

ASX ANNOUNCEMENT

30 January 2024

SCHEME MEETING – CHAIR’S ADDRESS AND PRESENTATION

Costa Group Holdings Limited (ASX: CGC) (“Costa”) refers to the proposed acquisition by Paine Schwartz Partners, LLC, Driscoll’s, Inc and British Columbia Investment Management Corporation (together the “Consortium”) of all of the issued shares in Costa, other than the Costa Shares that the Consortium and its Associates do not already own,¹ by way of a scheme of arrangement between Costa and Costa Shareholders (other than Excluded Shareholders) (“Scheme”).²

In accordance with ASX Listing Rule 3.13.3, attached to this announcement are the following documents to be presented at Costa’s Scheme Meeting being held today at 10.00am (Melbourne time):

1. Chair’s address; and
2. Scheme Meeting presentation slides.

Costa Shareholders may attend, participate in and vote at the Scheme Meeting³ in person at Level 27, Collins Arch, 447 Collins Street, Melbourne, VIC 3000 or online via the Online Scheme Meeting Platform at <https://meetings.linkgroup.com/CGCSM24>.

Costa will announce the voting results of the Scheme Meeting on the ASX shortly after the conclusion of the Scheme Meeting.

This announcement was authorised for release by the Costa Board.

About Costa (ASX:CGC) - Costa is Australia’s leading grower, packer and marketer of fresh fruit & vegetables and operates principally in five core categories: berries, mushrooms, glasshouse tomatoes, citrus and avocados. Operations include approximately +7,200 planted hectares of farmland, 40 hectares of glasshouse facilities and three mushroom growing facilities across Australia. Costa also has strategic foreign interests, with majority owned joint ventures covering six blueberry farms in Morocco and five berry farms in China, covering approximately 750 planted hectares.

For further information contact: Michael Toby – Corporate Affairs Manager T: +613 8363 9071

¹ The Consortium will acquire shares in Costa via Chilli Buyer Pty Ltd (ACN 670 569 678), an entity to be controlled by the Consortium.

² Capitalised terms used but not defined in this announcement have the meaning given to those terms in the Scheme Booklet dated and released to the ASX on 11 December 2023.

³ Excluded Shareholders are not permitted to participate in and vote at the Scheme Meeting.

Introduction and welcome from Neil Chatfield, Chair, Costa Group Holdings Limited

Ladies and gentlemen, good morning and welcome to the Costa Group Holdings Limited Scheme Meeting. This meeting relates to the scheme of arrangement under which all of the issued shares in Costa are proposed to be acquired by Paine Schwartz Partners, LLC (who I will refer to during this meeting as **PSP**), Driscoll's, Inc and British Columbia Investment Management Corporation, other than the Costa Shares that these entities and their associates already own.

I'd like to begin by acknowledging the Traditional Owners of the land on which we meet today. I would also like to pay my respects to Elders past and present.

My name is Neil Chatfield, and I am the Chairman of Costa Group.

Before we start, could I please ask you to switch off your mobile phones. Thank you.

Please also note that the use of any recording devices during this meeting is not permitted.

Quorum

As mentioned, this morning we are holding a Scheme Meeting for Costa Group. As it is now 10.00am and we have a quorum, I declare the meeting open.

We are conducting a hybrid meeting today, which is a combined in person and virtual meeting. Shareholders and their representatives or proxyholders online will be able to participate in the meeting in real time including by voting and asking questions.

An online virtual meeting guide which explains how Costa Shareholders may participate virtually is on the Costa website and was previously released to the market.

For those of you online, on your screen you will see the presentation slides next to the live webcast of this meeting. At the bottom of the screen, you will see two boxes, these allow you to "get a voting card" and "ask a question". You will also see a number of relevant documents that are available to download.

The Notice of Scheme Meeting and Scheme Booklet which also contains the Independent Expert's Report have been circulated. I will take those documents as read.

Introduction to Costa Board and key management personnel

I now wish to introduce the Costa Directors and our key management personnel.

To my left are our Interim Chief Executive Officer and director, Harry Debney and directors Peter Margin, Janette Kendall, Tim Goldsmith and Dr Jane Wilson AO.

Also, at the front here is our Company Secretary, David Thomas, together with our Chief Financial Officer Wayne Johnston and Deputy Chief Executive Officer, Marc Werner.

