeover bid for Namoi Shares.

Olam must extend the Offer Period if, within the last 7 days of the Offer Period, Olam increases the Offer Price or Olam's Voting Power in Namoi increases to more than 50%. If that happens, the Offer Period is automatically extended so that it ends 14 days after that event.

The maximum duration of the Offer Period is 12 months.

(e) Withdrawal of the Offer

Olam may withdraw the Offer at any time but only in limited circumstances and where it obtains the written consent of ASIC and subject to the conditions (if any) specified in such consent.

(f) Lapse of the Offer

The Offer will lapse if, at the end of the Offer Period (or in the case of the Prescribed Occurrences Condition, at the end of the third Business Day after the end of the Offer Period), the Conditions to which the Offer is subject (as summarised in Section 5.4) are not satisfied or waived. If this occurs, then any acceptances of the Offer given by Namoi Shareholders will be void. Namoi Shares the subject of any such acceptances will be returned to you and you will be free to deal with them as you choose. See Section 10.17(c) of the Bidder's Statement for further information.

(g) Who may ACCEPT the Offer

A person who:

- (i) is able during the Offer Period to give good title to a parcel of Namoi Shares; and
- (ii) has not already accepted an offer for those Namoi Shares, may, in accordance with section 653B(1) of the Corporations Act, accept the Offer as if an offer on terms identical with the Offer had been made to that person in relation to those Namoi Shares.

Olam is not making a separate offer to the holders of any Namoi Performance Rights. However, the Offer extends to all Namoi Shares that are issued or otherwise come into existence before the end of the Offer Period as a result of the vesting and exercise of any Namoi Performance Rights on issue at the Register Date. This means that holders of Namoi Performance Rights that vest will be able to accept the Offer in respect of the Namoi Shares issued during the Offer Period as a result of their conversion.

For further information please see Section 10.5 of the Bidder's Statement.

5.4 Conditions of the Offer

The Offer is subject to a number of Conditions. Those Conditions are set out in full in Section 10.14 of the Bidder's Statement.

If all of these Conditions are not satisfied, or waived by Olam, before the end of the Offer Period (or in the case of the Prescribed Occurrences Condition, at the end of the third Business Day after the end of the Offer Period), including any extended Offer Period, then the Offer will lapse and the Offer Price will not be issued to Namoi Shareholders who have accepted the Offer. Furthermore, Namoi Shareholders who accept the Offer will, in the meantime, lose their ability to deal with their Namoi Shares (sell them on market) or accept any superior proposal, should one eventuate (including if the LDC Takeover Offer Price were to increase materially after the date of this Target's Statement, such that the LDC Takeover Offer were to become a superior proposal), except in limited circumstances where Namoi Shareholders have validly revoked or withdrawn their acceptance of the Offer (see Section 5.9).

When considering how these Conditions may affect the prospects of success of the Offer, you should be aware of the following information:

(a) Conditions wholly or partly outside of Namoi's control

Many of the Conditions are wholly or partly outside the control of Namoi. These Conditions include those set out in the table below.

Name of Condition and Section of Bidder's Statement	Condition	Likely to be satisfied
50.1% Minimum Acceptance Condition See Bidder's Statement Section 10.14(a)	At the end of the Offer Period, Olam 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).	Unknown. This Condition is wholly outside of Namoi's control.
FIRB Condition See Bidder's Statement Section 10.14(b)	Before the end of the Offer Period: a) the Treasurer (or the Treasurer's delegate) has provided a written no objections notification to Olam under FATA to Olam 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)); 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 Olam under the Offer.	Unknown. This Condition is wholly outside of Namoi's control.
ACCC Clearance Condition See Bidder's Statement Section 10.14(c)	Before the end of the Offer Period, the ACCC has advised Olam in writing that it does not intend to oppose, seek to prevent or otherwise intervene in relation to the acquisition of Namoi Shares by Olam (on an unconditional basis).	Unknown. This Condition is wholly outside of Namoi's control.

(b) Conditions which may require Namoi to take or refrain from taking actions where this may not be in interests of Namoi Shareholders

The Prescribed Occurrences Condition requires Namoi to take (or refrain from taking) various actions set out in section 652C(1) and (2) during the Bid Period. These Conditions are set out in the table below and are within the control of Namoi.

In circumstances where a Condition is not satisfied during the Offer Period, Olam will have discretion as to whether to declare the Offer free of the Condition (other than any Conditions which are regulatory approvals and required by law) or to allow the Offer to lapse.

The Independent Directors will make a decision to pursue any opportunity, or take any action, having regard to the best interests of Namoi and Namoi Shareholders, the fiduciary duties of the Independent Directors and the applicable policies and guidance of the Takeovers Panel.

Name of Condition and section of Bidder's Statement	Condition	Likely to be satisfied
Prescribed Occurrences Condition Bidder's Statement Section 10.14(d)	During the Bid Period, none of the following prescribed occurrences (being the events listed in section 652C(1) or (2) of the Corporations Act) happens:	This condition is within the control of Namoi and accordingly is likely to be satisfied.

Name of Condition and section of Bidder's Statement	Condition	Likely to be satisfied
	<ul style="list-style-type: none"> 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 (other than the vesting of up to 1,835,852 Namoi Performance Rights); 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 of the Corporations Act; n) Namoi or a subsidiary makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; 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. 	

5.5 Consequences of Conditions not being satisfied

As discussed in Section 5.4, there is no certainty that the Conditions of the Offer will be satisfied.

You should be aware that, even if the Conditions of the Offer are not satisfied (or are triggered, as appropriate), they may be waived by Olam (other than any Conditions which are regulatory approvals and required by law).

If any Condition is unsatisfied (or has been triggered), and has not been waived, Olam will have an option as to whether to proceed with the acquisition of Namoi Shares under its Offer (by waiving the relevant Conditions, other than any regulatory approvals required by law) or allow its Offer to lapse with unsatisfied Conditions. Generally speaking, Olam would not have to decide whether to proceed with the acquisition of Namoi Shares under its Offer until the date that it is required to provide its Notice of Status of Conditions which, as discussed in Section 5.6(a), can be postponed if the Offer Period is extended.

If, by the end of the Offer Period (or in the case of the Prescribed Occurrences Condition, at the end of the third Business Day after the end of the Offer Period) the Conditions have not been satisfied or waived, the Offer will lapse and all acceptances of the Offer will be void and have no effect.

5.6 Notice of Status of Conditions

(a) Requirement to give Notice of Status of Conditions

The Bidder's Statement indicates that Olam will give a Notice of Status of Conditions on 11 June 2024. Olam is required to set out in its Notice of Status of Conditions:

- (i) whether the Offer is free of any or all of the Conditions;
- (ii) whether, so far as Olam knows, any of the Conditions have been satisfied on the date the Notice of Status of Conditions is given; and
- (iii) Olam's Voting Power in Namoi at that time.

If the Offer Period is extended before the date on which the Notice of Status of Conditions is to be given, the date that Olam must give its Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Olam is required, as soon as practicable after the extension, to notify ASX and Namoi of the new date for giving the Notice of Status of Conditions.

In addition, if a Condition of the Offer is satisfied during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Olam must, as soon as practicable, give ASX and Namoi a notice stating that the particular Condition has been satisfied.

(b) FIRB Condition

Olam is a 'foreign person' for the purposes of FATA because more than 20% of its shares are held by a shareholder considered to be a 'foreign person' for the purposes of FATA and its associates. FATA requires that foreign persons generally require FIRB approval before acquiring a substantial interest (generally, at least 20%) in an Australian entity such as Namoi, and a foreign person is taken to 'acquire' such an interest if they enter an agreement to acquire the interest. Accordingly, Olam submitted a notification to FIRB on 22 March 2024 in accordance with FATA.

(c) ACCC Clearance Condition

The Olam Agri Group submitted an application for informal merger clearance to the ACCC in respect of the proposed acquisition of all Namoi Shares. In response to the application,

on 12 April 2024, the ACCC commenced a public informal review of the proposed acquisition of all Namoi Shares to assess whether the transaction would have or be likely to have the effect of substantially lessening competition (in contravention of section 50 of the *Competition and Consumer Act 2010* (Cth)).

The provisional timing for announcement of the ACCC's decision (which may change) is 4 July 2024. At this time, the ACCC will either:

- (i) make a decision not to oppose the Olam Agri Group's proposed acquisition of all Namoi Shares; or
- (ii) release a 'Statement of Issues' in relation to the Olam Agri Group's proposed acquisition of all Namoi Shares. If the ACCC releases a Statement of Issues, it will identify the preliminary competition concerns it has with the Olam Agri Group's proposed acquisition of all Namoi Shares and will seek information on those issues before making its final decision.

The status of the ACCC's review can be monitored at: <https://www.accc.gov.au/public-registers/mergers-registers/public-informal-merger-reviews-register/olam-agri-holdings-limited-namoi-cotton-limited>

5.7 Effect of acceptance

Accepting the Offer while it is conditional may (subject to the limited revocation and withdrawal rights set out at Section 5.9):

- (a) **prevent you from accepting any superior proposal** that may be made or any alternative superior transaction that may be recommended by the Independent Directors (including if the LDC Takeover Offer Price were to increase materially after the date of this Target's Statement, such that the LDC Takeover Offer were to become a superior proposal). Should another takeover offer or transaction be announced during the Offer Period, or should the terms of the Offer or the LDC Takeover Offer materially change, Namoi will issue a supplementary target's statement providing further information to Namoi Shareholders;
- (b) **prevent you from selling** or otherwise dealing with your Namoi Shares on market during the Offer Period;
- (c) **result in you relinquishing control of your Namoi Shares to Olam and the rights attaching to them with no guarantee of payment** until the Offer becomes, or is declared, unconditional – and as the Offer Period could be extended by Olam so that its Offer is open for up to 12 months, this could result in further delays in Olam issuing the Offer Price;
- (d) **give Olam the option to keep your Namoi Shares** if the Conditions are not satisfied, but Olam declares the Offer unconditional (other than any regulatory approvals required by law) by waiving the 50.1% Minimum Acceptance Condition;
- (e) **require Olam to return your Namoi Shares** if the Conditions are not satisfied or waived and the Offer lapses (as discussed in Section 5.3(f)); and
- (f) **result in you being liable to pay tax** on the disposal of your Namoi Shares which may have financial consequences (as discussed in Section 5.12).

If Olam improves the Offer Price, all Namoi Shareholders who have accepted the Offer (whether or not they have accepted prior to that improvement) will be entitled to the benefit of that improved consideration.

The effect of acceptance of the Offer is set out in more detail in Section 10.7 of the Bidder's Statement. You should read those provisions in full to understand the effect that

acceptance will have on your ability to exercise the rights attaching to your Namoi Shares and the representations and warranties that you are deemed by Olam to give to it by accepting the Offer.

5.8 Payment

No payment for the Namoi Shares tendered into the Offer will be made until after the Offer becomes unconditional. If the Offer becomes unconditional, you will be paid under the Offer by the earlier of:

- (a) 10 Business Days after the later of (i) receipt of your valid acceptance or (ii) the date on which the Offer becomes unconditional; and
- (b) 10 Business Days after the end of the Offer Period.

See Section 10.8 of the Bidder's Statement for further details on when you will be sent your payment from Olam.

5.9 Revocation and withdrawal rights

If you accept the Offer, you will have a right to revoke or withdraw your acceptance only in limited circumstances. Those rights comprise a revocation right to the extent that the FIRB Condition of the Offer has not been satisfied (or waived, if permitted by law) and general statutory withdrawal rights under the Corporations Act.

(a) Withdrawal rights under the terms of the Offer

The terms of the Offer include that if, by the end of the Offer Period, the Conditions have not been fulfilled or waived, the Offer will automatically terminate, and your Namoi Shares will be returned to you.

The FIRB Condition is a condition precedent to the acquisition by Olam of any interest in Namoi Shares. Notwithstanding your acceptance of the Offer, unless and until the FIRB Condition is satisfied (or waived):

- (i) no contract for the sale of your Namoi Shares will come into force or be binding on you or on Olam; and
- (ii) Olam will have no rights (conditional or otherwise) in relation to your Namoi Shares.

For further information on withdrawal rights relating to the FIRB Condition see Section 10.15(b) of the Bidder's Statement.

(b) Statutory withdrawal rights under the Corporations Act

Under the Corporations Act, you may withdraw your acceptance of the Offer if Olam varies the Offer in a way that postpones, for more than one month, the time when Olam needs to meet its obligations under the Offer (for example, by extending the Offer Period by more than one month) and the Offer is still subject to any Conditions at that time.

If this occurs, Olam is required to send you a notice at the time explaining your rights in this regard.

In these circumstances, you will have a period of one month after the date of receiving notice to withdraw your acceptance. Your statutory withdrawal rights will terminate upon the expiry of that one month period, although if the Offer Period is then further extended, you may receive further statutory withdrawal rights.

5.10 Compulsory Acquisition

(a) Post-bid Compulsory Acquisition

Olam will be entitled to Compulsorily Acquire any outstanding Namoi Shares for which it has not received acceptances on the same terms as the Offer if, during or at the end of the Offer Period, Olam (taken together with its Associates):

- (i) has a Relevant Interest in at least 90% (by number) of the Namoi Shares on issue at the relevant time; and
- (ii) has acquired at least 75% (by number) of Namoi Shares for which it has made an Offer.

Olam has indicated in Section 6.2 of its Bidder's Statement that if it becomes entitled to proceed to Compulsorily Acquire outstanding Namoi Shares, it intends to do so. However, Namoi Shareholders should note that in LDC's second supplementary bidder's statement dated 10 May 2024, LDC advised that the LDC Group would not accept the current form of the Offer with respect to any of its Namoi Shares (the LDC Group's relevant interest at that time in Namoi being 16.99%,⁷ which may change to account for any acceptances received by LDC under the LDC Takeover Offer from time to time). Accordingly, Olam may not be able to reach the threshold required to Compulsorily Acquire Namoi Shares.

If the Compulsory Acquisition Thresholds above are met, Olam will have one month from the end of the Offer Period within which to give Compulsory Acquisition notices to Namoi Shareholders who have not accepted the Offer, but it may choose to commence Compulsory Acquisition as soon as the relevant thresholds are satisfied. The consideration payable by Olam will be the Offer Price last offered under the Offer.

In addition, Olam must also offer to buy out the remaining holders of any outstanding securities that are convertible into Namoi Shares. In such circumstances, Olam must give notice of the terms of the acquisition along with an expert's report to holders of those convertible securities of their right to be bought out, during, or within one month after the end of, the Offer Period. A copy of the notice must be lodged with ASX and ASIC. Within one month after the notice is given by Olam, the relevant holders of those convertible securities may choose to give Olam notice requiring Olam to acquire their securities.

A Namoi Shareholder has statutory rights to challenge the Compulsory Acquisition, but this will require the relevant Namoi Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for their Namoi Shares. Namoi Shareholders should be aware that, if their Namoi Shares are Compulsorily Acquired, they are not likely to receive the Offer Price until at least one month after the Compulsory Acquisition notices are sent.

(b) General Compulsory Acquisition

If Olam does not become entitled to Compulsorily Acquire Namoi Shares in accordance with the above procedures, it may nevertheless become entitled to exercise general Compulsory Acquisition rights in relation to the Namoi Shares and any securities that are convertible to Namoi Shares under Part 6A.2 Division 1 of the Corporations Act.

⁷ As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, LDCA has a relevant interest in 37,007,640 Namoi Shares with a voting power of 18.02%, which includes the relevant interest in Namoi Shares arising out of Namoi Shareholders accepting the LDC Takeover Offer.

Broadly, Olam will be entitled to Compulsorily Acquire:

- (i) all outstanding Namoi Shares, if Olam (either alone or together with its Related Bodies Corporate) holds full beneficial interests in at least 90% (by number) of Namoi Shares; and
- (ii) any outstanding securities that are convertible into Namoi Shares, if Olam's Voting Power in Namoi is at least 90% and Olam (either alone or together with its Related Bodies Corporate) holds full beneficial interests in at least 90% (by value) of all securities in Namoi that are Namoi Shares or convertible into Namoi Shares.

