

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



20 September 2024

Dear Sir / Madam

Namoi Cotton Limited (ASX: NAM) – off-market takeover offer from Louis Dreyfus Company Melbourne Holdings Pty Ltd – lodgement of Second Supplementary Target’s Statement

On 22 May 2024, Namoi Cotton Limited (ACN 010 485 588) (**Namoi**) provided to the Australian Securities Exchange (**ASX**), as well as the Australian Securities and Investments Commission (**ASIC**) and Namoi shareholders, a target’s statement in response to the off-market takeover bid by Louis Dreyfus Company Melbourne Holdings Pty Ltd (ACN 161 877 185) (**LDC**) for all of the fully paid ordinary shares in Namoi which LDC (or its related entities) do not currently own or control (**LDC Offer**). On 11 September 2024, Namoi provided to the ASX, as well as ASIC and Namoi shareholders, a first supplementary target’s statement in respect of the LDC offer.

We attach, as required by section 647(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a copy of the second supplementary target’s statement (**Second Supplementary Target’s Statement**) of Namoi in respect of the LDC Offer. The Second Supplementary Target’s Statement has been sent to LDC and lodged with the Australian Securities and Investments Commission today.

In accordance with section 110D of the Corporations Act, the Second Supplementary Target’s Statement will be despatched to Namoi shareholders 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 Second Supplementary Target’s Statement (unless they have validly elected to receive hard copies of shareholder communications); 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 Second Supplementary Target’s Statement.

Namoi shareholders may also request a hard copy of the Second Supplementary 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’s shareholders due to her association with LDC (a wholly owned subsidiary of LDCA).

2nd SUPPLEMENTARY TARGET'S STATEMENT LDC TAKEOVER OFFER



This document is the second supplementary target's statement (**Second Supplementary Target's Statement**) issued by Namoi Cotton Limited (ACN 010 485 588) (**Namoi**) under section 644 of the *Corporations Act 2001* (Cth) in relation to the off-market takeover bid by Louis Dreyfus Company Melbourne Holdings Pty Ltd (**LDC**) to acquire all of the Namoi Shares the LDC Group does not already own (**Offer** or **LDC Offer**).

This Second Supplementary Target's Statement supplements, and is to be read together with, Namoi's Target's Statement dated 22 May 2024 in relation to the Offer and Namoi's first supplementary target's statement (**First Supplementary Target's Statement**) dated 11 September 2024.

A copy of the Target's Statement and the First Supplementary Target's Statement can be obtained from Namoi's website at <https://www.namoicotton.com.au/takeover/>.

If you have any questions in relation to the Offer (or the Olam Takeover Offer) you should seek independent financial and taxation advice and 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.

REJECT

THE LDC OFFER

Your Independent Directors
unanimously recommend that you **REJECT** the Offer
from Louis Dreyfus Company Melbourne Holdings Pty Ltd and
DO NOTHING in relation to any documents received from LDC

Financial Adviser



Legal Adviser

KING & WOOD
MALLESONS

Unless the context requires otherwise, defined terms in the Target's Statement and the First Supplementary Target's Statement have the same meaning in this Second Supplementary Target's Statement. This Second Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement or the First Supplementary Target's Statement.

A copy of this Second Supplementary Target's Statement was lodged with ASIC today. Neither ASIC nor any of its officers takes any responsibility for the contents of this Second Supplementary Target's Statement. A copy of this Second Supplementary Target's Statement has also been provided to ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this document.

1 LDC Offer

The Independent Directors¹ of Namoi note that several recent developments have occurred which have resulted in the Independent Directors reconsidering their recommendation in relation to the LDC Offer. These include:

1. On 13 September 2024, Olam issued its fifth supplementary Bidder's Statement which contained a \$0.05 increase to the Olam Takeover Offer Price to \$0.75 per Namoi Share (**Revised Olam Offer Price**). This represents a premium of \$0.08 per Namoi Share (or 11.94%) over the Offer Price of \$0.67 per Namoi Share and is at the upper end of the Independent Expert's value range for Namoi of \$0.42 to \$0.78 per Namoi Share.
2. On 13 September 2024, the Namoi Board has received the following notifications from two of its largest shareholders:
 - (a) STAM has notified the Namoi Board in writing that it is supportive of the revised Olam Takeover Offer and that it intends to accept the revised Olam Takeover Offer in respect of all the Namoi Shares that it holds as at the date of acceptance in the absence of a superior proposal and subject to the Independent Expert concluding that the revised Olam Takeover Offer is fair and reasonable (and the Independent Expert maintaining this conclusion up to (and including) the date of STAM's acceptance of the revised Olam Takeover Offer); and
 - (b) Harvest Lane Asset Management Pty Ltd (Harvest Lane) has notified the Namoi Board in writing that it is supportive of the revised Olam Takeover Offer and that it intends to accept the revised Olam Takeover Offer in respect of all the Namoi Shares that it holds as at the date of acceptance in the absence of a superior offer.