For personal use only

Costa Group Scheme meeting – 30 January 2024

Procedural matters

Today's meeting will commence with an address from me, and we will then proceed to the vote on the Scheme Resolution, where there will be an opportunity to ask questions.

Before I commence my address, I will set out the details of the meeting and its operation.

How to vote

Voting on today's resolution will be by poll, with votes lodged in person here in the meeting and online. On that basis I now declare the poll open.

Following discussion on the resolution, proxy and direct votes which have been cast on the resolution will be displayed on the screen.

Only eligible shareholders, a representative or attorney for an eligible security holder, or a proxy for an eligible shareholder, are entitled to vote. As outlined in the Scheme Booklet, Excluded Shareholders will not vote on, nor participate in, the Scheme.

Any directed proxies that are not voted will automatically default to me, as Chair of the meeting, and I am required to vote these proxies as directed. Any proxies that are open and available to the Chair of the meeting will be voted in favour of the resolution.

Those voting today in person need to have obtained their voting card available to you when you registered. Shareholders or proxies in the room with Yellow voting cards or Blue non-voting cards are welcome to ask questions.

If you have difficulty completing your voting card, please raise your hand and a representative from Link will assist you.

How to ask a question

The Notice of Scheme Meeting and Link's Scheme Meeting Online Guide (both of which are attached to the Scheme Booklet), provided shareholders with information on how to participate, ask questions and vote at this Scheme Meeting. For those of you in attendance, if you have a question, please just raise your hand and address all questions through me as Chair. For those attending online, questions can be submitted through the Online Scheme Meeting Platform at any time from now until voting on the Scheme Resolution closes. To ask a question, click on the "Ask a Question" button on the webpage and once you have typed your question, please remember to click the "Submit Question" button.

Please note that questions may be moderated to avoid repetition and, if questions are particularly lengthy, we may need to summarise them in the interests of time.

Depending on the question asked, I will either ask it myself or ask another member of the Costa Board or key management present to respond, as appropriate. I may take questions on notice, if necessary.

I encourage you to submit your questions as soon as you can.

Purpose of this Scheme Meeting

Fellow shareholders, today we are meeting to decide whether the proposed acquisition of Costa Group Holdings Limited by PSP, British Columbia Investment Management Corporation and Driscoll's Inc, otherwise known as the Consortium, through a scheme of arrangement, is agreed to, and approved.

Before I speak about the Scheme, including the reasons for voting for and against the Scheme, and the Board's position and recommendation. It is appropriate to note that Costa is a company with a long and successful history. It has grown from being family owned and operated, to a truly international, and world leading agricultural business, where our agronomic expertise and innovation are widely acknowledged as being the best in class.

It is our workforce who have been fundamentally responsible for this, and they deserve enormous credit and acknowledgement. I have spoken many times before about the unmatched passion and dedication that our people have for the work they do.

They deal with the positives and negatives that accompany the growing of fresh produce in equal measure and do so with a professionalism that is focused continuously on innovation, both in terms of new product development, growing techniques, including protected cropping, and supply chain efficiencies and quality, so as to ensure optimal product return and consumer satisfaction.

I want to sincerely thank all of our people throughout the organisation for their commitment to Costa and their ongoing efforts.

Overview of the Scheme

Moving to the details of the Scheme.

The proposed scheme of arrangement is outlined in detail in the Scheme Booklet that was distributed to Shareholders on 13 December 2023, in accordance with the orders of the Federal Court of Australia issued on 8 December 2023.

If the Scheme proceeds, each Costa Shareholder (other than the Excluded Shareholders, as defined in Section 8 of the Scheme Booklet but primarily comprising of Consortium members or their associates who currently hold Costa Shares), is entitled to the Scheme Consideration of \$3.20 per Costa Share, less the cash amount per Costa Share of any dividend declared or determined by the Costa Board, whether fully franked or otherwise, and paid by Costa to Costa Shareholders after 22 September 2023 and prior to the implementation of the Scheme.

It should be noted the Costa Board has determined that Costa will not pay such a dividend to Costa Shareholders in respect of the financial half year which ended on 2 July 2023.