If this threshold is met, Olam will have 6 months after Olam becomes a 90% holder within which to give Compulsory Acquisition notices to the relevant holders. The Compulsory Acquisition notices sent must be accompanied by an expert's report and an objection form.

The expert's report must consider whether Olam's price for Compulsory Acquisition under this procedure gives "fair value" for the Namoi securities concerned and the expert's reasons for forming that opinion.

Namoi securityholders with at least 10% of the securities covered by the Compulsory Acquisition notice may challenge any Compulsory Acquisition relating to their securities and object to the acquisition before the end of the objection period (which must be at least one month). If this occurs, Olam may apply to the court for approval of the acquisition of the securities covered by the notice. The court must approve the acquisition if Olam establishes that the terms offered give fair value for the securities being acquired. The costs incurred by any securityholder who objects in legal proceedings in relation to the Compulsory Acquisition must be borne by Olam, unless the court is satisfied that the securityholder acted improperly, vexatiously or otherwise unreasonably.

5.11 Implications of Olam acquiring less than 90% of Namoi Shares

If Olam acquires a Relevant Interest of more than 50%, but less than 90%, of Namoi Shares (and all the other Conditions are satisfied or waived), Namoi Shareholders who do not accept the Offer will become minority shareholders in Namoi. There are a number of possible implications and risks of rejecting the Offer and remaining a Namoi Shareholder in this regard, including:

- (a) the number of Namoi Shares traded on ASX could be significantly reduced, thereby potentially lessening the value of the shareholdings of Namoi Shareholders who do not accept the Offer (i.e. these Namoi Shareholders run the risk of being minority shareholders in a company with reduced share trading liquidity). Namoi Shares could become an illiquid and infrequently traded share and, as such, the ASX market price may no longer be a reliable indicator of value or be at a lower price should Namoi Shareholders wish to sell them in the future;
- (b) there is a risk that Namoi could be fully or partially removed from certain S&P/ASX market indices due to lack of free float and/or liquidity;
- (c) subject to satisfying the relevant ASX requirements, Olam has stated its intention to seek to remove Namoi from the official list of ASX (see Section 5.14 for more information on the implications of a potential delisting). If this occurs, Namoi Shares will not be able to be traded on ASX;
- (d) Olam will be in a position to cast the majority of votes at a general meeting of Namoi Shareholders. This will enable it to control the composition of the Namoi Board and senior management and control the strategic direction of Namoi and its Subsidiaries;

- (e) Olam has stated in Section 6.2 of its Bidder's Statement that, subject to the Corporations Act and the Namoi Constitution, Olam intends to procure the appointment of a majority of Olam nominees to the Namoi Board (amongst other changes to the Namoi Board). This will allow Olam's nominees on the Namoi Board to determine the strategic direction of the business and capital management. There is a risk that Namoi Shareholders may be dissatisfied with the altered strategic direction or the altered Board composition or that such alterations may adversely impact the Namoi business;
- (f) future Namoi dividend policy under the management of Olam may vary from the current Namoi dividend policy, and may result in a lower proportion of profits being paid as dividends;
- (g) if Olam acquires 75% or more of Namoi Shares, it will be able to pass special resolutions at meetings of Namoi Shareholders. This will enable Olam to, among other things, change the Namoi Constitution; and
- (h) as noted above, it is possible that even if Olam is not entitled to proceed to Compulsory Acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general Compulsory Acquisition under Part 6A.2 of the Corporations Act. For example, as a result of acquisitions of Namoi Shares in reliance on the "3% creep" exception in item 9 of section 611 of the Corporations Act. If so, it may exercise those rights.

5.12 Taxation consequences

(a) Introduction

The following is a brief outline of the Australian income tax, GST and stamp duty implications for Namoi Shareholders who dispose of Namoi Shares by accepting the Offer.

It is also relevant to those Namoi Shareholders who do not accept the Offer, if those Namoi Shares are Compulsorily Acquired following Olam acquiring a Relevant Interest in at least 90% of the Namoi Shares at any time during the Offer Period.

The summary in this section should not be relied upon by Namoi Shareholders as taxation advice. The summary in this section does not consider any financial objectives, tax positions or investment needs of any Shareholders and should not be construed as being investment, legal or tax advice to any Shareholder. It is recommended that each Shareholder seek their own independent, professional tax or financial advice in respect of the taxation implications of the Offer for that Shareholder, which will depend on their individual and particular circumstances.

This summary does not consider the Australian tax considerations that may be relevant for Namoi Shareholders who:

- (i) hold (or will hold) their Namoi Shares as trading stock or on revenue account, or who are exempt from Australian tax;
- (ii) are subject to the Taxation of Financial Arrangements provisions in Division 230 of the Tax Act or the Investment Manager Regime under Subdivision 842-I of the Tax Act;
- (iii) acquired (or are deemed to have acquired) their Namoi Shares prior to 20 September 1985);
- (iv) acquired their Namoi Shares pursuant to an employee share, option or rights plan;

- (v) are under a legal disability for Australian income tax purposes;
- (vi) are partnerships or are partners of such partnerships;
- (vii) are foreign residents who hold their Namoi Shares in carrying on a business through a permanent establishment in Australia; or
- (viii) are Namoi Shareholders who changed their tax residence while holding Namoi Shares.

This section is general in nature and is not intended to be an authoritative or a complete statement of the applicable tax law. It is based on Australian tax legislation, case law and relevant administrative practice in force as at the date of this Target's Statement. The Australian income tax, GST and stamp duty implications of the Offer outlined in this section may differ if there is a change in Australian taxation law or judicial or administrative interpretations of Australian taxation law after the date of this Target's Statement.

(b) Taxation on the disposal of Namoi Shares

If you accept the Offer, or if Olam proceeds to Compulsorily Acquire your Namoi Shares, the disposal of your Namoi Shares will constitute a Capital Gains Tax ('CGT') event (CGT Event A1) for Australian tax purposes.

For Namoi Shareholders who accept the Offer, the date of the CGT event will be the date the contract to dispose of your Namoi Shares is formed, being the date the Offer is accepted and becomes unconditional (see Section 8 of the Bidder's Statement).

For Namoi Shareholders whose Namoi Shares are Compulsorily Acquired, the date of the CGT event will be the date when Olam becomes the owner of your Namoi Shares.

The above Australian tax consequences will apply where the Namoi Shareholder is a resident for Australian tax purposes. Different Australian tax implications may apply for non-residents.

(c) Determination of capital gains and losses

You may make a capital gain or capital loss on the disposal of your Namoi Shares.

- You should realise a capital gain on a Namoi Share to the extent that the amount you receive for the disposal of that Namoi Share is more than the cost base of that Namoi Share.
- You should realise a capital loss on a Namoi Share to the extent that the amount you receive for the disposal of that Namoi Share is less than the reduced cost base of that Namoi Share. Capital losses can usually only be offset against capital gains you realise in the same income year or in later income years.

Under the terms of the Offer, Namoi Shareholders will receive an amount of \$0.70 per Namoi Share.

Broadly, the cost base of a Namoi Share should be the total amount you paid for the Namoi Share and certain acquisition and disposal costs in respect of that Namoi Share. However, there are circumstances where this may not be the case and Namoi Shareholders should seek their own tax advice to confirm the cost base or reduced cost base of their Namoi Shares.

(d) Namoi shares acquired as part of the Restructure

In relation to Namoi Shareholders who acquired their Namoi Shares with the Restructure⁸ that became effective on 10 October 2017:

- (i) Grower Shares: Namoi obtained Class Ruling 2017/72 from the ATO (CR 2017/72)⁹ on behalf of “Grower Members” regarding the income tax consequences of the Restructure. Immediately after the effective date for the Restructure, “Grower Shares” were converted to Namoi Shares on an 800 to 158,504 basis. For Namoi Shareholders who held prior interests in “Grower Shares” which were converted as a consequence of the Restructure, the tax cost base for each Namoi Share should be calculated in line with CR 2017/72. “Growers Members” acquired “Grower Shares” for \$2.70 prior to the Restructure, which equates to a value of \$0.01363 per Namoi Share following conversion. The acquisition time of the Namoi Shares will be the date that the Grower Shares were acquired for CGT purposes.
- (ii) Namoi Capital Stock (Co-operative Capital Units, or CCUs): Namoi obtained Class Ruling 2017/73 from the ATO (CR 2017/73)¹⁰ on behalf of Namoi Capital Stockholders regarding the income tax consequences of the Restructure. In accordance with the Restructure, CCUs were varied and redesignated as Residual Capital Stock (RCS). Immediately after the Effective Date for the Restructure each RCS held was converted to Namoi Shares on a 1-for-1 basis. For Namoi Shareholders who held prior interests in CCUs which were converted as a consequence of the Restructure, the tax cost base for each Namoi Share should be calculated in line with CR 2017/73. For CGT purposes, the cost base and acquisition time of the Namoi Shares will be equal to the cost base at the date the original CCU interests were acquired.

(e) CGT discount

If you are an Australian resident Namoi Shareholder and are an individual, a certain type of trust or a complying superannuation fund, you may be eligible to claim a CGT discount on any net capital gains arising on Namoi Shares you acquired at least 12 months before the disposal.

For eligible individuals and trusts, only 50% of the capital gain arising from the disposal of their Namoi Shares will be included in the net capital gain. For complying superannuation funds, where relevant, only 66% of the capital gain from the disposal of the Namoi Shares will be included in the net capital gain. Companies are not eligible for discount capital gains treatment.

The previous Federal Government announced that the tax law would be amended so that trusts that are managed investment trusts and attribution managed investment trusts will be prevented from applying the CGT discount at the trust level. If you hold your Namoi Shares through a managed investment trust or attribution managed investment trust, you should seek tax advice on your eligibility to obtain discount capital gains treatment.

It is recommended that Namoi Shareholders seek their own tax advice to confirm how the CGT discount provisions and the availability of any capital losses will apply to their particular facts and circumstances.

⁸ For information on the Restructure and defined terms in Sections 5.12(d)(i) and 5.12(d)(ii) see the Restructure Booklet dated 16 August 2017. Namoi restructured its corporate and capital structure to become a public company, that involved the variation of Grower Shares and Namoi Capital Stock rights so that Grower Members and Namoi Capital Stockholders become Namoi Shareholders.
<https://announcements.asx.com.au/asxpdf/20170816/pdf/431gc029nhjm29.pdf>

⁹ <https://www.ato.gov.au/law/view/view.htm?docid=%22CLR%2FCR201772%2FNAT%2FATO%2F00001%22>

¹⁰ <https://www.ato.gov.au/law/view/document?docid=%22CLR%2FCR201773%2FNAT%2FATO%2F00001%22>

(f) Non-resident Namoi Shareholders

If you are not a resident of Australia for tax purposes, the disposal of your Namoi Shares will generally result in Australian CGT implications, if either of the following conditions are satisfied:

- (i) you, together with your Associates, hold a “non-portfolio interest” in Namoi and the Namoi Shares pass the “principal asset test” (each of these concepts is discussed further below); or
- (ii) the Namoi Shares were used at any time in carrying on a business in Australia through a permanent establishment.

Broadly, a Namoi Shareholder will hold a “non-portfolio interest” at the relevant time where the Namoi Shareholder, together with its Associates, owns, or owned throughout a 12 month period during the 2 years preceding the disposal of its Namoi Shares, 10% or more of all the Namoi Shares.

The Namoi Shares will pass the “principal asset test” if the market value of Namoi’s direct and indirect interest in taxable Australian real property (as defined in the Tax Act) is more than the market value of its other assets at the time of disposal.

If you are a non-resident and hold a “non-portfolio interest” in Namoi or have carried on business in Australia at any time through a permanent establishment, you should contact your tax adviser to determine if any capital gain on the disposal of your Namoi Shares is taxable.

(g) Non-resident CGT withholding tax

Olam may have an obligation to pay the Commissioner of Taxation an amount equal to 12.5% of the Offer Price. These rules may apply to the Offer if your Namoi Shares qualify as an “indirect Australian real property interest” (see below) and:

- (i) Olam knows or reasonably believes that you are a foreign resident; or
- (ii) Olam does not reasonably believe that you are an Australian resident, and either:
 - (A) the Namoi Shareholder has an address outside Australia; or
 - (B) Olam is authorised to provide a related financial benefit to a place outside Australia (whether to you or to anyone else); or
- (iii) you have a connection outside Australia of a kind specified in the regulations.

If you are a foreign tax resident Namoi Shareholder you will hold an “indirect Australian real property interest” where both of the following tests are satisfied:

- (iv) you, together with your Associates, hold a “non-portfolio interest” in Namoi (see Section 5.12(f) above); and
- (v) the Namoi Shares pass the “principal asset test” (see Section 5.12(f) above).

If you are an Australian tax resident, or you are a foreign resident but your Namoi Shares are not an “indirect Australian real property interest” and you accept the Offer (or your Namoi Shares are Compulsorily Acquired), you should provide Olam with a Non-Withholding Declaration (which is contained in the Acceptance Form accompanying the Bidder’s Statement). If you need assistance filling out your Non-Withholding Declaration you should speak to your tax adviser.

In all other circumstances, you should speak to your tax adviser to determine whether there is any scope to vary the withholding amount from 12.5% or the process for obtaining a credit in respect of any amount withheld.

(h) Stamp duty

No stamp duty should be payable by Namoi Shareholders in any Australian State or Territory on the disposal of their Namoi Shares to Olam under the Offer.

(i) GST

No GST should be payable by Namoi Shareholders on the disposal of their Namoi Shares to Olam under the Offer. Namoi Shareholders who are registered or required to be registered for GST should seek advice on whether they are entitled to any input tax credits or reduced input tax credits for any GST incurred on costs associated with the disposal of their Namoi Shares to Olam under the Offer.

5.13 How to ACCEPT the Offer

Instructions on how to accept the Offer are set out in Section 10.3 of the Bidder's Statement.

5.14 Potential delisting

Olam states in its Bidder's Statement that it intends to proceed with Compulsory Acquisition if it becomes entitled to Compulsorily Acquire your Namoi Shares, which will result in the delisting of Namoi from ASX. Alternatively, if Olam obtains a Relevant Interest of more than 50% but less than 90% of Namoi Shares, Olam may seek to delist Namoi from ASX. If Namoi is delisted, Namoi Shares will not be able to be bought or sold on ASX.

Although there is a possibility of Namoi being delisted if Olam obtains a Relevant Interest of more than 50% but less than 90% of Namoi Shares, the Independent Directors consider it is unlikely that Namoi would be delisted in these circumstances so long as there are a substantial number of minority Namoi Shareholders.

(a) Important legal protections concerning a delisting of Namoi

Namoi Shareholders should note the following important legal protections regarding any potential delisting of Namoi:

- (i) any decision to apply to ASX to delist Namoi would need to be made by the Namoi Board;
- (ii) the Namoi Board, including nominee directors appointed by Olam, could only decide to seek a delisting if the Board concludes that this action is in the best interests of Namoi and Namoi Shareholders as a whole at the relevant time;
- (iii) ASX states¹¹ that it will use its discretion to ensure that the delisting of any entity is being sought for acceptable reasons. For example, ASX notes that a request to remove an entity from ASX that is primarily or solely aimed at denying minority securityholders a market for their securities, in order to coerce them into accepting an offer from a controlling securityholder to buy their securities at an undervalue, would be an unacceptable reason for requesting removal from the official list of ASX;

¹¹ See ASX Guidance Note 33, which sets out ASX's policy in relation to delisting of entities from the ASX official list.

- (iv) ASX applies a number of guidelines to safeguard the interests of minority shareholders in the context of any proposed delisting;
- (v) a key ASX guideline provides that the approval of minority Namoi Shareholders would most likely be needed for ASX to allow delisting following a takeover bid unless each of the following 4 conditions are met:
 - (A) Olam and its Related Bodies Corporate have attained ownership or control of at least 75% of Namoi Shares;
 - (B) there are fewer than 150 Namoi Shareholders (excluding Olam and its Related Bodies Corporate), whose shareholding is worth at least \$500. As at the Last Practicable Date, there were approximately 1200 Namoi Shareholders with a shareholding of at least \$500;
 - (C) the Offer remains open for at least an additional 2 weeks after Olam and its Related Bodies Corporate have attained ownership or control of at least 75% of Namoi Shares; and
 - (D) Namoi has applied for removal from the official list of ASX no later than one month after the close of the Offer.

