

OTHERS IOI CORPORATION BERHAD ("IOIC" OR "THE COMPANY") - Extension of timeframe for the utilisation of proceeds received from the disposal of 70.0% of IOIC's equity interest held in Loders Croklaan Group B.V. (now known as Bunge Loders Croklaan Group B.V.) ("Disposal")

IOI CORPORATION BERHAD

Type	Announcement
Subject	OTHERS
Description	IOI CORPORATION BERHAD ("IOIC" OR "THE COMPANY") - Extension of timeframe for the utilisation of proceeds received from the disposal of 70.0% of IOIC's equity interest held in Loders Croklaan Group B.V. (now known as Bunge Loders Croklaan Group B.V.) ("Disposal")

Reference is made to the Company's announcements on 12 September 2017, 8 November 2017, 4 December 2017, 3 January 2018, 19 January 2018, 25 January 2018, 29 January 2018 and 1 March 2018 ("Announcements") as well as the circular to IOIC's shareholders dated 9 November 2017 ("Circular") in relation to the Disposal. Capitalised terms used but not otherwise defined herein shall have the respective meanings ascribed thereto in the Announcements or Circular.

We wish to announce that the Board of Directors of IOIC ("Board") has on 18 February 2020 resolved to extend the timeframe for the utilisation of proceeds received from the Disposal for an additional period of 18 months, to enable the Board to further identify and evaluate the feasibility of the potential investments and formulating its group strategies holistically.

Please refer to the attachment for further details on the announcement.

This announcement is dated 18 February 2020.

Please refer attachment below.

Attachments

IOIC - Extension of Timeframe for the Utilisation of Proceeds.pdf
133.8 kB

Announcement Info	
Company Name	IOI CORPORATION BERHAD
Stock Name	IOICORP
Date Announced	18 Feb 2020
Category	General Announcement for PLC
Reference Number	GA1-12022020-00102

IOI CORPORATION BERHAD ("IOIC" OR THE "COMPANY")

EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RECEIVED FROM THE DISPOSAL OF 70.0% OF IOIC'S EQUITY INTEREST HELD IN LODERS CROKLAAN GROUP B.V. (NOW KNOWN AS BUNGE LODERS CROKLAAN GROUP B.V.) ("DISPOSAL")

Reference is made to the Company's announcements on 12 September 2017, 8 November 2017, 4 December 2017, 3 January 2018, 19 January 2018, 25 January 2018, 29 January 2018 and 1 March 2018 ("**Announcements**") as well as the circular to IOIC's shareholders dated 9 November 2017 ("**Circular**") in relation to the Disposal. Capitalised terms used but not otherwise defined herein shall have the respective meanings ascribed thereto in the Announcements or Circular.

On 1 March 2018, the Group completed the Disposal with a preliminary disposal consideration of USD595.0 million plus EUR303.4 million (total of approximately RM3,784.7 million). On 23 October 2018, the Group had received a net adjustment amount of EUR11.5 million (approximately RM55.0 million) upon finalisation of the intermediate disposal consideration in accordance with the terms of the sale and purchase agreement ("**SPA**"). As of today, the Company has yet to fully utilise the proceeds received from the Disposal which were initially earmarked for future investments and dividends to shareholders in accordance with the estimated timeframe as stated in the Circular ("**Initial Timeframe**").

We wish to announce that the Board of Directors of IOIC ("**Board**") has on 18 February 2020 resolved to extend the Initial Timeframe for an additional period of 18 months ("**Revised Timeframe**") to utilise the remaining proceeds. The Revised Timeframe will enable the Board to further identify and evaluate the feasibility of the potential investments and formulating its group strategies holistically.

Further details of the Revised Timeframe are set out as follows:

Purpose	Proposed Utilisation (RM'million)	Actual Utilisation (RM'million)	Remaining Available (RM'million)	Initial Timeframe	Revised Timeframe
Future investments	959.9	21.7	938.2	Within 24 months	Within 42 months
Dividend to shareholders	767.9	722.7	45.2*	Within 12 months	Within 30 months
Repayment of borrowings	1,919.9	1,919.9	-	Within 24 months	-
General working capital	182.4	182.4	-	Within 24 months	-
Transaction expenses	9.6	9.6	-	Immediate	-
Total	3,839.7	2,856.3	983.4		

Note:

- * The remaining available balance of RM45.2 million earmarked as dividend to shareholders will be paid to shareholders as part of the interim dividend pursuant to IOIC's announcement dated 18 February 2020.

The Board is of the opinion that the extension of the Initial Timeframe is in the best interest of the Group and will not have any material adverse effect on the financial performance of the Group.

The Revised Timeframe does not require approval of any regulatory authorities or the shareholders of the Company.

The Company shall continue to be vigilant and prudent in managing the remaining proceeds arising from the Disposal and will continue disclosing the status of the utilisation in the Company's quarterly results and annual reports until it is fully utilised.

This announcement is dated 18 February 2020.