The Scheme Consideration values Costa's equity at approximately \$1,496 million, and an enterprise value of approximately \$2,459 million¹, based on the number of Costa shares and rights over Costa shares currently on issue and as set out in more detail in the Scheme Booklet. The offer of \$3.20 per Costa Share, represents a price for each Costa Share that is:

Costa Group Scheme meeting – 30 January 2024

- 43% higher than the closing share price on 25 October 2022 of \$2.23 per Costa Share, which represents the last closing share price prior to PSP acquiring a 13.78% Relevant Interest in Costa;
- 23% higher than the price of \$2.60 per Costa Share, the price at which PSP acquired a 13.78% Relevant Interest in Costa on 25 October 2022;
- 18% higher than the closing share price on the day immediately prior to market speculation around a possible change of control proposal, being 30 June 2023, of \$2.72 per Costa Share; and
- 25% higher than the 3-month Volume Weighted Average Price to the closing share price on 30 June 2023 of \$2.57 per Costa Share.

Reasons why you might vote for or against the Scheme

The Costa Board has identified various reasons why Costa Shareholders may want to vote in favour of the Scheme and various reasons why they may want to vote against the Scheme.

These are set out in detail in the Scheme Booklet, and are also displayed on the current slide.

The reasons to vote for the Scheme include:

- The Costa Directors unanimously recommend that Costa Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Costa Shareholders (other than Excluded Shareholders) – noting that no Superior Proposal has been received by Costa since Costa announced that it had entered into a scheme implementation agreement with the Consortium, and the Costa Board is not aware of any Superior Proposal that is likely to emerge;
- As already noted, the Scheme Consideration represents an attractive premium relative to recent historical trading prices of Costa Shares prior to the after-market stake accumulation by PSP on 25 October 2022 as well as trading prior to announcement of PSP's initial proposal;
- The all cash consideration provides Costa Shareholders certainty in an uncertain operating environment at an attractive premium by delivering 100% cash proceeds to Costa Shareholders;
- Implementation of the Scheme would mean that Costa Shareholders would no longer be exposed to the current and future risks relating to the ongoing execution of Costa's business growth plan;
- The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Costa Shareholders (other than Excluded Shareholders), in the absence of a Superior Proposal;
- No Superior Proposal has emerged as at the date of this meeting;

For personal use only

Costa Group Scheme meeting – 30 January 2024

- If the Scheme is voted down and does not proceed, in response the Costa Share price may fall, perhaps materially; and
- Brokerage charges and stamp duty will not be imposed on Costa Shareholders in respect of the transfer of Costa Shares under the Scheme.

The reasons to vote against the Scheme include:

- After considering the Independent Expert's Report and the reasons given by your Directors in favour of the Scheme, you may disagree with the Independent Expert and your Directors, and believe that the Scheme is not in the best interests of Costa Shareholders (other than Excluded Shareholders);
- If the Scheme proceeds you will no longer be a Costa Shareholder and you will not participate in any potential upside that may result from being a Costa Shareholder;
- You may believe it is in your best interests to maintain your current investment and risk profile;
- The tax consequences of transferring your Costa Shares pursuant to the Scheme may not be optimal for your financial position; and
- You may consider that there is potential for a Competing Transaction to be announced that the Costa Board believes is, or has the potential to become, a Superior Proposal (noting that no Superior Proposal has been received as of this Scheme Meeting).

The Scheme Booklet contains further information, including details regarding both the risks associated with the Scheme and a continued investment in Costa.

I also think it is appropriate to recognise the undoubted experience and commitment each member of the Consortium has with respect to investing in agriculture and especially fresh produce. PSP have a long and established record investing in the agricultural and the food supply chain, which includes Costa.

Over the past few decades, they have invested \$5.7 billion in food and agriculture. This includes not only companies that grow produce, such as Monterey Mushrooms, but also ag tech companies, such as Agro Fresh, which is a global leader in providing pre and post-harvest solutions, technologies and services to enhance the quality and extend the shelf life of fresh produce.

Driscoll's are of course well known to Costa and been long-standing joint venture partners here in Australia and in China. Driscoll's are a leading global breeder and marketer of fresh berries. They would bring considerable knowledge and resources to the business, and the capability to potentially further the expansion of Costa's global footprint.

Finally, British Columbia Investment Management Corporation is a major global institutional investor, with \$233.0 billion in gross assets under management. Their investment in agricultural assets includes an ownership stake in Viterra and mushroom and citrus businesses.

The Consortium undoubtedly sees the value of the Costa business, and this highlights how positively our company is viewed in the global agricultural investment markets.

Independent Expert's conclusion

The Costa Board appointed Kroll Australia as the Independent Expert to assess the merits of the Scheme. The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Costa Shareholders (other than Excluded Shareholders), in the absence of a Superior Proposal.