(b) Disadvantages to Namoi Shareholders on delisting

If, despite the above procedural protections, Namoi is ultimately delisted at some point in the future, any remaining Namoi Shareholders (i.e., those who did not accept the Offer) would be holders of unquoted shares. A delisting could result in a number of disadvantages for those Namoi Shareholders, such as:

- (i) the absence of an orderly, transparent and timely mechanism for share trading;
- (ii) restricted information compared to that currently provided as Namoi would no longer be subject to the continuous disclosure requirements of the ASX Listing Rules. If Namoi remains a public company after delisting and has at least 100 members, Namoi would still be required to disclose material information to ASIC and likely on its website. Nevertheless, the level of shareholder reporting in these circumstances could be diminished; and
- (iii) the ceasing of various requirements and protections for minority shareholders under the ASX Listing Rules. Examples of provisions that would cease to apply include:
 - (A) restrictions on the issue of new securities;
 - (B) a governance framework for related party transactions; and
 - (C) requirements to seek shareholder approval for significant changes in the nature or scale of Namoi's activities.

6 Information about Namoi

6.1 Namoi Cotton Limited

Namoi's business spans fibre, feed, supply chain and marketing – with cotton ginning being at its core. Namoi's network of 10 cotton gins across 9 locations in NSW and southern QLD is supported by warehousing and container packing, connected by rail and road to the ports. Namoi also markets cottonseed to domestic and overseas customers and moss cotton to overseas customers.

Namoi was established in 1962, as a co-operative, by a small group of pioneering cotton growers in Wee Waa, NSW. Namoi's current company structure has been shaped by the following key events:

- 1998: Namoi became the first co-operative with securities quoted on the ASX.
- 2013: Namoi sold 49% of its cotton lint marketing, warehousing and packing businesses into a joint venture with LDC called Namoi Cotton Alliance.
- 2017: Namoi, through the Restructure, varied its share capital to become a public company with a 20% shareholding limit.
- 2020: NCA reorganised into two separate joint ventures with LDC, with NCA (Namoi having a 51% interest) managing the warehousing and container packing business and Namoi Cotton Marketing Alliance (with Namoi having a 15% interest) managing the cotton lint marketing business.
- 2021: Namoi Shareholders vote against continuing the 20% shareholding limit, bringing Namoi into line with other ASX listed companies.

6.2 Namoi rationale

On 29 June 2023, the Namoi Board announced a strategic review to assess options to maximise value for shareholders.

The Independent Directors believe participating in industry consolidation would benefit other stakeholders (including cotton growers, joint venture partners and employees) through:

- scale with geographic diversification to manage variable cotton production, which variation could potentially increase with the changing climate;
- competitiveness in an industry facing increasing operating costs (including energy), excess ginning capacity and grower consolidation;
- ability to offer grower customers additional marketing options by having access to marketing capability and working capital; and
- access to capital to maintain and improve Namoi's gin facilities and to participate in the new and expanding cotton production areas.

6.3 Australian cotton industry

(a) Overview

Cotton is a soft fluffy fibre that grows in a boll (protective case) around the seeds of cotton plants (genus *Gossypium*). It is mechanically picked, usually from April to June, and delivered to a cotton gin facility usually as round modules in protective wrapping.

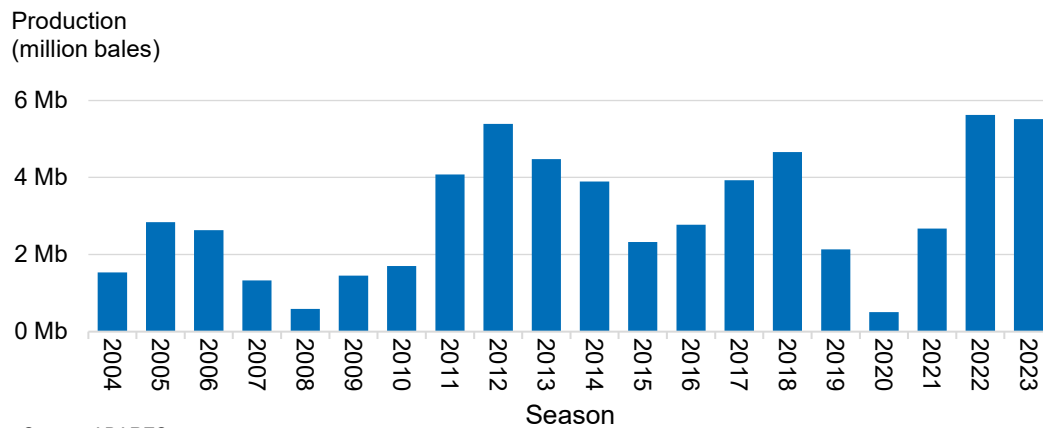
The delivered modules are stored and ginned, usually from April to October, where the components of the delivered cotton are separated into:

- Cotton lint: Cotton lint is pressed into 227 kg cotton bales and exported to overseas markets. Cotton lint is usually spun (by spinning mills) into yarn for textiles.
- Cottonseed: Cottonseed, at around 250 kg per cotton bale, is an important feed source for dairy and beef cattle, both for domestic and overseas markets. Cottonseed can also be crushed to produce vegetable oil.
- Trash and mote: Trash and mote, at around 50 kg per cotton bale, is the residue. Mote is further processed and sold (as moss) with the remaining organic trash either composted to soil or sold as stockfeed.

(b) Cotton production

Australia produces an average of 3.4 million bales of cotton lint from an average 390,000 hectares of farmland¹² of which around 75% is irrigated. However, planted cotton area and cotton production can vary significantly depending on available water supply. In the past 20 years cotton production has ranged from 0.5 to 5.6 million bales as shown in Figure 1.

Figure 1: Australian cotton lint production (bales)



(c) Cotton ginners

The Australian cotton industry is serviced by 34 cotton gins in eastern Australia¹³ with a combined estimated ginning capacity in excess of 6.5 million bales.

Ginning services are generally supplied on a regional basis, with regions typically delineated based by production valley. Namoi estimates that its ginning services account for around 21% of all ginning operations in Australia¹⁴ as shown in Figure 2.

Ginning services are provided by integrated and independent ginners, servicing 16 production valleys, including:

- Australian Food and Fibre (AFF), a partnership between Robinson family and Canadian owned PSP Investments;
- Queensland Cotton (QC), an Olam Agri Group Member;

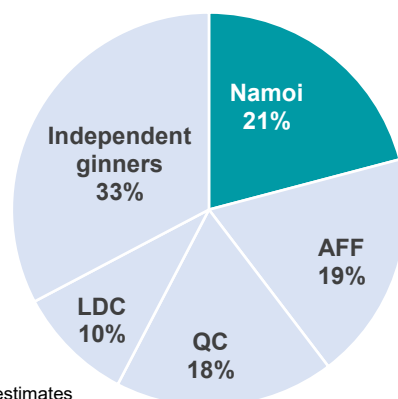
¹² Australian Bureau of Agricultural & Resource Economics & Sciences (ABARES). 10 year average to 2023.

¹³ Two new gins are currently being constructed in northern Australia to serve expanding cotton production.

¹⁴ Percentage shares are based on estimated ginning volume in the past 3 seasons (2021 to 2023).

- LDC; and
- Independent ginners that include Carroll Cotton, Cubbie Ginners, North West Ginning, RivCott Ginning and Southern Cotton.

Figure 2: Estimated ginning share of Australian cotton production



Source: Namoi estimates

6.4 Namoi's ginning business

Namoi serves around 200 grower customers in 9 of eastern Australia's 16 cotton production valleys¹⁵ with the following network of facilities:

- 10 cotton gins at 9 locations for the processing of cotton;
- 11 cottonseed sheds at 9 locations for the storage and handling of cottonseed; and
- cotton warehouse sheds at 3 locations for the storage, packing of cotton lint bales for export that are connected by rail and road to the container port.¹⁶

Namoi also has an interest in the planned Kimberley Cotton Company gin in the Ord River region of Western Australia, an expanding cotton production valley in northern Australia.

Namoi's 10 cotton gins have a ginning capacity of around 1.7 million bales¹⁷ under the following ownership arrangements:

- 8 gins are owned and operated by Namoi.
- Wathagar gin is an unincorporated joint venture with a local grower with Namoi having a 50% interest (excluding the seed shed that is 100% owned by Namoi) and gin management rights.
- Moomin gin is an unincorporated joint venture with a local grower with Namoi having a 75% interest (excluding the seed shed that is 100% owned by Namoi) and gin management rights.

Namoi also operates 11 cottonseed sheds, including the Mungindi cottonseed shed which is an unincorporated joint venture with local growers (with Namoi having a 40% interest and shed management rights).

An overview of Namoi's gin and cottonseed shed facilities is summarised in Table 1.

¹⁵ As defined by Cotton Compass (excluding northern Australia) www.cottoncompass.com.au

¹⁶ Owned by NCA - Namoi owns 51% and LDC owns 49%.

¹⁷ Estimated ginning capacity based on the gin operating up to 24 hours per day for 5-6 months.

Table 1: Namoi cotton gins and cottonseed sheds

Location	Production valley	Gin (and interest)	Capacity (bales)	Seed sheds (and interest)
Goondiwindi	MacIntyre	2 x Gins (100%)	350,000	2 (100%)
Mungindi	Mungindi	Gin (100%)	170,000	1 (40%)
Wathagar	Gwydir	Gin (50%)	170,000	1 (100%)
Moomin	Walgett	Gin (75%)	170,000	2 (100%)
Merah North	Lower Namoi	Gin (100%)	170,000	1 (100%)
Boggabri	Upper Namoi	Gin (100%)	190,000	1 (100%)
Trangie	Macquarie	Gin (100%)	190,000	1 (100%)
North Bourke	Bourke	Gin (100%)	80,000	1 (100%)
Hillston	Lachlan	Gin (100%)	190,000	1 (100%)
Yarraman		Mote Gin (100%)		
Total	9 valleys	10 gins	1,680,000	11 seed sheds

6.5 Namoi's other businesses

Namoi is involved in complementary businesses that add value to its ginning business.

(a) Co-products

Ginning produces a number of marketable co-products including cottonseed and moss:

- **Cottonseed:** Namoi purchases cottonseed from grower customers (and other parties) for marketing to domestic or overseas consumers in either bulk or containerised form. Cottonseed storage and handling is supported by a network of 11 cottonseed sheds, sometimes complemented by third-party storage in above average seasons.
- **Moss:** Namoi recovers mote from ginning for further processing into lower quality moss cotton for marketing to overseas consumers. A dedicated gin facility at Yarraman (near Wee Waa) processes mote 'waste' from our network of gins into moss cotton.

(b) Supply Chain & Marketing

Namoi has two joint venture arrangements with LDC:

- NCA, which is 51% owned by Namoi, is a supply chain joint venture that operates:
 - warehouses for cotton lint bales on behalf of NCMA and other cotton merchants, with a total static capacity of around 400,000 bales at Goondiwindi, Wee Waa and Warren;
 - storage of grain on behalf of grain companies, with a storage capacity of around 125,000 tonnes at Goondiwindi, Yarraman and Wee Waa; and
 - container packing of cottonseed and grain at Goondiwindi with road transport to Brisbane and Wee Waa with rail transport to Port Botany container ports.
- NCMA, which is 15% owned by Namoi, is a marketing joint venture arrangement that exclusively purchases cotton lint bales from growers through Namoi's grower services team for merchandising to overseas spinners.

(c) Kimberley Cotton Company

Namoi currently holds a 17.3% ownership interest in the Kimberley Cotton Company with Board representation. Namoi entered into agreements with KCC on 12 September 2022 to:

- project manage the construction of a new \$60 million cotton gin at Kununurra, WA;

- fabricate and supply ancillary gin equipment for the gin;
- install the core and ancillary gin equipment at the gin; and
- operate the gin that include the supply of mobile equipment.

The planned commissioning of the cotton gin at Kununurra WA is mid-2025.

6.6 Namoi support capability

Namoi has developed in-house capability that supports Namoi's ginning business.

- Engineering services:** Workshops and an experienced team of trade staff, based at Wee Waa NSW, providing gin fabrication, maintenance and electrical support for the maintenance and upgrading of Namoi gins. These workshops are building gin equipment for the KCC gin project at Kununurra.
- Information systems:** Namoi has developed a proprietary end-to-end system, from the gin to the warehouse, that support its operations and grower engagement. This includes an online portal for grower customers to access their cotton information.
- Classing services:** Namoi owns Australian Classing Services with an accredited classing facility at Wee Waa NSW, that provide cotton classing services to grower customers, NCMA and other cotton merchants.

6.7 Namoi Board and executive

(a) Namoi Directors

As at the date of this Target's Statement, the Namoi Board comprises the following Directors.

Name	Current position
Tim Watson	Executive Chairman
James Davies	STAM ¹⁸ nominee Non-executive Director
Robert Green	Independent Non-executive Director
Juanita Hamparsum	Independent Non-executive Director
Sarah Scales	LDCA nominee, Non-executive Director
Ian Wilton	Independent Non-executive Director

(b) Namoi leadership team

As at the date of this Target's Statement, Namoi's leadership comprise the following managers.

Name	Current position
Tim Watson	Executive Chairman
James Ackland	General Manager, People & Culture
Grant Ambrose	General Manager, Operations
Andrew Baldwin	Chief Financial Officer and Company Secretary
Neil Johns	Executive General Manager, Strategy & Business Development
Ross Kealy	General Manager, Ginning Operations
Henry McKay	Executive General Manager, Customer Engagement
Shane McGregor	Executive General Manager, Warehousing and Supply Chain
Andrew Metcalf	Company Secretary
Tanya Venz	General Manager, Safety Health & Environment

¹⁸ Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group).

6.8 Namoi people

Namoi has a flexible workforce model using fixed term contract and casual staff to cost effectively manage variable ginning volume, balancing labour expense and the retention of core skills in poor seasons. Namoi currently employs approximately 140 permanent staff in Namoi and NCA that include:

- Approximately 105 permanent staff at the Toowoomba Head Office, Wee Waa workshops and across Namoi's network of cotton gin and warehouse facilities.
- Approximately 35 fixed term contract staff to manage the recent average above ginning volume, that that include international ginners. Fixed term contract staff numbers are reduced in seasons with average or below average ginning volume.

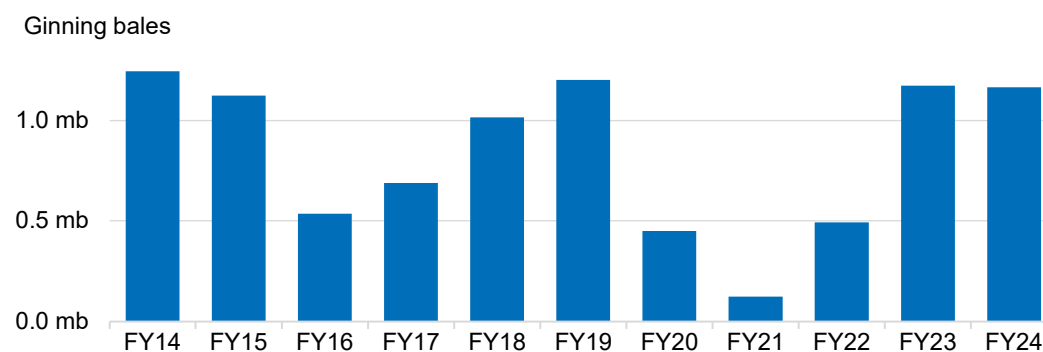
Namoi also employs up to 300 casual staff (direct employment or through labour hire) as required to manage the ginning and warehousing task in season.

6.9 Historical volume and earnings

(a) Ginning volume

Ginning volume in the past 10 years (FY14 to FY24) has ranged from 0.12 to 1.24 million bales as shown in Figure 3. Namoi's ginning volume is highly variable due to seasonal conditions.