Details of the shareholdings of STAM and Harvest Lane are set out in paragraph 3 of Section 3 below.

3. On 13 September 2024, Olam increased its Relevant Interest in Namoi Shares to 16.34%² including as a result of entering into a share purchase agreement with STAM on 13 September 2024 for the acquisition of 7.92% of STAM's interest in Namoi and a share purchase agreement with Harvest Lane on 13 September 2024 for the acquisition of 2.07% of Harvest Lane's interest in Namoi.³
4. Olam has expressed in its fifth supplementary bidder's statement that it is continuing to engage constructively with the ACCC to obtain regulatory approval for the Olam Takeover Offer, and that it is confident in its prospects of obtaining this approval. Olam has also confirmed that it has proposed remedies to the ACCC to facilitate approval, including a gin divestment and divestment of Olam's shares in Proclass Pty Ltd, and is awaiting feedback from the ACCC on these proposed remedies.
5. On 13 September 2024, LDC announced that it had extended the closing date for the LDC Offer until 7.00pm (Sydney time) on 20 September 2024 (unless further extended).

2 Independent Directors' recommendation

The Independent Directors unanimously recommend that Namoi Shareholders **REJECT** the LDC Offer and **TAKE NO ACTION** in relation to all documents sent to you by LDC.

¹ Ms Sarah Scales, LDCA's appointed nominee to the Namoi Board, is abstaining from making a recommendation to Namoi Shareholders due to her association with LDCA.

² Also including as a result of other contracts arising as a result of acceptances of the Olam Offer.

³ On 19 September 2024 the Takeovers Panel announced that LDC had made an application for a declaration of unacceptable circumstances in relation to these acquisitions seeking orders including that the acquisitions are either prevented or unwound. As at the date of this Second Supplementary Target's Statement, the Takeovers Panel has not yet determined whether to conduct proceedings.

Given the Revised Olam Offer Price and noting the circumstances outlined above, including STAM and Harvest Lane’s support of the revised Olam Takeover Offer, the Independent Directors consider the LDC Offer, in its current form, on balance, to be an inferior proposal to the revised Olam Takeover Offer.

3 Reasons to REJECT the LDC Offer

The Independent Directors recommend that Namoi Shareholders **REJECT** the LDC Offer for the following reasons:

1.	The LDC Offer undervalues your Namoi Shares in comparison to the Revised Olam Offer Price
2.	If you accept the LDC Offer, you may not be able to participate in the revised Olam Takeover Offer, or any superior proposal that may emerge
3.	The LDC Offer does not currently have support from two of Namoi’s largest shareholders, STAM and Harvest Lane

1. Having regard to the Revised Olam Offer Price, the LDC Offer undervalues your Namoi Shares in comparison to the Revised Olam Offer Price. The LDC Offer offers Namoi Shareholders \$0.67 per Namoi Share which is less than the amount available under the revised Olam Takeover Offer, which is now \$0.75 per Namoi Share. In comparison to the Revised Olam Offer Price, the Offer Price represents a discount of \$0.08 per Namoi Share.⁴
2. If you accept the LDC Offer, you may not be able to accept the revised Olam Takeover Offer, which provides higher consideration as at the date of this Second Supplementary Target’s Statement, or any other superior proposal, should one arise. If you accept the LDC Offer now then unless a withdrawal right exists or arises under the Corporations Act, you will not be able to accept the revised Olam Takeover Offer or any superior proposal that Olam or any other bidder (other than LDC) may make.

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

3. The LDC Offer does not currently have support from two of Namoi’s largest shareholders, STAM and Harvest Lane:
 - (a) STAM has notified the Namoi Board in writing⁵ that it is supportive of the revised Olam Takeover Offer and that it intends to accept the revised Olam Takeover Offer in respect of all the Namoi Shares that it holds as at the date of acceptance in the absence of a superior proposal and subject to the Independent Expert concluding that the revised Olam Takeover Offer is fair and reasonable (and the Independent Expert maintaining this conclusion up to (and including) the date of STAM’s acceptance of the revised Olam Takeover Offer). As at the date of this Second Supplementary Target’s Statement, STAM holds a Relevant Interest in 51,322,236 Namoi Shares (representing approximately 25.0% of the Namoi Shares on issue);⁶

⁴ The Independent Expert has assessed the LDC Offer as fair and reasonable on the basis that the offer price is within the Independent Expert’s valuation range of \$0.42 to \$0.78 per Namoi Share (in the absence of a superior offer). However, notwithstanding that the Independent Expert has assessed the LDC offer as fair and reasonable, the Revised Olam Offer Price is an 8 cent premium to the LDC Offer.

⁵ See ASX Announcement “STAM support for off-market takeover from OLAM” released to the ASX on 13 September 2024.