The Independent Expert has assessed the value of a Costa Share on a 100% controlling interest basis to be in the range of \$2.62 to \$3.28. The total amount Costa Shareholders will receive of \$3.20 per Costa Share falls within the upper end of this range.

The Independent Expert's full commentary in relation to the Scheme is contained in the Independent Expert's Report which is included in Annexure A of the Scheme Booklet.

Costa Board recommendation

Fellow shareholders, in conclusion, given the reasons I have stated, the Costa Board considers that the reasons to vote in favour of the Scheme outweigh reasons to vote against the Scheme, and that the Scheme has the potential to realise greater benefits to Costa Shareholders than any other alternative currently available, including Costa continuing as a standalone entity.

As at the time of this meeting, no Superior Proposal has emerged and the Costa Directors are not aware of any Superior Proposal that is likely to emerge.

Each Costa Director who holds or controls Costa shares has voted in favour or has given instructions to the relevant holder of the shares to vote in favour, of the Scheme and as noted I along with my fellow Directors unanimously recommend that shareholders vote in favour of the Scheme.

In making our recommendation, the Costa Board considered an extensive range of issues and have had regard to our overarching responsibility to act in the best interests of all Costa Shareholders.

Status of conditions precedent

The Consortium has received approval from the competition regulators in the EU and China in connection with the Scheme.

The implementation of the Scheme remains primarily subject to the following conditions precedent:

- approval of the Scheme Resolution by Costa Shareholders at the Scheme Meeting by the requisite majorities – which will be determined today;
- receipt of FIRB approval, which is currently expected to be received by 6 February 2024; and
- approval of the Scheme by the Federal Court of Australia at the second Court hearing, scheduled for 9:30am (Australian Eastern Daylight Time) on 7 February 2024.

The Scheme is also subject to other customary conditions precedent, which are described in detail in the Scheme Booklet, noting that the Scheme is not subject to any financing or due diligence conditions.

Costa Group Scheme meeting – 30 January 2024

The Consortium has advised us that FIRB approval is expected to be received by 6 February 2024 which is prior to the Second Court hearing date, in which case we would not require any changes to the current timetable.

As at the time of today's meeting, the Costa Directors are not aware of any circumstances which would cause any of the outstanding conditions not to be satisfied (or waived, if applicable).

Implementation timetable

If the Scheme is approved by Costa Shareholders today, the key events and the expected timing in relation to the approval and implementation of the Scheme are set out in the timetable shown on the screen.

The second Court hearing for approval of the Scheme is currently scheduled for Wednesday 7 February 2024. If the Scheme is approved by the Federal Court, the Effective Date and the last trading day in Costa Shares on the ASX is expected to be Thursday, 8 February 2024.

If the Scheme is approved, it is then expected to be implemented on Monday 26 February 2024, and it is on this date that the Scheme Consideration being \$3.20 cash per Costa Share will be provided to eligible Costa Shareholders in respect of shares held on the record date for the Scheme, which is expected to be 7.00pm (AEDT) on Monday, 12 February 2024.

These dates are subject to the satisfaction of the outstanding conditions precedent and the Scheme becoming legally effective. For example, if FIRB approval is delayed beyond 6 February 2024, the second Court hearing would need to be rescheduled and this would have a consequential impact on the rest of the timetable. Any changes to the dates or times in the current timetable will be announced to the ASX and on the Costa investor website (<https://investors.costagroup.com.au/investor-centre/>).

If the outstanding conditions precedent including Shareholder and Court approval are not satisfied, the Scheme will not proceed and Costa Group Holdings Limited will continue as a standalone entity listed on the ASX.

Scheme Resolution

We will now move to the formal business of this meeting.

We have one item of business to be considered today, namely the following resolution, as set out in the Notice of Scheme Meeting included in the Scheme Booklet:

“That, in accordance with the provisions of section 411 of the Corporations Act 2001:

- A) the arrangement proposed between Costa and the holders of its ordinary shares, as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this Scheme Meeting, is agreed to; and*

- B) the directors of Costa are authorised to agree such alterations or conditions as are thought fit by the court and, subject to approval of the Scheme by the court, the board of directors of Costa is authorised to implement the scheme with any such modifications of conditions.”*

Costa Group Scheme meeting – 30 January 2024

For the Scheme to proceed, votes “in favour of” the Scheme Resolution must be received from a Requisite Majority of Costa Shareholders, other than Excluded Shareholders. As explained in the Scheme Booklet, a Requisite Majority for the Scheme Resolution is:

- a majority in number of Costa Shareholders (other than Excluded Shareholders), who are present and voting either in person or by proxy, attorney or, in the case of corporate shareholders, by corporate representative; and
- at least 75% of the total number of votes cast on the resolution to approve the Scheme by Costa Shareholders (other than Excluded Shareholders), who are present and voting either in person or by proxy, attorney or, in the case of corporate shareholders, by corporate representative.