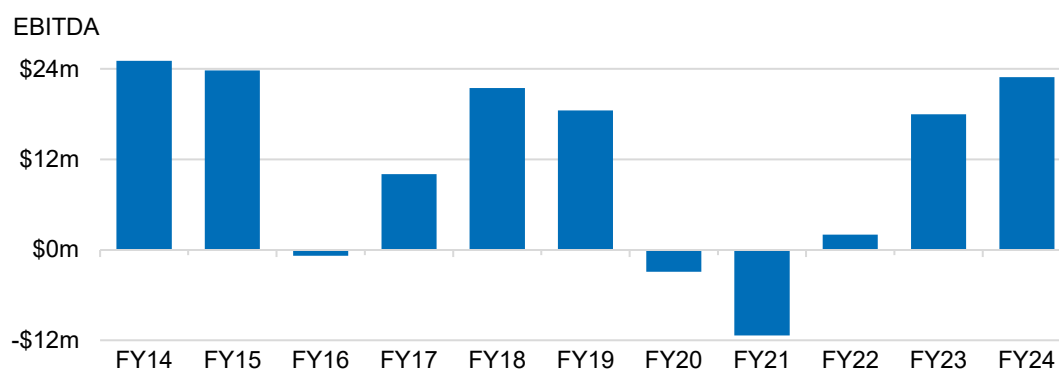
Figure 3: Namoi historical ginning volume from FY14 to FY24



(b) Earnings

Reported EBITDA in the past 11 years (FY14 to FY24) has ranged from \$(11.3) million to \$25.1 million as shown in Figure 4. Namoi's EBITDA is highly variable in line with ginning volume.

Figure 4: Namoi historical EBITDA from FY14 to FY24



6.10 Summary financials

(a) FY24 Results

Namoi released its FY24 Results (for the financial year ending 29 February 2024) on 17 April 2024.

(b) Basis of preparation

This Section 6.10 sets out historical financial information of Namoi for full years FY24, FY23 and FY22. Namoi's financial year end is 28 (or 29) February with most of earnings generated in the half year (to 31 August) from the ginning season that operates from April to October each year.

The information has been extracted from the audited financial reports of Namoi for FY24, FY23 and FY22. During FY23 Namoi made two changes to its accounting policies that resulted in the restatement of comparatives for FY22. These changes relate to (i) *AASB 15 Revenue from Contracts with Customers*, and (ii) *AASB 128 Investments in Associates and Joint Ventures*. More information can be found in the notes of the annual report for the financial year ended 28 February 2023 on page 67.

The financial information in this section is a summary only and is prepared for the purpose of this Target's Statement. It does not contain all the disclosures, presentations, statements or comparatives that are provided in an annual report. The financial information has not been subject to further review by an independent accountant.

Further details on Namoi's financial performance and financial statements (including all notes to the financial statements) can be found in the 'Financial Reports' section of Namoi's website at <https://www.namoicotton.com.au/investors/financial-reports/>.

(c) Consolidated statement of profit or loss and other comprehensive income

Below is a summary of Namoi's consolidated statement of profit or loss and other comprehensive income for the financial years ended 29 February 2024, 28 February 2023 and 28 February 2022.

Consolidated \$'000	29 Feb 2024	28 Feb 2023	28 Feb 2022
Revenue from Customers	244,007	256,947	97,049
Other income	(5)	110	314
Share of profit/(loss) from investment in Namoi Cotton Marketing Alliance	1,500	1,488	414
Share of profit/(loss) of associates and joint ventures	1,478	(1)	381
Cottonseed and other good purchased for resale	(122,934)	(122,948)	(36,773)
Raw materials and consumables used	(15,417)	(19,938)	(7,971)
Distribution costs	(28,222)	(47,921)	(17,571)
Employee benefit expense	(37,475)	(34,700)	(21,444)
Repairs and maintenance	(6,813)	(5,661)	(4,454)
Depreciation	(11,249)	(11,094)	(6,462)
Fair value increment – ginning assets	-	-	181
Finance costs	(3,529)	(3,230)	(2,840)
Other expenses	(12,081)	(9,079)	(7,540)
Profit/(loss) before income tax	9,260	3,973	(6,716)
Income tax (expense)/benefit	(2,360)	(10)	1,276
Profit/(loss) attributable to shareholders	6,900	3,963	(5,440)
Other comprehensive income items that will not be reclassified subsequently to profit and loss: Increment/(decrement) to asset revaluation reserve (net of tax)	3,773	3,287	2,888
Total comprehensive income attributable to Shareholders of Namoi Cotton Limited	10,673	7,250	(2,552)

(d) Consolidated statement of financial position

Below is a summary of Namoi's consolidated statement of financial position as at 29 February 2024, 28 February 2023 and 28 February 2022.

Consolidated \$'000	29 Feb 2024	28 Feb 2023	28 Feb 2022
Cash and cash equivalents	7,531	4,877	2,856
Trade and other receivables	6,879	14,296	6,365
Inventories	14,091	24,304	9,670
Prepayments	924	1,044	614
Derivative financial instruments	-	277	67
Total current assets	29,425	44,798	19,572
Investment in Namoi Cotton Marketing Alliance	728	255	248
Investments in associates and joint ventures	4,209	101	(1,312)
Property, plant and equipment	157,227	158,151	153,080
Total non-current assets	162,164	158,507	152,016
Total assets	191,589	203,305	171,588
Trade and other payables	7,030	13,077	6,083
Interest bearing liabilities	2,024	13,717	3,659
Provisions	4,444	2,523	2,450
Derivative financial instruments	112	405	52
Total current liabilities	13,610	29,722	12,244
Interest bearing liabilities	29,184	38,326	45,964
Provisions	61	167	177
Deferred tax liabilities (net)	5,396	1,419	-
Total non-current liabilities	34,641	39,912	46,141
Total liabilities	48,251	69,634	58,385
Net Assets	143,338	133,671	113,203
Contributed Equity	61,142	61,142	47,984
Reserves	80,068	76,338	72,991
Retained earnings / (deficit)	2,128	(3,809)	(7,772)
Total equity	143,338	133,671	113,203

(e) Consolidated statement of cash flows

Below is a summary of Namoi's consolidated statement of cash flow for the financial years ended 29 February 2024, 28 February 2023 and 28 February 2022.

Consolidated \$'000	29 Feb 2024	28 Feb 2023	28 Feb 2022
Receipts from customers	659,815	817,258	310,430
Realised gains/(losses) on derivatives	(1,093)	(3,208)	(584)
Payments to suppliers and employees	(193,791)	(194,073)	(77,822)
Payments to growers	(431,244)	(619,272)	(215,702)
Interest received	376	36	7
Interest paid	(2,760)	(3,108)	(1,941)
Net cash (outflow)/inflow from operating activities	31,303	(2,367)	14,388
Payments for property, plant and equipment	(5,277)	(9,823)	(5,067)
Proceeds from sale of property, plant and equipment	30	62	426
Investments in Kimberly Cotton Company Limited	(2,631)	(1,414)	-
Distributions from NCMA	1,027	1,385	790
Net cash (outflow)/inflow from investing activities	(6,851)	(9,790)	(3,851)
Proceeds from issuing of ordinary shares	-	13,158	10,345
Dividends paid	(963)	-	-
Proceeds from borrowings	12,600	30,000	30,967
Repayment of borrowings	(33,478)	(27,175)	(52,469)
Proceeds from equipment loan	1,388	2,211	573
Repayment of equipment loans	(1,150)	(812)	(736)

Consolidated \$'000	29 Feb 2024	28 Feb 2023	28 Feb 2022
Repayment of other loans	(16)	(426)	(316)
Repayment of principal portion of lease liabilities	(179)	(416)	(445)
Net cash (outflow)/inflow from financing activities	(21,798)	16,540	(12,081)
Net increase/(decrease) in cash	2,654	4,383	(1,544)
Add cash at the beginning of the financial year	4,877	494	2,083
Cash at end of the financial year	7,531	4,877	494

6.11 Substantial shareholders

As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, the substantial shareholders of Namoi Shares are as follows.

Beneficial shareholder	Number of Shares	Percentage
Samuel Terry Asset Management (as trustee for Samuel Terry Absolute Return Group)	51,322,235	25.0%
Louis Dreyfus Company Asia Pte. Ltd.	34,888,978 ¹⁹	16.99%

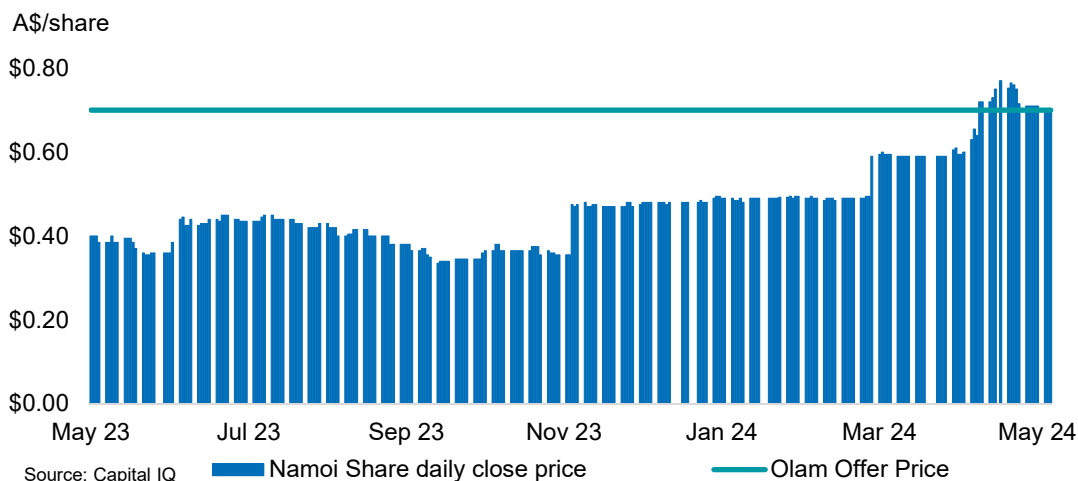
6.12 Recent Namoi share price performance

Namoi Shares are listed on the ASX under the trading symbol 'NAM'. Figure 5 below shows the closing Namoi Share Price over the twelve months up to and including the Last Practicable Date. On 28 November 2023, Namoi announced its receipt of LDCA's non-binding indicative proposal. The closing share price on 27 November 2023 was \$0.355 per Namoi Share (being the last trading day prior to the announcement of LDC's non-binding indicative proposal).

The current price of Namoi Shares on ASX can be obtained from the ASX website (www.asx.com.au) using the code 'NAM'.

Figure 5: Namoi Share closing price vs Offer Price

From 29 May 2023 up to and including 28 May 2024 (Last Practicable Date)



6.13 Publicly available information

Namoi is an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act and as such, is subject to regular reporting and

¹⁹ As at the Last Practicable Date, based on substantial holder notice filings to the ASX or as otherwise notified by Namoi's Registry, LDCA has a relevant interest in 37,007,640 Namoi Shares with a voting power of 18.02%, which includes the relevant interest in Namoi Shares arising out of Namoi Shareholders accepting the LDC Takeover Offer.

disclosure obligations. Broadly, as a company listed on the ASX, Namoi is subject to the ASX Listing Rules which require (subject to some exceptions) continuous disclosure of any information Namoi has that a reasonable person would expect to have a material effect on the price or value of Namoi Shares.

Namoi's most recent announcements (including its annual and interim reports) are available from its website www.namoicotton.com.au/investors/. Further announcements concerning Namoi will continue to be made available on this website after the date of this Target's Statement.

ASX maintains files containing publicly disclosed information about all companies listed on the ASX. Information disclosed to the ASX by Namoi is available for inspection at ASX during normal business hours and are available on the ASX website at www.asx.com.au.

In addition, Namoi is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Namoi Cotton may be obtained from or inspected at an ASIC service centre.

The following documents are available for inspection free of charge during normal business hours at the registered office of Namoi:

- the Namoi Constitution;
- Namoi's annual report for the financial year ended 28 February 2023;
- Namoi's interim report for the period ended 31 August 2023;
- Namoi's annual report for the financial year ended 29 February 2024; and
- Namoi's public announcements.

7 Risk factors

7.1 Introduction

In considering the Offer, Namoi Shareholders should be aware that there are a number of risk factors associated with either accepting the Offer or rejecting the Offer and continuing to hold Namoi Shares.

In deciding whether to accept or reject the Offer, Namoi Shareholders should read this Target's Statement and the Bidder's Statement carefully and consider these risks. While some of these risks can be mitigated, some are outside the control of Namoi and cannot be mitigated.

The risks set out in this Section 7 do not take into account the individual investment objectives, financial situation, position or particular needs of Namoi Shareholders.

In addition, these risks are general in nature only and do not cover every risk that may be associated with an investment in Namoi now or in the future.

7.2 Risks associated with accepting the Offer

The Independent Directors unanimously recommend that (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders) Namoi Shareholders accept the Offer, for the reasons set out in Section 1.

However, Namoi Shareholders should also be aware of the following risks associated with accepting the Offer:

(a) Possible appreciation of Namoi Shares in the future

By accepting the Offer, you may forego any ability to sell your Namoi Shares in the future for more valuable consideration than the Offer Price (although Namoi can give no assurances and make no forecast of whether this will occur).

(b) Possibility of superior proposal emerging

A potential superior proposal may emerge. By accepting the Offer, you will not be able to accept any superior proposal that may be made (including if the LDC Takeover Offer Price were to increase materially after the date of this Target's Statement, such that the LDC Takeover Offer were to become a superior proposal), unless you are entitled to revoke or withdraw your acceptance under limited circumstances (see Section 5.9 for further information on those rights). As such, you may not be able to obtain any potential benefit associated with any such superior proposal.

(c) Taxation consequences of accepting the Offer

The taxation consequences of disposing of your Namoi Shares pursuant to the Offer depend on a number of factors and your particular circumstances. A general outline of certain Australian tax considerations of such a disposal is set out in Section 5.12. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

7.3 Risks associated with a continued investment in Namoi

There are risks both general and specifically relating to Namoi, which could materially adversely affect the future operating and financial performance of Namoi and the value of Namoi Shares – these are set out below. While some of these risks can be mitigated, some are out of the control of Namoi and the Independent Directors and cannot be

mitigated. While Namoi has in place policies and procedures to help manage these risks, there is no guarantee that Namoi will be able to manage these risks completely.

This Section describes the material risks to which Namoi Shareholders will continue to be exposed if they reject the Offer and retain their current investment in Namoi Shares. The risks described in this Section are not the only risks that Namoi faces. Other risks may not be known to Namoi and some that the Independent Directors currently believe to be immaterial may subsequently turn out to be material. One or more or a combination of these risks could materially impact Namoi's businesses, its operating and financial performance, the price or value of Namoi Shares or the dividends paid in respect of Namoi Shares.

Additional risks may also depend on what shareholding Olam ultimately holds at the end of the Offer Period. To the extent you are left with a minority shareholding at the end of the Offer Period, you may face the risks set out at Section 5.11 of this Target's Statement.

(a) Risks specific to an investment in Namoi

- (i) **(Weather and climate events)** Production and supply of cotton for ginning is influenced by weather conditions that also determine the timing and quantity of cotton production. While certain conditions may increase the supply of cotton, adverse weather conditions (such as drought) may reduce the supply of cotton.

There is also a risk that Namoi could be exposed to natural events such as floods, storms and fire. Short term adverse changes in the environment, such as changes in rainfall and temperature could negatively impact cotton production.

Namoi could potentially suffer loss due to long term changes in climatic conditions on cotton production (for example from increased frequency of droughts) and transition risks (such as changes to laws and regulations, technology development and disruptions and consumer preferences). Any cotton plant diseases could also negatively impact cotton production.

A failure to respond to the above risks could cause short, medium or long-term impact to Namoi's ginning volume and operations and materially impact cash flows and financial performance.