⁶ As noted in Section 1, STAM entered into a share purchase agreement with Olam on 13 September 2024 to sell 7.92% of its interest in Namoi to Olam, which has not yet settled.

- (b) Harvest Lane has notified the Namoi Board in writing⁷ that it is supportive of the revised Olam Takeover Offer and that it intends to accept the revised Olam Takeover Offer in respect of all the Namoi Shares that it holds as at the date of acceptance in the absence of a superior offer. As at the date of this Second Supplementary Target's Statement Harvest Lane holds a Relevant Interest in 10,181,533 Namoi Shares (representing approximately 4.959% of the Namoi Shares on issue).^{8 9}

Notwithstanding the recommendation of the Independent Directors to **REJECT** the LDC Offer, you may hold a different view and believe that LDC Offer, being unconditional, provides you with certain value now and so choose to accept the LDC Offer based on your individual circumstances.

4 How to REJECT the LDC Offer

To **REJECT** the LDC Offer, you should **DO NOTHING** and **TAKE NO ACTION** in relation to all documents sent to you by LDC.

You should read this Second Supplementary Target's Statement which contains your Independent Directors' recommendation to **REJECT** the LDC Offer and the reasons for this recommendation and consult with your investment, financial, taxation or other professional adviser if in doubt about what to do.

If you have any other queries in relation to the LDC Offer (or the Olam Takeover 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.

5 Additional Information

At section 7 of the First Supplementary Target's Statement (Additional Information), it was noted that LDC's Relevant Interest in Namoi Shares was approximately 20.24%. Following acceptances of the LDC Offer, as at the last Business Day before this Second Supplementary Target's Statement, LDC's interest in Namoi Shares is now approximately 21.30%.

6 Other ASX announcements

Since lodging the First Supplementary Target's Statement on 11 September 2024, the following ASX Announcements have been made on Namoi's ASX platform:

1. "Olam Supplementary Target Statement" released to ASX on 11 September 2024;
2. "LDC Update and Supplementary Target Statements" released to ASX on 11 September 2024;
3. "Olam 2nd Supplementary Target Statement" released to ASX on 12 September 2024;
4. "LDC change in substantial holding" released to ASX on 13 September 2024;
5. "Olam Agri Supplementary Bidder's Statement and Variation" released to ASX on 13 September 2024;
6. "STAM support for off-market takeover from OLAM" released to ASX on 13 September 2024;

⁷ See ASX Announcement "Harvest Lane support for off-market takeover from OLAM" released to the ASX on 13 September 2024.

⁸ As noted in Section 1, Harvest Lane entered into a share purchase agreement with Olam on 13 September 2024 to sell 2.07% of its interest in Namoi to Olam, which settled on 18 September 2024.

⁹ As noted in Section 1, on 19 September 2024 the Takeovers Panel announced that LDC had made an application for a declaration of unacceptable circumstances in relation to the acquisition by Olam of Namoi Shares from STAM and Harvest Lane described in paragraph 3 of Section 1 seeking orders including that the acquisitions are either prevented or unwound. As at the date of this Second Supplementary Target's Statement, the Takeovers Panel has not yet determined whether to conduct proceedings.

7. "Update on takeover offers" released to ASX on 13 September 2024;
8. "Harvest Lane support for off-market takeover from OLAM" released to ASX on 13 September 2024;
9. "Olam Agri Change in Substantial Holding" released to ASX on 13 September 2024;
10. "Ceasing to be a substantial holder" released to ASX on 13 September 2024; and
11. "Revised Recommendations of the Independent Directors" released to ASX on 13 September 2024.
12. "Variation of Takeover Bid" released to ASX on 13 September 2024.
13. "TOV: NAM Panel Receives Application" released to ASX on 19 September 2024.

7 Consents

BDO has given and has not before the date of this Second Supplementary Target's Statement withdrawn its written consent to be named as the Independent Expert in this Second Supplementary Target's Statement.

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

- (a) Blackpeak Capital Pty Ltd as financial adviser to Namoi;
- (b) King & Wood Mallesons as legal adviser to Namoi;
- (c) Samuel Terry Asset Management Pty Ltd (as trustee for Samuel Terry Absolute Return Group); and
- (d) Harvest Lane Asset Management Pty Ltd.

Each person named above as having given its consent to the inclusion of a statement or to being named in this Second Supplementary Target's Statement has not authorised or caused the issue or preparation of this Second Supplementary Target's Statement and, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Second Supplementary Target's Statement other than the references specified above.

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

8 Authorisation

This Second Supplementary Target's Statement has been approved by a resolution passed by the Independent Directors of Namoi on 19 September 2024.

This Second Supplementary Target's Statement is dated 20 September 2024, which is the date on which it was lodged with ASIC.



Tim Watson
Executive Chairman
Namoi Cotton Limited