Voting on the Scheme Resolution

I will now display the proxies and direct votes for the resolution received prior to the meeting which are shown on the slide displayed.

- *189,796,774 votes in favour from 1,266 Shareholders;*
- *797,315 undirected/open votes from 145 Shareholders, noting I will vote undirected proxies given to myself as Chair in favour of the resolution; and*
- *2,936,730 votes against from 411 Shareholders.*

Ladies and gentlemen, that concludes the resolution and the business of the Scheme meeting. Costa Shareholders and proxy holders will have five more minutes to submit their votes via the online platform. Please note that a countdown timer will appear at the top of the online platform, before the poll closes.

The results of the poll will be announced to the ASX and published on our website www.costagroup.com.au once the votes have been counted and checked.

Closure of the Scheme Meeting

I thank you for your attendance and to those who participated virtually.

On behalf of the Board, I want to thank all present and past Costa Shareholders who more than anything else, have shown a willingness and commitment to invest in Australian agriculture.

I now declare the Scheme Meeting of Costa Group Holdings Limited closed.

END.

For personal use only

For personal use only

Costa Group Holdings Ltd (ASX:CGC)

Court Ordered Scheme Meeting

30 January 2024



Important notice and disclaimer

Information The information in this presentation about Costa Group Holdings Limited (Company) and its activities is current as at 30 January 2024. No representation or warranty is made as to the accuracy, completeness or reliability of the information. No responsibility, warranty or liability is accepted by the Company, its officers, employees, agents or contractors for any errors, misstatements in or omissions from this presentation.

Summary form This presentation contains information in a summary form only and does not purport to be complete. It should be read in conjunction with the Scheme Booklet. Any information or opinions expressed in this presentation are subject to change without notice and the Company is not under any obligation to update or keep current the information contained within this presentation.

Not investment advice This presentation is not intended and should not be considered to be the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisers. The information provided has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Each party to whom this presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

No offer of securities This presentation is for information purposes only and nothing in this presentation constitutes or should be construed as either an offer to sell or a solicitation of an offer to buy or sell the securities of the Company in any jurisdiction. This presentation is not a prospectus, product disclosure statement or other offering document under Australian law or any other law. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which the recipient may require in evaluating any potential investment. The information in this presentation is not intended to be relied upon as, and is not to be taken as constituting, the giving of, financial product, legal, accounting, regulatory, tax or other advice to investors or potential investors and does not take into account your financial objectives, situation or needs. Investors should consult with their own legal, tax, business and/or financial advisors in connection with any investment decision.

Historical information Any past performance information contained in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Forward looking statements This presentation may include "forward-looking statements". These forward looking statements have been made based on the Company's expectations and beliefs concerning future developments and their potential effect upon the Company and are subject to risks and uncertainty which are, in many instances, beyond Costa's control. No assurance is given that future developments will be in accordance with the Company's expectations. Actual results may differ materially from those expected by the Company.

Dollar amounts In this presentation, unless otherwise stated or the context otherwise requires, reference to 'dollar amounts', '\$', 'AUD' or 'A\$' are to Australian dollars.

No liability No representation, guarantee or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of any statements, estimates, forecasts, opinions or other information contained in this presentation or the process by which it was prepared. To the maximum extent permitted by law, neither the Company nor its related bodies corporate, directors, employees or agents nor any other person, accepts any liability or responsibility (including without limitation any liability arising from fault or negligence) for any direct, indirect or consequential loss arising from the use of this presentation or its contents or otherwise arising in connection with it, or damage which may be suffered through use or reliance on anything contained in or omitted from this presentation.

