



CAUTIONARY ANNOUNCEMENT

KENYA ORCHARDS LIMITED (Registration Number C. 9/48)

THE CAPITAL MARKETS ACT
Chapter 485A of the Laws of Kenya
Regulation 89 (6) of the Capital Markets (Public Offers, Listings and Disclosures) Regulations,
2023

PROPOSED ACQUISITION OF 10,863,537 ORDINARY SHARES OF KENYA ORCHARDS LIMITED BY AFRICA MEGA AGRICULTURE CENTRE LIMITED (CONSTITUTING 84.423% OF THE TOTAL ISSUED SHARE CAPITAL OF KENYA ORCHARDS LIMITED) BY WAY OF A PRIVATE TRANSACTION

Shareholders of Kenya Orchards Limited (“KOL”) are advised that KOL was on 14th June 2024 served with a notice of intention by Africa Mega Agriculture Centre Limited (“AMAC”) (“**Notice of Intention**”) to acquire up to **10,863,537** ordinary shares in KOL from the following shareholders of KOL by way of a private transaction (“**Transaction**”).

Name of Proposed Sellers	Number of Ordinary Shares	Percentage of total issued share capital of Kenya Orchards (%)
Westpac Holdings Limited	4,411,443	34.282%
Thakarshi Keshav Patel	4,324,324	33.606%
Vipul Thakarshi Patel	1,915,579	14.886%
Hansa Dinesh Chandra Shah	212,191	1.649%
TOTAL	10,863,537	84.423%

We understand that AMAC (a private limited company incorporated in Kenya) is an agribusiness company specialized in farming equipment leasing, agro-processing, storage solutions, co-farming, market facilitation among others. If the proposed Transaction is completed successfully, AMAC will control directly up to 84.423% of the issued share capital of KOL.

AMAC has stated in its Notice of Intention that it does not intend to make a take-over offer to acquire all the voting shares in KOL and that there is **NO** intention to delist KOL from the Nairobi Securities Exchange following completion of the Transaction. Accordingly, AMAC will apply to the Capital Markets Authority (CMA) for exemption from having to make a full takeover offer to acquire the entire issued capital of KOL. In its Notice of Intention, AMAC, a

strategic investor, notes that it plans to diversify KOL's business line in order to improve KOL's financial performance while leveraging on the strong household brand and long heritage of KOL.

The Transaction is subject to and conditional on:

- a) CMA granting the exemption sought pursuant to Regulation 5(1) of the Take-over Regulations;
- b) the satisfaction of the conditions contained in the Irrevocable Undertaking from the selling shareholders;
- c) Obtaining all requisite approvals from the board of directors and shareholders of KOL; and
- d) any other regulatory approvals that may be required to implement a transaction of this nature.

The Transaction, if concluded, may have a material effect on the price of the KOL securities. Accordingly, shareholders of KOL and the public are advised to exercise caution when dealing in KOL's shares on the Nairobi Securities Exchange. Further announcements will be made in accordance with regulatory requirements as and when there are any material developments.

By order of the Board.

Disclaimer: This announcement has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of the statements appearing in this announcement.