- (ii) **(Seasonality)** The timing of weather condition in the geographies in which Namoi operates can vary from year to year. Since the supply volume and quality of cotton is dependent upon the weather conditions, there is a risk that unusually early or late seasons or variable cotton quality may have a negative impact on the ginning and demand for cotton in a particular year and therefore its financial performance.
- (iii) **(Competition)** Namoi conducts its ginning business in a competitive industry. Most of the cotton supplied to Namoi's gins can also be ginned by other cotton companies. This may place pressure on Namoi's margins and/or may impact Namoi's ability to retain existing customers or attract new customers.
- (iv) **(Commodity prices)** International cotton commodity prices can impact the profitability of cotton companies. International prices for cotton lint and cottonseed can also affect demand for cotton and growers' decisions to produce cotton.
- (v) **(Supply and demand volume)** Global supply and demand factors play a role in the profitability of cotton lint and cottonseed sales. New capacity relating to the global supply of cotton or reduced demand arising from

cotton substitutes can result in volatility in pricing and margins in the cotton products processed and supplied by Namoi.

- (vi) **(Lint cotton and cottonseed commodities price risk)** Namoi (including through its joint venture interest in NCMA) is exposed to movements to the price of cottonseed and cotton lint through fixed price purchases and sale contracts. Cottonseed and lint cotton price risk potentially arises when Namoi (or NCMA) enters into a forward commitment to purchase or sell physical cottonseed and lint cotton without simultaneously entering into the opposing transaction.

The cotton markets can be volatile and pricing can change rapidly. This volatility, in combination with foreign exchange changes, could have a material impact on Namoi's ability to compete and may impact the financial performance and future prospects of Namoi's business.

- (vii) **(Counterparty risk)** Namoi sells cottonseed to domestic and international counterparties and NCMA sells lint cotton to international counterparties. These domestic and export sales are concluded under contract and the potential risk exists for a counterparty to default on its contractual obligations and expose Namoi (cottonseed) or NCMA (lint cotton) to a financial loss. Non-performance by counterparties may result in products or amounts owed being unrecoverable and joint venture parties or other counterparties may have an issue in their business not connected to Namoi which gives rise to a reputational impact which may have a consequential adverse effect on projects in which that entity and Namoi are involved. Purchasers may also default on their purchase obligations resulting in excess inventory and potentially reduced prices at which products can be sold and any insolvency or financial distress of its counterparties may have an adverse financial impact on Namoi.

- (viii) **(Security of supply chain)** There is a risk that the supply chain for one or more of Namoi's products could be materially disrupted with the result that sufficient quantities of Namoi product are not delivered on time. This could result from pressures on supply chains including from global shipping capacity constraints, higher costs for freight or supply chain issues or other supply chain disruptions, including labour mobility constraints, or from the occurrence of a natural disaster that affects the delivery of cotton to Namoi's gins, or that impacts the delivery of cotton to customers. The occurrence of such supply chain disruption could result in the inability to sell some or all products, with an associated loss of revenue and (potentially) brand damage, increased costs flowing from alternative transport and delivery arrangements, or a combination of both.

- (ix) **(Foreign exchange risk)** Namoi has transactional currency exposures predominantly arising from some cottonseed sales being denominated in USD as opposed to the Namoi's functional AUD currency, which denominates all payments to growers. Foreign currency denominated financial assets and liabilities may be adversely affected by a change in the value of foreign exchange rates.

- (x) **(Interest rate risk)** Namoi will be subject to the risk of rising interest rates associated with borrowing on a variable rate basis that could negatively impact its long term debt facilities and short term debt facilities for cottonseed inventory held for marketing. To the extent that Namoi does not or cannot hedge effectively against movements in interest rates, such interest rate movements may adversely affect Namoi's results.

- (xi) **(NCA and NCMA joint ventures)** Namoi has a 51% interest in the NCA joint venture and a 15% interest in the NCMA joint venture which is a

central aspect of its business. These arrangements may require Namoi to incur obligations and liabilities. Participation in these arrangements may also restrict the Namoi's autonomy and flexibility with respect to certain business decisions. Disagreements may occur between the joint venture parties regarding the business and operations of the joint ventures. Further, a joint venture party may take certain actions or become involved in circumstances which negatively impact the reputation of the joint ventures and cause damage to the reputation of Namoi by association. Additionally, Namoi is exposed to the losses encountered by NCA and NCMA and if NCA and NCMA does not perform as Namoi expects, Namoi's financial performance or reputation may be adversely impacted (noting Namoi's exposure to NCMA is capped at \$1.5 million).

- (xii) **(Kimberley Cotton Company)** Namoi has an investment in KCC and is a non-controlling interest holder in KCC which is constructing a new gin at Kununurra, WA. Namoi, with the right to nominate a director to the KCC board, will not have the ability to pursue or determine KCC's strategies and operational objectives.

If completion of the new gin is delayed, including delays to the construction or substantial additional costs for the construction of the gin, Namoi may incur additional costs and it may take longer than anticipated for Namoi to realise the benefits of the KCC investment. This in turn may have an impact on Namoi's financial performance or position as a result of Namoi's investment in KCC and/or its arrangements with KCC in the KCC Agreements.

The future operating performance of KCC could have an adverse impact on Namoi's operations, financial position, prospects and reputation if the KCC project does not perform as expected, if KCC is unable to fulfil its obligations, or otherwise if KCC experiences a decline in financial condition, performance or creditworthiness.

- (xiii) **(Relationships with customers, distributors and suppliers)** Namoi is exposed to competitor pressures in retaining and attracting customers. The loss of a key customer, the inability to renew contracts on similar terms or the inability of Namoi to attract new customers may have a material impact on future profitability and the value of Namoi Shares. Namoi also uses third parties to sell and/or distribute its products. These third parties may choose to prioritise other products or may elect not to renew distribution agreements when they expire. Should this occur, Namoi may not be able to sell its products or may suffer delays in appointing new distributors. Namoi also relies on the supply of materials in order to produce and supply its cotton products. Commercial terms relating to the supply of those material can vary and are subject to negotiation with third parties. Pricing and other terms associated with these arrangements can impact the margins associated with the sale of related products and Namoi's future profitability and the value of Namoi Shares.

- (xiv) **(Operational risk)** Namoi's profitability will continue to be subject to a variety of operational risks including strategic and business decisions (including acquisitions), technology risk (including business systems failure), reputation risk, fraud, compliance with legal and regulatory obligations, counterparty performance under outsourcing arrangements, business continuity planning, legal risk, data integrity risk, customer default risk, key person risk and external events. Further operational risks are that a customer or customers may terminate the services of Namoi at any time, for any reason, or that a regulatory investigation or

review may adversely affect Namoi's ability to conduct its operations in an efficient and cost-effective manner.

- (xv) **(Acquisition and divestment risk)** From time to time, Namoi evaluates corporate transactions and acquisition and divestment opportunities, which may involve entering new, or leaving existing, markets, or entering into joint ventures, strategic partnerships or combining assets. While Namoi recognises the potential benefits of corporate transactions and acquisition or divestment activities, significant risks also exist in both the execution and implementation of such activities and may affect Namoi's risk profile through changes to, or the relative importance of, the risks to which Namoi has exposures.
- (xvi) **(Information and cyber security)** Sensitive data pertaining to Namoi, its employees, associates, customers or suppliers, may be lost or exposed, resulting in negative impact to reputation or competitive advantage, and potential breach of regulatory compliance obligations. Cyber threats, such as advanced persistent threats, distributed denial of service, malware and ransomware, are continuously evolving, becoming more sophisticated and increasing in volume. Cyber criminals may attempt to take advantage through pursuing exploits in end point security, spreading malware, and increasing phishing attempts. These risks may be further exacerbated by geopolitical risks.
- Namoi may be the target of cyber-attacks which could result in commercial, financial, health and safety, environmental or reputational impacts. The potential consequences include loss of business or customers, financial loss, harm to personnel or environment, interference with compliance with regulations, interruption to operational business processes, or interruption to the ability to make, sell and ship product. In respect of Namoi's proprietary information systems, there is a risk that the intellectual property may be replicated or challenged, resulting in potential loss of business.
- Additionally, failures in Namoi's cybersecurity policies, procedures or controls, could result in loss of data or other sensitive information (including as a result of an outage) and may cause associated reputational damage. Any of these events could result in significant financial losses (including costs relating to notification of, or compensation for customers), regulatory investigations or sanctions or may affect the Namoi's ability to retain and attract customers, and thus may adversely affect Namoi's financial performance and position.
- (xvii) **(Regulatory or compliance breaches)** Namoi is required to comply with a range of laws and regulations. Regulatory areas which are of particular significance to Namoi include environment, occupational health and safety. Safety, employment and similar regulations also give rise to significant requirements and compliance costs for Namoi. There is a risk that non-compliance with such regulations, changes in the interpretation of current regulations, loss or failure to secure a renewal of an accreditation, or the introduction of new laws or regulations may occur, which could lead to fines imposed on Namoi by the relevant regulatory authority or governmental body, revocation of permits/licences, increased compliance costs, or damage to Namoi's reputation. These events could have a material adverse impact on Namoi's costs, business model and competitive environment and therefore its future financial performance and position.
- (xviii) **(Compliance and change in law risk)** Changes in federal or state government legislation, regulations or policies in any of the countries in which Namoi operates or in which it has dealings may adversely impact

its business, financial condition and operations, or the business, financial condition and operations of Namoi's customers and suppliers. This includes changes in domestic or international laws relating to sanctions, import and export quotas, tariffs and geopolitical risks relating to countries with which Namoi, or its customers and suppliers, engages to buy or sell products and materials, and health and safety laws. In addition, changes in tax legislation or compliance requirements in the jurisdictions in which Namoi, or its customers and suppliers, operates, or changes in the policy or practices of the relevant tax authorities in such jurisdictions, may result in additional compliance costs and/or increased risk of regulatory action, including potential impact on licences to operate. New regulations or guidance relating to climate change, human rights, environmental, social or governance risks, as well as the perspectives of shareholders, employees and other stakeholders, may affect Namoi's business operations and its financial position and performance and that of its customers and suppliers.

Namoi's business and that of its customers and suppliers, are also subject to various other laws and regulatory provisions across the jurisdictions in which it operates, including anti-bribery and corruption laws, sanctions and anti-trust laws. Failure to abide by any applicable laws and regulations could result in reputational damage to Namoi, as well as legal action, potential costs of damages, penalties and fines, and could impact on the willingness of parties, including financiers, to transact with Namoi, which could have an adverse financial impact on Namoi.

- (xix) **(Litigation risk)** Namoi is exposed to potential legal and other claims, disputes or matters in the course of its business, including contractual and other commercial disputes, property damage and personal injury claims in connection with its operations, regulatory investigations, industrial action, disputes involving employees or former employees and occupational health and safety matters. If Namoi or any of its controlled entities is involved in any such claims, disputes or matters, this may disrupt Namoi's business operations, affect Namoi's reputation, and/or cause Namoi to incur additional costs which may have an adverse financial impact on Namoi.
- (xx) **(Insurance risk)** Although Namoi maintains insurance coverage that it believes is appropriate to protect against major operating, business and other risks, not all risks are insured or insurable. Namoi cannot be sure that adequate insurance coverage for potential losses will be available in the future on commercially reasonable terms or that any cover will be adequate and available to cover all or any future claims.
- (xxi) **(Environmental compliance risk)** Namoi operates in a regulatory environment that establishes high standards in terms of environmental compliance. Any material failure by Namoi to meet its various statutory and regulatory environmental responsibilities could result in significant liabilities as well as ongoing costs relating to operations inefficiencies which may arise.
- (xxii) **(Quality controls)** Namoi supplies a range of cotton products which are the subject of strict export quarantine controls. The performance of those products would be negatively impacted if specific quality standards are not met and this could, in turn, have an adverse impact on the reputation and success of Namoi.
- (xxiii) **(Failure to recruit and retain key executives, employees and Directors)** Key executives, employees and Directors play an integral role

in the operation of Namoi's business and its pursuit of its strategic objectives; risks include:

- (A) the need to fill the vacant Chief Executive Officer and Chief Financial Officer roles (currently managed by the Executive Chairman and Chief Financial Officer and Company Secretary);
- (B) the unexpected departure of an individual in a key role; and
- (C) Namoi's failure to recruit and retain appropriately skilled and qualified persons into these roles,

each of which could have an adverse effect on Namoi's business, prospects, reputation, financial performance or financial condition.

- (xxiv) **(Occupational, health and safety risk)** Due to the nature of Namoi's operations, there is a risk of accidents or unsafe operations. Notwithstanding the preventative measures which Namoi has taken or may take, there can be no assurance that accidents or unsafe operations will not occur and injure Namoi's own personnel or third parties. Such events may result in additional costs and fines, and may jeopardise Namoi's reputation, credibility and its operations.

(b) General Risks

- (i) Investments in equity capital carry general risks. The trading price of Namoi Shares on the ASX may fluctuate in line with broader market movements or in response to specific circumstances which may result in the market price being higher or lower than the price as at the date of this Target's Statement. Some factors which may affect the market price of the Namoi Shares include:
 - (A) changes in Australian and international general economic conditions (including rising inflationary pressures, the level of economic activity, increasing costs of living, tightening labour markets, rising interest rates, global shipping constraints, supply chain disruption and currency exchange rates), investor sentiment and general market movements, which may or may not have an impact on Namoi's actual operating performance;
 - (B) geopolitical tensions or other major Australian and international events such as hostilities and tensions (including the conflict in Ukraine and Middle East), and acts of terrorism;
 - (C) operating results that vary from expectations of securities analysts and investors;
 - (D) changes in expectations as to Namoi's future financial performance, including financial estimates by securities analysts and investors;
 - (E) changes in market valuations of other financial services institutions;
 - (F) changes in dividends paid to shareholders, Namoi's dividend payout policy or Namoi's ability to frank dividends;
 - (G) announcements of acquisitions, strategic partnerships, joint ventures or capital commitments by Namoi or its competitors;

- (H) changes in the market price of ordinary shares and/or other capital securities or other equity securities issued by Namoi or by other issuers, or changes in the supply of equity securities or capital securities issued by Namoi or by other issuers;
- (I) changes in laws, regulations, government and regulatory policy and the expressed views of regulators;
- (J) cyber security incidents being prevalent across the Australian corporate landscape;
- (K) natural disasters and catastrophes, whether on a global, regional or local scale;
- (L) changes in accounting standards which affect the financial performance and position reported by Namoi;
- (M) Namoi's failure to comply with laws, regulations or regulatory policy, which may result in regulatory investigations, inquiries, litigation, fines, penalties, infringement notices, revocation, suspension or variation of conditions of relevant regulatory licences or other enforcement or administrative action or agreements (such as enforceable undertakings); and
- (N) other events set out above in the key business risks associated with Namoi's business.

8 Additional information

8.1 Interests of Namoi Directors

(a) Interests of Namoi Directors in Namoi securities

The number and description of Namoi securities in which each of the Namoi Directors has a Relevant Interest is set out in the table below:

Name	Namoi Shares	Relevant Interest	Namoi Performance Rights
Tim Watson	3,171,232	1.55%	Nil
Robert Green	178,415	0.09%	Nil
Juanita Hamparsum	490,018	0.24%	Nil
Ian Wilton	1,025,873	0.50%	Nil
Sarah Scales	Nil	0%	Nil
James Davies	Nil	0%	Nil

As at the date of this Target's Statement, each Independent Director who holds or controls Namoi Shares intends to **ACCEPT** the Offer in respect those Namoi Shares (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable to Namoi Shareholders).

(b) Dealings by Namoi Directors in Namoi Shares or other securities

No Namoi Director has acquired or disposed of a Relevant Interest in any Namoi Shares after 4 November 2022, following the issue of Namoi Shares from their participation in Namoi's fully underwritten renounceable pro-rata entitlement offer (announced on 21 September 2022).

(c) Interests and dealings in Olam

As at the date of this Target's Statement, neither Namoi nor any of the Independent Directors has a Relevant Interest in any securities of Olam or any Related Bodies Corporate of Olam.

(d) Benefits to Independent Directors

As a result of the Offer, no benefit (other than a benefit permitted by section 200F or 200G of the Corporations Act and compulsory superannuation entitlements) has been paid or will be paid to any Independent Director or secretary in connection with the loss of, or their resignation from, their office in Namoi or any Related Bodies Corporate of Namoi.

(e) Conditional agreements

No agreement has been made between any of the Independent Directors and any other person in connection with, or conditional upon, the outcome of the Offer, other than in their capacity as a Namoi Shareholder.