Costa Group Holdings Limited



For personal use only



Agenda

For personal use only

No.	Topic	Page
1	Introduction and Welcome	4
2	Procedural matters	6
3	Scheme overview	8
4	Scheme vote	14
5	Questions	16
6	Voting on the Scheme Resolution	17

Costa Group Holdings Limited





For personal use only

Introduction and Welcome



Introduction

Board of Directors



Neil Chatfield
Chairman &
Non-Executive Director



Harry Debney
Interim CEO
Director



Tim Goldsmith
Independent
Non-Executive Director



Janette Kendall
Independent
Non-Executive
Director



Peter Margin
Independent
Non-Executive
Director



Dr Jane Wilson AO
Independent
Non-Executive
Director

Key Management personnel



Marc Werner
Deputy CEO



Wayne Johnston
Chief Financial Officer



David Thomas
General Counsel and
Company Secretary

Costa Group Holdings Limited



For personal use only



For personal use only

Procedural matters



Procedural matters

How to vote

In person

- On the reverse of your yellow attendance card is your voting paper and instructions. You can record your vote by marking the box either For, Against or Abstain.

Online

- Click on the 'Get a Voting Card' button, to register to vote.
- When the poll is open, click on the Voting Card and then open the Full Vote tab (or the Partial Vote tab, if you only want to submit a partial vote).
- To vote, select either For, Against or Abstain, then hit "Submit Vote".
- To change or cancel your vote click on the "Edit Card" button and resubmit your amended vote at any time until the poll is closed.

How to ask a question

In person

- For those holding blue or yellow attendance cards, to ask a question in the room please raise your hand to be called on when the Chair calls for questions.

Online

- To ask a written question on-line, select the Ask a Question button:
 - Type your question in the text box and hit the "Submit" button.
 - You are encouraged to submit your questions early.

For personal use only



For personal use only

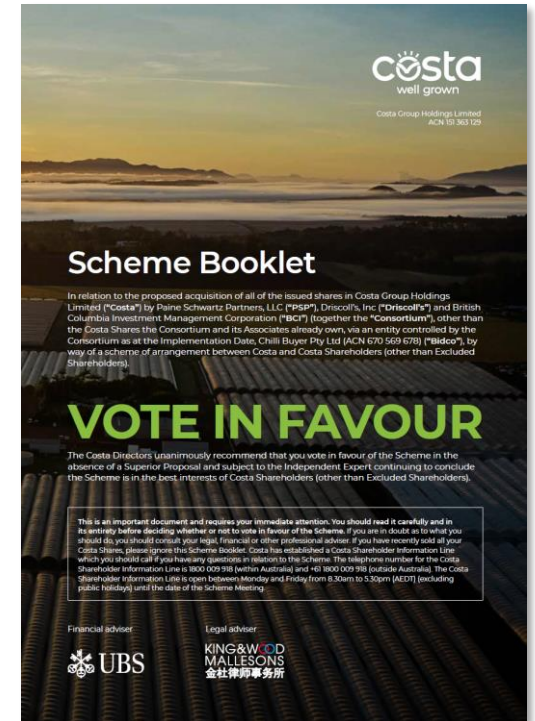
Scheme overview



Overview of the Scheme

Overview¹

- On 22 September 2023, Costa announced it had entered into a Scheme Implementation Agreement with Bidco, an entity controlled by the Consortium as at the Implementation Date, under which Bidco has agreed to acquire all of the issued shares in Costa, that the Consortium and its Associates do not already own, at a price of \$3.20 per Costa Share by way of a scheme of arrangement under Part 5.1 of the Corporations Act.
- If the Scheme proceeds, each Costa Shareholder (other than the Excluded Shareholders) is entitled to the Scheme Consideration of \$3.20 per Costa Share, less the cash amount per Costa Share of any dividend declared or determined by the Costa Board, whether fully franked or otherwise and paid by Costa to Costa Shareholders after 22 September 2023 and prior to the implementation of the Scheme.
- It should be noted the Costa Board has determined that Costa will not pay such a dividend to Costa Shareholders in respect of the financial half year which ended on 2 July 2023.
- The Scheme Consideration values Costa's equity at approximately \$1,496 million², and an enterprise value of approximately \$2,459 million³, and based on the offer of \$3.20 per Costa Share, represents a price for each Costa Share that is:
 - 43% higher than the closing share price on 25 October 2022 of \$2.23 per Costa Share, which represents the last closing share price prior to PSP acquiring a 13.78% Relevant Interest in Costa;
 - 23% higher than the price of \$2.60 per Costa Share, the price at which PSP acquired a 13.78% Relevant Interest in Costa on 25 October 2022;
 - 18% higher than the closing share price on 30 June 2023⁴ of \$2.72 per Costa Share; and
 - 25% higher than the 3-month volume weighted average price of a Costa Share to the closing share price on 30 June 2023 of \$2.57 per Costa Share.



