



WILMAR INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 199904785Z)

Announcement

**Wilmar enters into an agreement for an option to acquire shares of
Adani Wilmar Limited from Adani Commodities LLP**

Singapore, 30 December 2024 - Wilmar International Limited ("**Wilmar**" or the "**Company**") wishes to announce that its wholly-owned subsidiary, Lence Pte. Ltd. ("**Lence**") has entered into an agreement with Adani Commodities LLP ("**ACL**") on 30 December 2024 ("**Agreement**") for an option to acquire up to a maximum of 403,739,517 equity shares representing 31.06% of the existing paid-up equity share capital of Adani Wilmar Limited ("**AWL**") held by ACL as at the date of exercise of the call option or put option, as the case may be ("**Shares**"), at an option price per equity share to be mutually agreed by the parties in writing subject to a maximum per equity share price of INR305 ("**Price**").

AWL, a company incorporated in India, is listed on BSE Limited and National Stock Exchange of India Limited. ACL and Lence each currently own 571,019,435 equity shares of AWL (each representing 43.94% of the existing paid-up equity share capital of AWL) aggregating to 87.87% equity shares. The balance 12.13% of the equity shares in AWL is held by public shareholders. Under the relevant regulations issued by the Securities and Exchange Board of India (Indian securities regulator), AWL is required to maintain a minimum public shareholding ("**MPS**") of 25%. The closing under the Agreement is subject to completion of sale of such number of equity shares of AWL by ACL (through permissible methods under applicable law) as may be required to comply with the MPS requirement.

Pursuant to the Agreement, ACL and Lence have agreed to grant simultaneous call and put options to each other to sell and purchase the Shares. The other salient points of the Agreement are as follows:

1. The exercise of the call option and put option is subject to compliance with applicable law, which includes the restriction that they are exercisable only after twelve months from the date of the Agreement.
2. The parties have agreed to explore and evaluate potential alternative options to expedite the sale and purchase of the Shares in compliance with applicable law, on AWL achieving compliance with MPS requirement.
3. The consummation of the transaction is subject to satisfaction of customary conditions precedent. The Agreement *inter alia* contains provisions dealing with representations, warranties, indemnities and the right of ACL to terminate the Agreement.
4. The parties have agreed to cooperate to undertake necessary actions for change in name of AWL prior to or upon consummation of the transaction.
5. Upon consummation of the transaction, the parties have agreed to terminate the existing shareholders' agreement and inter-se agreement with regard to AWL.

*Foreign exchange conversion rate at US\$1: INR85.54.

Rationale for the transaction:

1. AWL is India's largest and leading edible oils and food FMCG company, with pan-Indian operations comprising 24 factories in 15 cities, a strong distribution network of more than 10,000 distributors and 0.72 million retail outlets across the length and breadth of India. It has 100% urban coverage and presence in over 30,600 rural towns in India and exports to over 30 countries globally.
2. India is the world's most populous country, with a 1.42 billion population whose median age is 28.4 years, and enjoys strong economic growth of about 7% GDP. Together with Bangladesh, Sri Lanka and Pakistan which have a combined population of 450 million, the Indian subcontinent offers tremendous growth potential for Wilmar's agri-food businesses.
3. AWL currently has a leading and dominant position in the India FMCG market. There is no competitor with the full range of oil, rice, flour and other Indian food products like Besan, pulses and soy nuggets.
4. The Indian rural market has tremendous growth opportunity and with its wide range of food products, AWL is in the best position to capture a significant share of the market. Its rice and flour businesses have the potential to grow into much larger scale operations through the more sophisticated technical skillsets acquired from Wilmar's global operations and leveraging on its extensive logistics and distribution networks globally.
5. AWL's leading brand, Fortune, is widely recognized by consumers in India. As India grows in wealth and sophistication, the demand for AWL's branded staple consumer foods will increase in both quantity and quality. More food-related products can be produced and sold through AWL's distribution channels.
6. AWL also exports products such as rice, castor oil and oleo chemicals to over 30 countries. These are important commodities in Wilmar's global trades. A strong presence in India will allow Wilmar to source better and have better trade flows into Wilmar's global network.

The acquisition of the Shares by Lence contemplated by the Agreement will result in AWL becoming a subsidiary of Wilmar. For clarity, it should be highlighted that the number of Shares acquired by Lence will depend on the number of Shares held by ACL as on the date of exercise of the call option or put option (as the case may be).

Wilmar will explore other opportunities to bring in strategic investors to participate in AWL's growth story.

Any acquisition by Lence pursuant to the Agreement will be funded from internal sources as well as bank borrowings.

Depending on the Price and number of Shares acquired, the Group is expected to recognize a gain on deemed disposal of an associated company and a Goodwill on Consolidation resulting in a reduction in net tangible assets.

For illustrative purposes, assuming the transaction is completed at the Price of INR305 per share, the Group will recognize a gain on deemed disposal of approximately US\$1.48 billion* with a corresponding increase in net assets of approximately US\$1.57 billion. Based on the

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unaudited financial statements of AWL as at 30 September 2024, the Group will recognise a negative net tangible assets attributable to AWL of approximately US\$1.12* billion on the assumption that the Group acquires 403,739,517 shares (31.06% of AWL) at INR305 per share.

None of the directors or controlling shareholders of Wilmar has an interest in the aforesaid transaction.

Issued by
WILMAR INTERNATIONAL LIMITED
30 December 2024

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