(f) Interests in contracts with Olam

No Independent Director has any interest in any contract entered into by an Olam Agri Group Member.

8.2 Other material information

- (a) This Target's Statement is required to include all the information that Namoi Shareholders and their professional advisers would reasonably require to make an informed assessment as to whether or not to accept the Offer, but:

- (i) only to the extent to which it is reasonable for Namoi Shareholders and their professional advisers to expect to find this information in this Target's Statement; and
 - (ii) only if the information is known to any of the Independent Directors.
- (b) The Independent Directors are of the opinion that the information that Namoi Shareholders and their professional advisers would reasonably require to make an informed assessment as to whether to accept the Offer is:
- (i) the information contained in the Bidder's Statement;
 - (ii) the information contained in Namoi's announcements to ASX prior to the date of this Target's Statement; and
 - (iii) the information contained in this Target's Statement.
- (c) The Independent Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Independent Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken to be endorsing, in any way, any or all of the statements contained in it. In deciding what information should be included in this Target's Statement, the Independent Directors have had regard to:
- (i) the nature of Namoi Shares;
 - (ii) the matters that Namoi Shareholders may reasonably be expected to know;
 - (iii) the fact that certain matters may reasonably be expected to be known to Namoi Shareholders' professional advisers; and
 - (iv) the time available to Namoi to prepare this Target's Statement.

8.3 Issued securities

As at the date of this Target's Statement, Namoi's issued capital comprises:

- (a) 205,314,735 Namoi Shares on issue;
- (b) 1,621,628 Namoi Residual Capital Stock on issue. As Namoi announced on 17 April 2024 that Namoi has elected to redeem all the outstanding Namoi Residual Capital Stock on issue (for which Namoi has not received a valid conversion notice) as permitted by and in accordance with the Namoi Residual Capital Stock Terms; and
- (c) 1,835,852 unvested Namoi Performance Rights on issue.

8.4 Latest financial results and change of financial position

Namoi's last published audited financial statements are for the year ended 29 February 2024 as lodged with ASX on 17 April 2024.

Except as disclosed in this Target's Statement and any announcement made by Namoi since 17 April 2024, as at the date of this Target's Statement the Independent Directors are not aware of any material change to Namoi's financial position as disclosed in Namoi's audited financial statements for the year ended 29 February 2024 lodged with ASX on 17 April 2024.

8.5 Potential impact of the Offer on financing arrangements and material contracts

The information below has been included in this Target's Statement because it may impact the future prospects of the Namoi Group, which would be relevant to those Namoi Shareholders who may remain as shareholders in Namoi.

(a) Financing arrangements

On 24 October 2023, Namoi executed an agreement with the Commonwealth Bank of Australia to renew and extend its existing banking facilities to 30 October 2026. The \$76.25 million package of debt facilities comprises:

- (i) term debt of \$32.5 million with no amortisation;
- (ii) committed working capital facility of \$17.5 million with access to further \$13.4 million in uncommitted working capital and other trade facilities to fund cottonseed inventory and other inventories;
- (iii) \$7.5 million in uncommitted equipment finance facilities; and
- (iv) overdraft facility of \$5 million.

(b) Material contracts

It is possible that material contracts to which Namoi is a party may be subject to pre-emptive rights, review, termination or other obligations on a change of control due to the Offer.

In particular, the Joint Venture Agreements are subject to certain Change of Control Requirements. If any consents (or waivers) cannot be obtained in relation to any of the Joint Venture Agreements or other material contracts, a counterparty may seek to review or terminate that contract or, in the case of the Joint Venture Agreements, Namoi may be required to dispose of its interests in the relevant joint venture in accordance with the terms of the relevant Joint Venture Agreement.

If any such contracts are terminated due to the Offer, Namoi would lose the benefit of the contract and may be unable to obtain similar terms on entry into replacement contracts (if any such replacement contracts are available).

8.6 Material litigation

Namoi is not aware of any litigation or disputes of a material nature being undertaken, commenced or threatened against any member of the Namoi Group.

8.7 Impact of the Offer on incentive arrangements

Namoi operates the Namoi Performance Rights Plan under which Namoi Performance Rights are offered to employees (as determined by the Namoi Board) as an incentive to align their interests with those of Namoi Shareholders. Each Namoi Performance Right entitles the holder to be allocated one Namoi Share, subject to the satisfaction of certain vesting conditions.

Accordingly, employees (as determined by the Namoi Board) have previously received, and have on foot, a number of existing incentive arrangements which will be impacted by the Offer (depending on the relevant offer terms).

As at the date of this Target's Statement, Namoi had on issue 1,835,852 Namoi Performance Rights. All Namoi Performance Rights have an exercise price of nil.

The Namoi Board, under clause 10.1 the Equity Plan Rules, has the discretion to vest any or all Namoi Performance Rights if, among other things, in the case of a 'Takeover Bid' (as defined in the Equity Plan Rules), a person who previously had Voting Power in Namoi of less than 50% obtains Voting Power of more than 50%, or a 'Takeover Bid' is made for the Company and the bid is declared unconditional at a time prior to the bidder being entitled to 50% of the issued Namoi Shares (each being an 'Event' under the Equity Plan Rules).

Accordingly, the 50.1% Minimum Acceptance Condition being satisfied or Olam otherwise declaring the Offer unconditional, would both be 'Events' for the purposes of the Equity Plan Rules.

The Namoi Board has, in exercise of the discretions granted to it under the Equity Plan Rules, passed resolutions, which provide for all existing Namoi Performance Rights to vest and be exercised in time for the holders of the Namoi Performance Rights to acquire Namoi Shares at the time the 50.1% Minimum Acceptance Condition is satisfied.

8.8 Namoi Residual Capital Stock

As at the date of this Target's Statement, there are 1,621,628 Namoi Residual Capital Stock on issue. On 17 April 2024, Namoi announced that Namoi it has elected to redeem all the outstanding Namoi Residual Capital Stock on issue (for which Namoi has not received a valid conversion notice) as permitted by and in accordance with the Namoi Residual Capital Stock Terms.

In accordance with the Namoi Residual Capital Stock Terms:

- a) Namoi's announcement that it will redeem all of the Namoi Residual Capital Stock on issue is irrevocable;
- b) Holders of Namoi Residual Capital Stock can no longer elect to convert Namoi Residual Capital Stock to Namoi Shares;
- c) redemption of the Namoi Residual Capital Stock is expected to occur on or around 4 June 2024;
- d) Namoi must pay to each Namoi Residual Capital Stock holder the VWAP Price for each Residual Capital Stock that is redeemed, being \$0.5318; and
- e) Namoi expects to pay to Namoi Residual Capital Stock holders in aggregate approximately \$0.86 million in cash for the redemption of their Namoi Residual Capital Stock, which will be funded from existing cash reserves and debt facilities.

8.9 Reliance on ASIC relief generally

As permitted by ASIC Corporations (Takeover Bids) Instrument 2023/683, this Target's Statement contains statements which are made, or based on statements made, in documents lodged with ASIC or ASX. Pursuant to this ASIC Class Order, the consent of persons to whom such statements are attributed is not required for the inclusion of these statements in this Target's Statement.

Any Namoi Shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting the Namoi Shareholder Information Line on 1300 265 118 or +61 3 9415 4151 (outside Australia) which is available Monday to Friday between 8.30am and 5.00pm (Sydney time) on a Business Day.

As permitted by the ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements fairly representing a statement by an official person, or from a public official document or a

published book, journal or comparable publication. Pursuant to this ASIC Instrument, the consent of such persons to whom statements or documents are attributed is not required for the inclusion of those statements in this Target's Statement. In addition, as permitted by this ASIC Instrument, this Target's Statement contains share price trading and financial data sourced from Capital IQ, without its consent.

8.10 Transaction expenses

The Offer has resulted in Namoi incurring expenses that would not otherwise arise from its ordinary operations and which are in excess of the transaction costs incurred in relation to the Scheme. These expenses include fees of legal, financial and tax advisers engaged to assist in responding to the Offer and other transaction related expenses which will have a negative impact on Namoi's after tax earnings in FY25. The total cost of the takeover response depends on the outcome of the Offer, the duration of the Offer and required response activities, as well as the complexity of the issues addressed in the response. Therefore, it is difficult to estimate the likely total cost to Namoi. These costs will be reflected in Namoi's financial results for FY25.

8.11 Consents

(a) Consents to inclusion of a statement

Each Independent Director specified in Section 8.1 consents to be named in this Target's Statement and to the inclusion of statements made by them in this Target's Statement and has not, before the lodgement of this Target's Statement with ASIC, withdrawn their written consent to the inclusion of the statements in this Target's Statement in each case in the form and context in which the statements are included and to all references in this Target's Statement to those statements in the form and context in which they are included.

(b) Consents to be named

The following persons have given and have not before the date of this Target's Statement withdrawn their written consent to be named in this Target's Statement in the form and context in which they are named:

- (i) Blackpeak Capital Pty Ltd as financial adviser to Namoi;
- (ii) King & Wood Mallesons as legal adviser to Namoi;
- (iii) Computershare Investor Services Pty Limited as the Namoi Share Registry; and
- (iv) Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group).

(c) BDO Corporate Finance Ltd consent

BDO Corporate Finance Ltd has given and has not before the date of this Target's Statement withdrawn its written consent to be named as the Independent Expert in this Target's Statement and to the inclusion in this Target's Statement of the Independent Expert's Supplementary Disclosure set out in Annexure A and the references to the Independent Expert's Report and the Independent Expert's Supplementary Disclosure elsewhere in this Target's Statement, in each case in the form and context in which they are included.

(d) Moore Australia (QLD/NNSW) Pty Ltd

Moore Australia (QLD/NNSW) Pty Ltd has given and has not before the date of this Target's Statement withdrawn its written consent to be named in this Target's Statement and to the inclusion in this Target's Statement of the information contained in Section 5.12

of this Target's Statement and the references to that section elsewhere in this Target's Statement, in each case in the form and context in which they are included.

(e) Disclaimer regarding statements made and responsibility

Each person named above as having given its consent to the inclusion of a statement or to being named in this Target's Statement:

- (i) does not make, or purport to make, any statement or representation in this Target's Statement nor any statement on which a statement in this Target's Statement is based other than, in the case of a person referred to above as having given their consent to the inclusion of a statement, a statement included in this Target's Statement with the consent of that person; and
- (ii) to the maximum extent permitted by law, expressly disclaims and makes no representation regarding, and takes no responsibility for, any statements or material in or omissions from this Target's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement or report which has been included in this Target's Statement with the consent of that party.

8.12 Miscellaneous and publicly available information

Namoi is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Namoi is subject to the ASX Listing Rules which require continuous disclosure of any information Namoi has concerning it that a reasonable person would expect to have a material effect on the price or value of Namoi Shares and other securities.

Namoi Shareholders should have regard to material announcements (including those which may be relevant to Namoi's financial position) that have been lodged with ASX since Namoi's last published audited financial statements for the financial year ended 29 February 2024 which were lodged with ASX on 17 April 2024.

A list of announcements released by Namoi in the period from 17 April 2024 to the Last Practicable Date is set out in Schedule A.

This Target's Statement also contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX by Olam or Namoi.

Any Namoi Shareholder who would like to receive a copy of those documents may obtain a copy free of charge during the Offer Period by calling the Namoi Shareholder Information Line on 1300 265 118 (within Australia) or +61 3 9415 4151 (outside Australia) which is available Monday to Friday between 8.30am and 5.00pm (Sydney time) on a Business Day. Copies of ASX announcements by Namoi may also be obtained from Namoi's website at <https://www.namoicotton.com.au/investors/>.

8.13 Date of Target's Statement

This Target's Statement is dated 31 May 2024, which is the date on which it was lodged with ASIC.

8.14 Approval of Target's Statement

This Target's Statement has been approved by a resolution passed by the Independent Directors on 30 May 2024.

A handwritten signature in blue ink, appearing to read 'Tim Watson', is positioned above the printed name and title.

Tim Watson
Executive Chairman
Namoi Cotton Limited

9 Glossary

9.1 Definitions

Term	Meaning
50.1% Minimum Acceptance Condition	the Condition in Section 10.14(a) of the Bidder's Statement.
AASB	the Australian Accounting Standards Board.
ABN	Australian Business Number.
ACCC	the Australian Competition and Consumer Commission.
ACCC Clearance Condition	the Condition in Section 10.14(c) of the Bidder's Statement.
Acceptance Form	an acceptance by a Namoi Shareholder in the form enclosed with the Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of Olam (and includes, for the avoidance of doubt, both the Issuer Acceptance Form and the CHES Acceptance Form).
ACN	Australian Company Number.
Announcement Date	the date of the announcement of the Offer by Olam, being 2 May 2024.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given to that term in section 12 of the Corporations Act.
ASX	as the context requires, ASX Limited (ABN 98 008 624 691) or the securities market conducted by it.
ASX Listing Rules	the Official Listing Rules of ASX, as amended and waived by ASX from time to time.
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532), the body which administers the CHES system in Australia.
ASX Settlement Operating Rules	the operating rules of ASX Settlement which govern the administration of CHES.
Bid Period	the period that starts when the Bidder's Statement is given to Namoi and ends: a) one month later if no offers are made under the bid; or b) at the end of the Offer Period.
Bidder's Statement	the bidder's statement in relation to the Offer, prepared by Olam and dated 9 May 2024, under Part 6.5 Division 2 of the Corporations Act relating to the Offer, as replaced by the replacement bidder's statement dated 16 May 2024 and includes any further supplementary or replacement bidder's statement.
Broker	a person who is a share broker and participant in CHES.
Business Day	means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney.
CGT	Australian capital gains tax.
Change of Control Requirements	any change of control or similar provisions in any material contract or in the Joint Venture Agreements which may be triggered by completion of the Offer.
CHES	the Clearing House Electronic Subregister System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