1. This is a summary of information from the Scheme Booklet. Please refer to page 2.
 2. Calculated based on 464,709,793 fully paid ordinary shares and 2,635,206 options or rights to subscribe for Costa Shares currently on issue (50,000 of which are options to subscribe for C Class shares in the capital of Costa under the IPO Share Option Plan. Once issued, these C Class shares immediately convert to Costa Shares).
 3. Calculated based on 2 July 2023 net debt of \$350.1 million, lease liabilities of \$582.9 million, equity accounted investments of \$34.8 million and non-controlling interests of \$65.5 million.
 4. Being the closing price on the day immediately prior to market speculation around a possible change of control proposal.

Costa Group Holdings Limited



For personal use only



Reasons why you might vote for or against the Scheme¹

For personal use only

Reasons to vote for the scheme

- ✓ The Costa Directors unanimously recommend that Costa Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Costa Shareholders (other than Excluded Shareholders).
- ✓ The Scheme Consideration represents an attractive premium relative to recent historical trading prices of Costa Shares prior to the after-market stake accumulation by PSP on 25 October 2022 as well as trading prior to the announcement of PSP's initial proposal.
- ✓ The all cash consideration provides Costa Shareholders certainty in an uncertain operating environment at an attractive premium by delivering cash proceeds to Costa Shareholders.
- ✓ Implementation of the Scheme would mean that Costa Shareholders would no longer be exposed to the current and future risks relating to the ongoing execution of Costa's business growth plan.
- ✓ The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Costa Shareholders (other than Excluded Shareholders), in the absence of a Superior Proposal.
- ✓ No Superior Proposal has emerged as at the date of this Scheme Booklet.
- ✓ If the Scheme is voted down and does not proceed, in response the Costa Share price may fall, perhaps materially.
- ✓ Brokerage charges and stamp duty will not be imposed on Costa Shareholders in respect of the transfer of Costa Shares under the Scheme.

Reasons to vote against the scheme

- ✗ After considering the Independent Expert's Report and the reasons given by your Directors in favour of the Scheme, you may disagree with the Independent Expert and your Directors and believe that the Scheme is not in the best interests of Costa Shareholders (other than Excluded Shareholders).
- ✗ If the Scheme proceeds you will no longer be a Costa Shareholder and you will not participate in any potential upside that may result from being a Costa Shareholder.
- ✗ You may believe it is in your best interests to maintain your current investment and risk profile.
- ✗ The tax consequences of transferring your Costa Shares pursuant to the Scheme may not be optimal for your financial position.
- ✗ You may consider that there is potential for a Competing Transaction to be announced that the Costa Board believes is, or has the potential to become, a Superior Proposal (noting that no Superior Proposal has been received as of this Scheme Meeting).

1. This is a summary of information from the Scheme Booklet. Please refer to page 2.

Costa Group Holdings Limited



Independent Expert conclusion and Costa Board recommendation¹



Independent Experts conclusion

- Costa appointed Kroll Australia as the Independent Expert to assess the merits of the Scheme.
- The Independent Expert has **concluded that the Scheme is fair and reasonable and in the best interests of Costa Shareholders** (other than Excluded Shareholders), in the absence of a Superior Proposal.
- The Independent Expert has assessed the value of a Costa Share on a 100% controlling interest basis to be in the range of \$2.62 to \$3.28, and the Scheme Consideration price falls within the upper end of the Independent Expert's range.

Costa Board recommendation

- Your Directors consider that the Scheme is in the best interests of Costa Shareholders (other than Excluded Shareholders) **and unanimously recommend that you vote in favour of the Scheme**, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Costa Shareholders (other than Excluded Shareholders).
- Subject to the same qualifications, each Costa Director who holds or controls Costa Shares has voted or intends to vote in favour of the Scheme.
- No Superior Proposal has emerged, and the Costa Directors are not aware of any Superior Proposal that is likely to emerge.

