



NEWS RELEASE

WILMAR TO ACQUIRE STRATEGIC STAKE IN SHREE RENUKA SUGARS LIMITED

Mumbai, February 20 2014 –

Shree Renuka Sugars Limited (“SRS” or “the Company”) wishes to announce that it has entered into an agreement with Wilmar International Limited (“Wilmar”), through its 100% subsidiary Wilmar Sugar Holdings (“WSH”), to facilitate the investment of approximately US \$200 million in primary capital into SRS.

This would be done in two steps. The first step would involve an investment of upto Rs 5,170 million by WSH in SRS through a preferential allotment of upto 257.5 million shares of fresh equity to WSH at a price of Rs 20.08 per share. After this preferential issue, the Existing Promoters and WSH would hold 27.5% of SRS’ expanded equity share capital. As per SEBI guidelines, there will also be an open offer by WSH and the Existing Promoters for up to 26% of the expanded equity share capital of the company SRS at a price of Rs 21.89 per share. The second step would involve Wilmar and the Existing Promoters of SRS jointly participating in a Rights Issue to raise upto a further Rs 7,254 million of primary equity capital for SRS.

Under a joint venture agreement signed between the Existing Promoters, WSH and the Company, SRS would be jointly controlled by the Existing Promoters and Wilmar, with both parties holding equal shareholding and board representation in SRS. The Existing Promoters will continue with the management of the Company with Wilmar being actively involved in strategic decisions. The investment is subject to approval of shareholders of SRS, anti-trust clearances in India and Brazil and such other statutory clearances as may be deemed necessary.

The proceeds of this investment/fund-raising would be used to pay down existing debt of SRS in India. As a strategic shareholder, WSH’s shareholding in SRS and the capital infusion will strengthen the Company’s financial and business position and also provide a further platform for growth. Wilmar’s global reach and strong



presence in key sugar producing countries is complementary to Shree Renuka's business.

Motilal Oswal Investment Advisors acted as the strategic and financial advisor to SRS, while Crawford Bayley & Co., AZB & Partners and Veirano e Advogados Associados, Brazil acted as legal advisors. Standard Chartered Bank acted as financial advisor and would be the Manager to the Open Offer.

Company Profile

Shree Renuka Sugars is a global sugar producer / refiner with a strategic portfolio of sugar assets across India, including port-based refining assets, sugar mills in productive cane growing regions and diversified revenue streams from ethanol and electricity co-generation. Additionally in Brazil, SRS has well located and best-in-class sugar, ethanol, cogeneration, port and logistics assets.

The Company operates eleven mills globally with a total crushing capacity of 20.7 million tonnes per annum and two port-based sugar refineries with sugar production capacity of 1.7 million tons per year. Shree Renuka Sugars has high level of integration in its mills with total cogeneration capacity of 584 MW and ethanol production capacity of 4,160 kilolitres per day.

Narendra Murkumbi, Vice-Chairman and Managing Director of SRS said, "This is a path-breaking move in the sugar business which would create a very strong partnership in some of the key global markets for sugar. Wilmar's leadership position in the edible oil business globally and its strong reach in several countries across the world would be synergistic with our large footprint in India and Brazil, the two largest sugar producers in the world. Wilmar's trading expertise, strong financial strength and history of entrepreneurial growth makes it an ideal partner."

Kuok Khoon Hong, Chairman and CEO of Wilmar said, "We are very pleased to be partnering with Mrs. Vidya Murkumbi and Mr. Narendra Murkumbi. India is a very important market for Wilmar. Besides the benefit for our sugar business, this venture will complement the development of our edible oils and other businesses in India."



Jean-Luc Bohbot, Managing Director of Wilmar Sugar and Group Sugar Head at Wilmar said, “Shree Renuka Sugar, with their two well-located refineries, large storage capacity and competitive milling operations in India, good mills and logistics assets in Brazil, fits perfectly with Wilmar Sugar’s existing global footprint and provides us with a unique opportunity to participate in the Indian sugar industry. Their unique expertise will be of great value to our partnership.”

About Wilmar

Wilmar International Limited, founded in 1991 and headquartered in Singapore, is today Asia’s leading agribusiness group. Wilmar is ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange and has a market capitalization of about USD 17 billion and Revenues of USD 44.1 billion, with profit of USD 1.3 billion in FY 2013.

Wilmar’s business activities include oil palm cultivation, oilseeds crushing, edible oils refining, sugar milling and refining, specialty fats, oleochemicals, biodiesel and fertilisers manufacturing and grains processing. The Group is backed by a multinational workforce of about 93,000 people.

Wilmar’s sugar investments include assets in Australia, New Zealand and Indonesia with 17 million MT cane crushing capacity and 1.9 million MT refining capacity. It also has a 27.5% controlling interest in Cosumar in Morocco with refining capacity of 1.0 million MT.

Wilmar is Australia’s largest cane milling company. With an annual milling capacity of about 17 million MT, Wilmar produces about 2 million MT of raw sugar. Wilmar’s sugar refining business operates five refineries across Australia, New Zealand and Indonesia, with a combined annual production capacity of almost 2 million MT of sugar per year. In Indonesia, Wilmar is one of the largest players in the sugar industry with two refineries having combined capacity of 1.1 million tons of sugar per year.

Bloomberg Symbol - SHRS : IN, Reuters Symbol – SRES.BO, SRES.NS