CHESS Acceptance Form	the Acceptance Form enclosed with the Bidder's Statement for Namoi Shareholders with a CHESS Holding.
CHESS Holding	a number of Namoi Shares which are registered on Namoi's share register, being a register administered by ASX Settlement and which records uncertificated holdings of shares.
Commissioner of Taxation	has the meaning given in the <i>Taxation Administration Act 1953</i> (Cth).
Compulsory Acquisition or Compulsorily Acquire	the compulsory acquisition process in respect of the Namoi Shares held by Namoi Shareholders that do not accept the Offer under Part 6A.1 and/or Part 6A.2 of the Corporations Act that may occur after the successful completion of the Offer (as described in Section 5.10).
Compulsory Acquisition Threshold	during or at the end of the Offer Period either: a) Olam and its Associates have a Relevant Interest in at least 90% (by number) of Namoi Shares; and b) Olam and its Associates have acquired at least 75% (by number) of the Namoi Shares.
Computershare	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
Conditions	Each condition of the Offer set out in Section 10.14 of the Bidder's Statement.
Control	has the meaning given in section 50AA of the Corporations Act.
Controlling Participant	in relation to your Namoi Shares, has the same meaning as in the ASX Settlement Operating Rules.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
EBITDA	a non-IFRS and unaudited measure defined as earnings before interest, tax, depreciation and amortisation (including share of EBITDA from NCA and share of profit from NCMA and NCPS excluding impairments and revaluation decrements on property, plant and equipment held at fair value).
Equity Plan Rules	the Namoi Cotton Limited Equity Plan Rules, referred to in the Namoi notice of annual general meeting dated 31 August 2020 as the 'Namoi Cotton Limited Rights Plan'.
FAQ	frequently asked questions set out in Section 3.
FATA	the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
FIRB	the Foreign Investment Review Board.
FIRB Condition	the Condition in Section 10.14(b) of the Bidder's Statement.
FY22	the financial year ended 28 February 2022.
FY23	the financial year ended 28 February 2023.
FY24	the financial year ended 29 February 2024.
FY25	the financial year ending 28 February 2025.
GST	goods and services tax.
Independent Directors	means, individually, each of the Directors from time to time who does not have a conflict of interest due to an association with LDC or any LDC Group Member (or with Olam or any Olam Agri Group Member) which, as at the date of this Target's Statement, means each of Mr Tim Watson, Mr James Davies, Mr Robert Green, Ms Juanita Hamparsum and Mr Ian Wilton.
Independent Expert	BDO Corporate Finance Ltd (ACN 010 185 725), the independent expert engaged by Namoi.
Independent Expert's Report	the report of the Independent Expert dated 20 May 2024 stating whether or not in its opinion the LDC Takeover Offer is fair and reasonable, as set out in Annexure A of the LDC Target's Statement

	and as supplemented by the Independent Expert's Supplementary Disclosure in relation to the Offer.
Independent Expert's Supplementary Disclosure	the supplementary disclosure of the Independent Expert dated 28 May 2024, stating whether or not in its opinion the Offer is fair and reasonable, as set out in Annexure A of this Target's Statement and which should be read in conjunction with the Independent Expert's Report.
Issuer Acceptance Form	the Acceptance Form enclosed with the Bidder's Statement for Namoi Shareholders with a holding of Namoi Shares with an Issuer Sponsored Holding.
Issuer Sponsored Holding	a holding of Namoi Shares on Namoi's issuer sponsored subregister.
Joint Venture Agreements	each of: a) MG JVA; b) MCS JVA; and c) WGC JVA.
KCC or Kimberley Cotton Company	Kimberley Cotton Company Limited (ACN 649 678 197) who is constructing a new cotton gin at Kununurra, WA. Namoi has an interest in KCC.
KCC Agreements	any written agreement, arrangement or understanding in relation to the investment in Kimberley Cotton Company or the construction and planned operation of a cotton gin by Namoi at Kununurra, Western Australia on behalf of the Kimberley Cotton Company.
Last Practicable Date	the last practicable trading date on ASX prior to the finalisation of this Target's Statement, being Tuesday, 28 May 2024.
LDC	Louis Dreyfus Company Melbourne Holdings Pty Ltd (ACN 161 877 185).
LDCA	Louis Dreyfus Company Asia Pte. Ltd.
LDC Bidder's Statement	the bidder's statement in relation to the LDC Takeover Offer, prepared by LDC and dated 30 April 2024, under Part 6.5 Division 2 of the Corporations Act, as replaced by the replacement bidder's statement dated 7 May 2024 and supplemented by the second supplementary bidder's statement dated 10 May 2024 and includes any supplementary or further replacement bidder's statement.
LDC B.V.	Louis Dreyfus Company B.V.
LDC Group	means Louis Dreyfus Company B.V. and its Subsidiaries (including LDC) and LDC Group Member means any one of them.
LDC Takeover Offer	the off-market takeover offer by LDC to acquire all of the Namoi Shares the LDC Group does not already own under Chapter 6 of the Corporations Act for \$0.67 per Namoi Share, as described in the replacement bidder's statement in relation to the LDC Takeover Offer, prepared by LDC and dated 7 May 2024.
LDC Takeover Offer Price	the consideration offered under the LDC Takeover Offer which at the date of this Target's Statement, is \$0.67 per Namoi Share.
LDC Target's Statement	the statement of Namoi under Part 6.5 of the Corporations Act in relation to the LDC Takeover Offer dated 22 May 2024, as may be supplemented from time to time.
MCS JVA	the Mungindi Cottonseed Shed Joint Venture Operation and Participation Agreement between Namoi, Danbil Pty Ltd (ACN 001 398 438), Reardon Farms Pty Ltd (ACN 068 625 187), B & J Longworth and MD & EJ Harris Pty Ltd (ACN 096 194 437) dated 14 July 2008.
MG JVA	the Moomin Gin Joint Venture Agreement between Namoi and KB & MA Harris Pty Ltd (ACN 096 194 428) dated 20 March 2007 and amended 22 December 2017.

Namoi	Namoi Cotton Limited (ACN 010 485 588).
Namoi Board or Board	the board of Directors of Namoi from time to time.
Namoi Constitution	the constitution of Namoi, last amended on 19 July 2023, that can be found on https://www.namoicotton.com.au/wp-content/uploads/Constitution-Namoi-Cotton-Limited-amendments-post-AGM-2023-2.pdf
Namoi Directors or Directors	the directors of Namoi and Namoi Director or Director means any one of them.
Namoi Group or Group	Namoi and each of its Subsidiaries.
Namoi Performance Right	all performance rights, options or other entitlements for the grant of Namoi Shares which have been issued under long-term incentive plans by Namoi on the date of this Target's Statement.
Namoi Permitted Special Dividend	the special dividend of \$0.01 per Namoi Share announced by Namoi on 17 April 2024 with a record date of 24 April 2024 and paid to eligible Namoi Shareholders on 10 May 2024.
Namoi Residual Capital Stock	an interest in the capital (but not the share capital) of Namoi having the rights set out in the Namoi Residual Capital Stock Terms.
Namoi Residual Capital Stock Terms	the terms of the Namoi Residual Capital Stock as set out in Schedule 2 to the Namoi Constitution.
Namoi Share(s)	a fully paid ordinary share in the capital of Namoi, including those shares on issue at the end of the Offer Period.
Namoi Shareholder	a person who is registered as the holder of Namoi Shares in the Namoi share register.
Namoi Shareholder Information Line	the information line set up for the purposes of answering enquiries from Namoi Shareholders in relation to this Target's Statement. The information line numbers are 1300 265 118 (within Australia) and +61 3 9415 4151 (outside Australia), and are available between Monday to Friday from 8.30am to 5.00pm (Sydney time) on a Business Day.
Namoi Share Registry	Computershare.
NCA	Namoi Cotton Alliance, a joint venture between LDCA and Namoi where Namoi holds a 51% interest.
NCMA	Namoi Cotton Marketing Alliance, a joint venture between LDCA and Namoi where Namoi holds a 15% interest.
NCPS	NC Packing Services Pty Ltd (ACN 147 169 515).
Non-Withholding Declaration	a declaration that either: a) you are a resident of Australia for the purposes of the Tax Act; or b) your Namoi Shares are not "indirect Australian real property interests" for the purposes of the Tax Act.
Notice of Status of Conditions	Olam's notice disclosing the status of the Conditions of the Offer, which is required to be given under section 630(3) of the Corporations Act.
Offer or Olam Offer	the off-market takeover offer by Olam for all of the Namoi Shares under Chapter 6 of the Corporations Act as described in the Bidder's Statement.
Offer Period	the period within which the Offer is open for acceptance in accordance with the Bidder's Statement and the Corporations Act, as set out in Section 5.3(c).
Offer Price	the consideration offered under the Offer which at the date of this Target's Statement, is \$0.70 per Namoi Share.
Olam	Olam Agri Australia Pty Ltd (ACN 677 122 468).

Olam Agri Group	means Olam Holdings and its Subsidiaries (including Olam) and Olam Agri Group Member means any one of them.
Olam Holdings	Olam Agri Holdings Limited.
Prescribed Occurrences Condition	means the Condition in Section 10.14(d) of the Bidder's Statement.
QC	means Queensland Cotton, an Olam Agri Group Member.
Register Date	the date set by Olam under section 633(2) of the Corporations Act, being 7.00pm (Sydney time) on 10 May 2024.
Related Bodies Corporate	has the meaning given in section 50 of the Corporations Act.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Restructure	Namoi's restructure of its corporate and capital structure involving, among other things, becoming a public company effective 10 October 2017, the variation of the then grower shares and Namoi capital stock rights such that grower members and Namoi capital stockholders become Namoi Shareholders.
Rights	all accreditations, rights or benefits of whatever kind attaching or arising from Namoi Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other distributions and all rights to receive them or rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid, made or issued by Namoi or any of its Subsidiaries).
Scheme	the proposed scheme of arrangement under Part 5.1 of the Corporations Act between Namoi and its shareholders pursuant to the Scheme Implementation Agreement under which LDCA would acquire 100% of the shares in Namoi by a scheme of arrangement for total cash consideration of \$0.51 per Namoi Share (inclusive of the Namoi Permitted Special Dividend).
Scheme Implementation Agreement	the scheme implementation agreement between Namoi and LDCA dated 18 January 2024 and announced on 19 January 2024 and which was terminated on 29 April 2024. A full copy can be obtained from Namoi's website and the ASX.
STAM	Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group).
Subsidiary	has the meaning given in section 9 of the Corporations Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is Controlled by that entity and, without limitation: <ul style="list-style-type: none"> a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and c) an entity will also be deemed to be a Subsidiary of an entity if that entity is required by the accounting standards to be consolidated with that entity.
Takeovers Panel	the Australian Takeovers Panel.
Target's Statement	this document being the statement of Namoi under Part 6.5 of the Corporations Act in relation to the Offer as may be supplemented from time to time.
Tax Act	the <i>Income Tax Assessment Act 1997</i> (Cth).
Undisturbed Historic Market Prices	the market price for Namoi Shares throughout the 12 month period prior to the announcement of the NBIO received from LDCA, (announced on 28 November 2023), being the period from 28 November 2022 to 27 November 2023 inclusive.

Voting Power	has the meaning given to it in section 610 of the Corporations Act.
VWAP	volume weighted average price.
WGC JVA	the Wathagar Ginning Company Joint Venture Agreement between Namoi and Sundown Pastoral Co. Pty Limited ACN (000 334 190) dated 19 December 2003.
your Namoi Shares	subject to Section 10.5(c) of the Bidder's Statement: <ul style="list-style-type: none"> a) the Namoi Shares in respect of which you are as a holder in the Namoi share register at the Register Date, and in respect of which no other person becomes registered as a holder before you accept the Offer; and b) any Namoi Shares in respect of which, at the time your acceptance of the Offer is processed, you are registered as a holder in the Namoi share register or able to give good title.

9.2 Interpretation

Headings and labels used for definitions in this Target's Statement are inserted for convenience and do not affect the interpretation of this Target's Statement. Unless the context otherwise requires in this Target's Statement:

- (a) words or phrases defined in the Corporations Act have the same meaning in this Target's Statement;
- (b) a reference to a Section is a reference to a Section of this Target's Statement;
- (c) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) the singular includes the plural and vice versa;
- (e) the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (f) Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia; and
- (g) the meaning of general words is not limited by specified examples introduced by "including", "for example", "such as" or similar expressions.

Schedule A – ASX Announcements

The table below contains a list of all material announcements released by Namoi in the period from 17 April 2024 to the Last Practicable Date:

No.	Description of announcement	Date of announcement
1	LDC Change in substantial holding	27/05/2024
2	Target's Statement Recommendation (LDC Offer)	22/05/2024
3	Target's Statement	22/05/2024
4	Olam Agri Dispatch of Replacement Bidder's Statement	16/05/2024
5	AXX: Louis Dreyfus' acquisition of NAM raises concerns	16/05/2024
6	Olam Agri Initial Substantial Shareholder Notice	16/05/2024
7	Olam Agri Replacement Bidder's Statement	16/05/2024
8	Olam Agri First Supplementary Bidder's Statement	16/05/2024
9	Olam Agri Takeover Offer - Notice of Register Date	13/05/2024
10	Supplementary Bidder's Statement	10/05/2024
11	Bidder's Statement	09/05/2024
12	STAM support OLAM intention for off-market takeover offer	08/05/2024
13	OLAM intention to make off-market takeover offer at 70c/shr	08/05/2024
14	Olam increases its takeover offer for Namoi to \$0.70	08/05/2024
15	Completion of Despatch of Replacement Bidder's Statement	07/05/2024
16	LDC's Replacement Bidder's Statement	07/05/2024
17	Supplementary Bidder's Statement	07/05/2024
18	LDC Change in substantial holding	07/05/2024
19	Variation of Takeover Bid	07/05/2024
20	LDC increases proposed Off-Market Takeover Offer to \$0.67	07/05/2024
21	LDC Group intentions in relation to Olam Offer	03/05/2024
22	Change in substantial holding	03/05/2024
23	LDC Takeover Offer - Notice of Register Date	03/05/2024
24	STAM support for proposed Takeover Offer from Olam Agri	02/05/2024
25	Olam Agri intention to make Off-Market Takeover Offer	02/05/2024
26	Intention to Make Takeover Bid	02/05/2024
27	Notification regarding unquoted securities - NAM	01/05/2024
28	LDC Bidder's Statement	30/04/2024
29	STAM support for proposed Takeover Offer from LDC	29/04/2024
30	LDC intention to make Off-Market Takeover Offer at 60c/share	29/04/2024
31	Intention to Make Takeover Bid	29/04/2024
32	Executive Chairman Contract Extension	24/04/2024
33	Application for quotation of securities - NAM	18/04/2024
34	Residual Capital Stock Redemption Notice	17/04/2024
35	Dividend/Distribution - NAM	17/04/2024
36	Preliminary Final Report	17/04/2024

Corporate Directory

Registered office and principal place of business

Namoi Cotton Limited

259 Ruthven Street
Toowoomba QLD 4350

Company website: <https://www.namoicotton.com.au/>

Investor website: <https://www.namoicotton.com.au/investors/>

Financial adviser

Blackpeak Capital

Suite 3.03, Level 3, 6 O'Connell Street
Sydney NSW 2000

Legal adviser

King & Wood Mallesons

Level 33, One Eagle Waterfront Brisbane, 1 Eagle Street
Brisbane QLD 4000

Independent Expert

BDO Corporate Finance Ltd

Level 10, 12 Creek Street
Brisbane QLD 4000

Share Registry

Computershare Investor Services Pty Limited

Level 1, 200 Mary Street
Brisbane QLD 4000

Annexure A – Independent Expert’s Supplementary Disclosure



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Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

The Shareholders
C/- The Directors
Namoi Cotton Limited
259 Ruthven Street
Toowoomba, QLD, Australia, 4350

28 May 2024

Dear Shareholders,

Supplementary Disclosure

BDO Corporate Finance Ltd ('BDOCF') was engaged to prepare an independent expert's report dated 20 May 2024 ('the IER') to the shareholders of Namoi Cotton Limited ('Namoi' or 'the Company') in relation to the off-market takeover offer made by Louis Dreyfus Company Melbourne Holdings Pty Ltd ('LDC') for all the ordinary shares in Namoi not already held by itself or its related bodies corporate ('the LDC Offer'). The consideration to be received by the Namoi shareholders ('the Shareholders') under the LDC Offer is cash consideration of \$0.67¹ per Namoi share.

The IER was included in the Target's Statement released by Namoi to the ASX on 22 May 2024.

Namoi has requested BDOCF to provide additional information to the Shareholders in relation to the off-market takeover offer from Olam Agri Australia Pty Ltd ('Olam') which, as of 8 May 2024, was \$0.70¹ ('the Olam Offer'). The terms of the Olam Offer are summarised in the replacement Olam Bidder's Statement dated 16 May 2024 ('the Olam Bidder's Statement').

In this supplementary disclosure ('this Supplementary Disclosure') BDOCF has expressed an opinion as to whether or not the Olam Offer is 'fair and reasonable' to the Shareholders. This Supplementary Disclosure has been prepared solely for use by the Shareholders to provide them with information relating to the Olam Offer. The Directors of the Company which are not associated with the Olam Group or the LDC Group have determined that it is appropriate to include supplementary disclosure in the Target's Statement responding to the Olam Offer.

This Supplementary Disclosure does not set out all matters that may be relevant to a shareholder's consideration of the Olam Offer. Rather, it is intended to be considered in conjunction with the IER and all other relevant market announcements made by Namoi. Unless otherwise stated, terms defined in this supplementary disclosure have a meaning consistent with the IER.

This Supplementary Disclosure should be read in full along with all other documentation provided to the Shareholders including the Olam Bidder's Statement and the Target's Statement dated on or around 31 May 2024 prepared by Namoi ('the Olam Target's Statement').

¹ Exclusive of the \$0.01 per share dividend announced on 17 April 2024 with a record date of 24 April 2024 and paid to eligible Namoi shareholders on 10 May 2024. Under both the Olam Offer and the LDC Offer, any other dividends declared by Namoi will reduce the cash consideration under the Olam Offer and the LDC Offer by an equivalent amount per share.

1.0 Overview of the Olam Offer

1.1 Summary of the Olam Offer

On 8 May 2024, Namoi advised that the Company had received notification from Olam that it proposed to increase its cash consideration from \$0.66 to \$0.70¹ per Namoi share in relation to its off-market takeover for all of the issued shares in Namoi.