1. This is a summary of information from the Scheme Booklet. Please refer to page 2.

Costa Group Holdings Limited



Driscoll's
Only the Finest Berries™



lady fingers



Perino





Status of the Conditions Precedent

Implementation of the Scheme remains primarily subject to the following conditions precedent:

- Approval of the Scheme Resolution by Costa Shareholders at the Scheme Meeting by the requisite majorities – determined today.
- Receipt of FIRB approval – the Consortium has advised us that FIRB approval is expected to be received by 6 February 2024.
- Approval of the Scheme by the Federal Court of Australia at the second Court hearing, scheduled for 9:30am (AEDT) on 7 February 2024.¹
- Other customary conditions precedent, as described in detail in the Scheme Booklet.²

Other than the receipt of FIRB approval, all regulatory conditions have been satisfied (including approval from the Chinese State Administration for Market Regulation and the European Commission)³

1. If the FIRB approval condition has not been satisfied before the Second Court Hearing, Costa intends to approach the Court and request that the Second Court Hearing be postponed or adjourned, with consequential changes to the following dates in the Scheme timetable.

2. See section 7.11(b) of the Scheme Booklet for further details of the conditions precedent.

3. The Scheme Implementation Agreement also includes a Moroccan regulatory approval Condition Precedent. However, as at the date of the Scheme Booklet, neither Costa nor the Consortium Members (either separately or cumulatively, as applicable) meet the trigger for the filing requirement and it is anticipated that they will remain under the relevant threshold, as the analysis relates to revenues in the last financial year. In these circumstances, the relevant Condition Precedent in the Scheme Implementation Agreement will not apply.

Costa Group Holdings Limited



For personal use only



Implementation timetable

Expected time and date (AEDT)	Event
10.00am on 30 January 2024	Scheme Meeting for Costa Shareholders to vote on the Scheme
9.30am on 7 February 2024	Second Court Hearing for approval of the Scheme
8 February 2024	Court order is lodged with ASIC and Scheme takes effect Last day of trading in Costa Shares
Close of trading on 8 February 2024	Suspension of Costa Shares from trading on the ASX
7.00pm on 12 February 2024	Scheme Record Date for determining entitlement to receive Scheme Consideration
26 February 2024	Implementation of the Scheme Payment of the Scheme Consideration

Notes: If the FIRB condition has not been satisfied before the second Court hearing, Costa intends to approach the Court and request that the second Court hearing be postponed or adjourned to a day and time acceptable to Costa and the Consortium (subject to the availability of the Court), with consequential changes to the following dates in the timetable. All times and dates in the above timetable are subject to change. Certain times and dates are conditional on the conditions precedent to the Scheme, including approval of the Scheme by Costa Shareholders and by the Court, being satisfied or waived (as applicable). If the outstanding conditions are not satisfied, the Scheme will not proceed. Any changes to the above timetable will be announced by Costa to the ASX.

Costa Group Holdings Limited



For personal use only



For personal use only

Scheme vote



Scheme Resolution

To consider and, if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

“That, in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth):

- a) the arrangement proposed between Costa and the holders of its ordinary shares, as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this meeting, is agreed to; and***
- b) the directors of Costa are authorised to agree to such alterations or conditions as are thought fit by the Court and, subject to approval of the Scheme by the Court, the board of directors of Costa is authorised to implement the Scheme with any such modifications or conditions.”***

Costa Group Holdings Limited



Driscoll's
Only the Finest Berries™



lady fingers



Perino



For personal use only



For personal use only

Questions



For personal use only

Voting on the Scheme Resolution



Proxy results

For personal use only

Vote Direction	Number of proxy or direct votes cast	% of proxy or direct votes cast	Number of Costa Shareholders casting proxy or direct votes	% of Costa Shareholders casting proxy or direct votes
IN FAVOUR	189,796,774	98.07%	1,266	69.48%
OPEN¹	797,315	0.41%	145	7.96%
AGAINST	2,936,730	1.52%	411	22.56%
TOTAL²	193,530,819	100.00%	1,822	100.00%
ABSTAIN³	281,652	-	18	-
Requisite majorities for Scheme Resolution to be passed	At least 75%		More than 50%	

1. Open proxies in favour of the Chair will be voted in favour of the resolution.

2. Valid votes as at proxy lodgement deadline (as stated in the Scheme Booklet, Notice of Scheme Meeting and Proxy and Voting Form).

3. These proxy votes will not be counted in determining whether the Scheme Resolution has been passed by the Requisite Majority.

* These figures have been rounded to two decimal places. As a result, the stated totals may not add up to one hundred percent.

Costa Group Holdings Limited





Closure of Scheme meeting

For personal use only

For personal use only



Costa Group Holdings Limited