If the Olam Offer is accepted, the Shareholders will be entitled to receive cash consideration of \$0.70¹ per Namoi share ('the Olam Cash Consideration').

1.2 Description of the Key Parties involved in the Olam Offer

Olam is making the offer. Olam is a wholly owned subsidiary of Olam Agri Holdings Limited, a company incorporated in Singapore. Olam Agri Holdings Limited and its subsidiaries (collectively, 'Olam Agri Group') is a global food, feed and fibre agribusiness built over 34 years.

The beneficial ownership of Olam Agri Holdings Limited is indirectly held by Olam Group Limited ('OGL'), which is a public company incorporated in Singapore and listed on the Singapore Stock Exchange (SGX: VC2). OGL's value chain spans over 60 countries and includes farming, processing and distribution operations, and direct engagement with a global network of farmers. OGL holds a 64.57% interest in Olam Agri Holdings Limited, while SALIC International Investment Company (Kingdom of Saudi Arabia) holds the remaining 35.43% interest.

Olam Agri Group's global cotton operations encompass extensive trading and ginning in the US, farming and trading in Brazil, and end-to-end production to export in Africa, supporting 340,000 farmers to enhance cotton production practices and maximize income. As one of the world's largest private ginners, Olam Agri Group leverages its international trading expertise and local relationships to foster growth in the global cotton industry. This expertise, combined with Olam Agri's commitment to sustainable practices and improving farmer incomes, positions it as a strong partner in the cotton sector.

In Australia, Olam Agri Group acquired Queensland Cotton ('QC') in 2007, a company with a century-long history in the Australian cotton industry. QC operates six cotton gins across Queensland and New South Wales and is a leading exporter of Australian cotton. QC's operations include cotton warehouses and a bulk handling and cottonseed export site, ensuring efficient processing and export capabilities. Beyond cotton, Olam Agri engages in the Australian grains and pulses market, trading commodities such as mung beans, chickpeas, lentils, and wheat.

1.3 Key Conditions of the Olam Offer

The Olam Offer is subject to certain conditions precedent that are set out in full in the Olam Bidder's Statement. In summary, these include:

- Minimum acceptance condition: Olam acquiring a relevant interest in at least 50.1% (by number) of all of the Namoi shares on issue (on a fully diluted basis);
- FIRB condition: either Olam receiving FIRB approval without conditions (or subject only to standard tax conditions), or FIRB ceasing to be empowered to make an order or decision in respect of the acquisition of the Namoi shares under the Olam Offer;
- ACCC clearance condition: ACCC confirming to Olam that it does not intend to oppose, intervene or seek to prevent the acquisition of Namoi shares under the Olam Offer (or on an unconditional basis); and
- Prescribed occurrences condition: none of the events listed in section 652C(1) or (2) of the Corporations Act occurring. These are summarised in section 10.14(d) of the Olam Bidder's Statement.

Olam may choose to waive certain conditions in accordance with the terms of the Olam Offer, but may only do so to the extent permitted by law. In particular, Olam cannot waive the FIRB Condition unless that is permitted by the Foreign Acquisitions and Takeovers Act 1975 (Cth). If the FIRB condition is not satisfied and cannot be waived, the Olam Offer will not become unconditional and the Shareholders will not have their shares acquired by Olam.

2.0 Fairness Assessment of the Olam Offer

2.1 Value Adopted for a Namoi Share

In our view, for the purposes of the analysis set out in this Supplementary Disclosure, it is appropriate to adopt a value in the range of \$0.42 to \$0.78 per Namoi share on a controlling interest basis. In forming this view, we have considered a Sum-of-Parts ('SOP') methodology, including applying a Capitalisation of Maintainable Earnings ('CME') valuation methodology to Namoi's existing core business, and a Market-Based Valuation ('MBV') methodology.

The valuation range adopted in this Supplementary Disclosure is consistent with the valuation range adopted in the IER. Our valuation of Namoi is set out in Section 8 of the IER.

2.2 Value Adopted for the Olam Offer Consideration

The Shareholders have been offered a cash payment of \$0.70 per share for each share they hold in Namoi. For this Report, we have adopted the face value of \$0.70 as the value for the cash consideration.

2.3 Fairness Conclusion

In order to assess the fairness of the Olam Offer, it is appropriate to compare the value of a Namoi share on a controlling interest basis with the consideration offered under the Olam Offer. Pursuant to RG 111, the Olam Offer is considered to be fair if the value of the consideration per share is equal to or greater than the value per Namoi share.

Table 1 below summarises our assessment of the fairness of the Olam Offer.

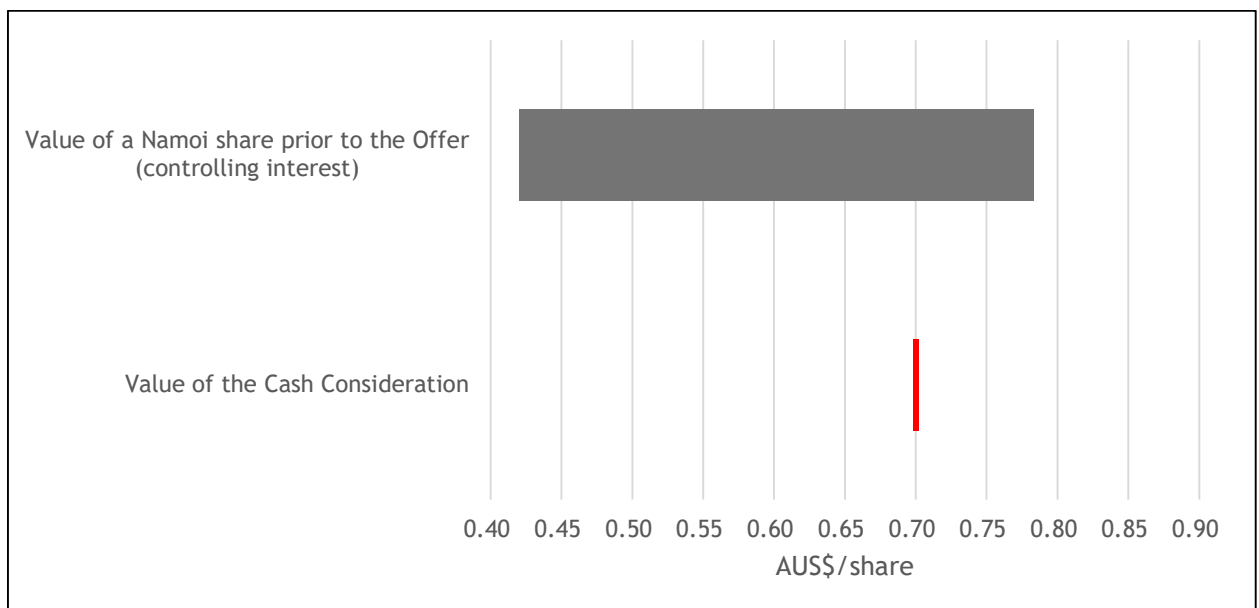
Table 1: Assessment of the Fairness of the Olam Offer

\$ per share	Low	High
Value of a Namoi share prior to the Olam Offer (controlling interest)	\$0.42	\$0.78
Value of the Olam Cash Consideration	\$0.70	\$0.70

Source: BDOCF Analysis

Figure 1 below summarises our assessment of the fairness of the Olam Offer, setting out a graphical comparison of our valuation of a Namoi share prior to the Olam Offer on a controlling interest basis and consideration offered to the Shareholders under the Olam Offer.

Figure 1: Fairness of the Olam Offer



Source: BDOCF analysis

With reference to Table 1 and Figure 1, we note the Olam Cash Consideration of \$0.70 per Namoi share is in our calculated valuation range for a Namoi share on a controlling interest basis.

After considering the information summarised in the IER and this Supplementary Disclosure, it is our view that, in the absence of a superior offer or any additional information, the Olam Offer is **Fair** to the Shareholders as at the date of this Supplementary Disclosure.

The Shareholders should refer to Section 4 below in relation to additional considerations prior to accepting or rejecting the Olam Offer, including in relation to future offer announcements and the ability to sell shares separate to any offer, on the ASX.

3.0 Reasonableness Assessment of the Olam Offer

The LDC Offer and the Olam Offer both involve cash consideration with similar conditions. Noting this, the information set out in Section 2.3 of the IER (titled 'Assessment of the Reasonableness') in relation to the LDC Offer largely applies to the Olam Offer as well. The exceptions to this include:

- As stated in RG 111, if an offer is considered fair, the offer is also reasonable. Given that we are of the view that the Olam Offer is fair, it is by definition reasonable; and
- As at the date of this Supplementary Disclosure, there is no offer that we would consider superior to the Olam Offer (with the caveat that a superior offer may emerge).

After considering the above additional information and other information available (as set out in the IER and other market announcements), it is our view that, in the absence of a superior offer or any other information, the Olam Offer is **Reasonable** as at the date of this Supplementary Disclosure.

4.0 Overall Opinion on the Olam Offer

After considering the above additional information and other information available (as set out in the IER and other market announcements), it is our view that, in the absence of a superior offer or any other information, the Olam Offer is **Fair and Reasonable** as at the date of this Supplementary Disclosure.

Notwithstanding this, we reiterate that there was a competitive bidding process between LDC and Olam (potentially still ongoing as at the date of this Supplementary Disclosure) that led to the cash consideration under the Olam Offer. As at the date of this Supplementary Disclosure, the \$0.70 cash consideration under the Olam Offer is above the \$0.67 cash consideration under the LDC Offer. Before accepting the Olam Offer, the Shareholders should give consideration to the likelihood of higher offers eventuating.

It may also be possible, assuming sufficient liquidity, for the Shareholders to sell their shares on the ASX for a price that is above, or broadly in line with, the cash consideration under the Olam Offer. By way of example, from 8 May 2024 (being the date the Olam Offer was announced) to 28 May 2024, Namoi shares have traded in the range of \$0.69 to \$0.77.

5.0 Other Important Information

Before forming a view on whether to accept or reject the Olam Offer, the Shareholders must:

- Have regard to the information set out in this Supplementary Disclosure, the IER (including the Important Information set out in Section 3 of the IER) and other market announcements, before deciding whether to accept or reject the Olam Offer. This Supplementary Disclosure should be read in conjunction with the IER (in full) dated 20 May 2024 included as Annexure A to the Target's Statement dated 22 May 2024 prepared by Namoi in relation to the LDC Offer. In particular, all limitations, disclaimers and declarations set out in that IER apply in full to this Supplementary Disclosure;
- Consult their own professional advisers; and
- Consider their specific circumstances.

This letter is general financial product advice only and has been prepared without taking into account the objectives, financial situation or needs of individual Namoi shareholders. Accordingly, before acting in relation to their investment, the Shareholders should consider the appropriateness of the advice having regard to their own objectives, financial situation or needs. Shareholders should read the Olam Target's Statement issued by Namoi in relation to the Olam Offer.

The decision whether to accept or reject the Olam Offer is a matter for individual shareholders, based on their own views as to value and business strategy, their expectations about future economic and market conditions and their particular circumstances including risk profile, liquidity preference, investment strategy, portfolio structure and tax position. Shareholders who are in doubt as to the action they should take in relation to the Olam Offer should consult their own professional adviser. BDOCF has prepared a Financial Services Guide as required by the Corporations Act 2001. The Financial Services Guide is included as Appendix A to this letter.

BDO Corporate Finance Ltd

A handwritten signature in blue ink, appearing to read 'Mark Whittaker'.

Mark Whittaker
Director

A handwritten signature in blue ink, appearing to read 'Scott Birkett'.

Scott Birkett
Director

APPENDIX A - FINANCIAL SERVICES GUIDE

Dated: 28 May 2024

The Financial Services Guide ('FSG') is provided to comply with the legal requirements imposed by the Corporations Act 2001 and includes important information regarding the general financial product advice contained in the IER and this Supplementary Disclosure ('the BDO Documents'). The FSG also includes general information about BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 ('BDOCF' or 'we', 'us' or 'our'), including the financial services we are authorised to provide, our remuneration and our dispute resolution.

BDOCF holds an Australian Financial Services Licence to provide the following services:

- a) Financial product advice in relation to deposit and payment products (limited to basic deposit products and deposit products other than basic deposit products), securities, and interests in managed investment schemes excluding investor directed portfolio services;
- b) Arranging to deal in financial products in relation to securities; and
- c) Applying for, acquiring, varying or disposing of a financial product in relation to interests in managed investment schemes excluding investor directed portfolio services, and securities.

General Financial Product Advice

The BDO Documents set out what is described as general financial product advice. The BDO Documents do not consider personal objectives, individual financial position or needs and therefore do not represent personal financial product advice. Consequently, any person using the BDO Documents must consider their own objectives, financial situation and needs. They may wish to obtain professional advice to assist in this assessment.

The Assignment

BDOCF has been engaged to provide general financial product advice in the form of a report in relation to a financial product. Specifically, BDOCF has been engaged to provide the BDO Documents.

The BDO Documents provide an opinion on whether or not each of the LDC Offer and the Olam Offer are 'fair and reasonable' to the Shareholders and has been prepared to provide information to the Shareholders to assist them to make an informed decision on whether to accept or reject each of the offers. Other important information relating to the BDO Documents is set out in more detail in Section 3 of the IER and Section 5 of this Supplementary Disclosure.

The BDO Documents cannot be relied upon for any purpose other than the purpose mentioned above and cannot be relied upon by any person or entity other than those mentioned above, unless we have provided our express consent in writing to do so. A shareholder's decision to accept or reject either the LDC Offer or the Olam Offer is likely to be influenced by their particular circumstances, for example, their taxation considerations and risk profile. Each shareholder should obtain their own professional advice in relation to their own circumstances.

Fees, Commissions and Other Benefits we may Receive

We charge a fee for providing reports. The fees are negotiated with the party who engages us to provide a report. We estimate the fee for the preparation of the BDO Documents will be approximately \$160,000 plus GST. Fees are usually charged as a fixed amount or on an hourly basis depending on the terms of the agreement with the engaging party. Our fees for the BDO Documents are not contingent on the outcome of the Offer.

Except for the fees referred to above, neither BDOCF, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the BDO Documents.

Directors of BDOCF may receive a share in the profits of BDO Group Holdings Limited, a parent entity of BDOCF. All directors and employees of BDO Group Holdings Limited and its subsidiaries (including BDOCF) are entitled to receive a salary. Where a director of BDOCF is a shareholder of BDO Group Holdings Limited, the person is entitled to share in the profits of BDO Group Holdings Limited.

Associations and relationships

From time to time BDOCF or its related entities may provide professional services to issuers of financial products in the ordinary course of its business. These services may include audit, tax and business advisory services. BDOCF has previously provided professional services to Namoi to assist with independent valuations for financial reporting purposes (including the valuation of performance rights) and determining an appropriate weighted average cost of



capital for impairment testing. Related entities of BDOCF have provided professional services including BDO Services Pty Ltd providing internal audit services.

The signatories to the BDO Documents do not hold any shares in Namoi and no such shares have ever been held by the signatories.

To prepare our reports, including the BDO Documents, we may use researched information provided by research facilities to which we subscribe, or which are publicly available. Reference has been made to the sources of information in the BDO Documents, where applicable. Research fees are not included in the fee details provided in the BDO Documents.

Complaints Resolution

Internal Complaints Resolution Process

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the [BDO Complaints Policy](#) available on our website.

Referral to External Dispute Resolution Scheme

BDOCF is a member of the Australian Financial Complaints Authority ('AFCA') (Member Number 10236).

Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the AFCA using the contact details set out below.

Australian Financial Complaints Authority Limited
Mail: GPO Box 3, Melbourne VIC 3001
Online Address: <http://www.afca.org.au>
Email: info@afca.org
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter Service: 131 450

Compensation Arrangements

BDOCF and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDOCF or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDOCF satisfy the requirements of section 912B of the Corporations Act 2001.

Contact Details

BDO Corporate Finance Ltd

Location Address:	Postal Address:
Level 10 12 Creek Street BRISBANE QLD 4000	GPO Box 457 BRISBANE QLD 4001
Phone: (07) 3237 5999	Email: cf.brisbane@bdo.com.au
Fax: (07) 3221 9227	