
Growers Supplies (SA) Pty Ltd to merge with Delta Agribusiness

Dear Customer,

We are very pleased to announce that Charmaine, Shane, and I have agreed to merge our business with fellow independent Delta Agribusiness (Delta), **effective April 1, 2023**.

The merging of Delta and Growers Supplies (SA) Pty Ltd (GS) allows us to combine our business with a culturally aligned independent, that will provide additional financial, systems and procurement resources to take our businesses forward in a rapidly consolidating market.

By joining forces with Delta, we will have access to a higher level of capital, as well as, their larger national purchasing power that we believe will only increase our support, commitment and value to you, our customers.

Through this transaction it's very important to note that we are retaining significant ownership equity. As a part of the transaction consideration, we are reinvesting a significant amount into the broader Delta business. As such, we are retaining plenty of "skin in the game". This ensures our ongoing passion and commitment to our customers and our staff.

Importantly, following the merger we will continue to manage and operate the business in the same way we currently do, and the same friendly and reliable faces will continue in the branch network. Both GS and Delta are privately owned and independent businesses. We see this as very important as it aligns with the way we operate our business and our desire to ensure that the much larger listed and foreign owned corporates have strong and capable competitors that are investing in and competing in regional Australia.

Delta Agribusiness is a company we see as the ideal fit to take our business to its next stage of growth. Additionally, the Delta shareholder model allows our GS team to invest in the merged business if they choose to. This is a great opportunity for our highly valued team to be able to become a shareholder and share in the success of the overall business. The increased scale of the combined businesses provides further career opportunities for our team, and we believe will only build on the positive outcomes that we strive to deliver to our clients"

About Delta Agribusiness

Originating in Southern NSW in 2006, Delta has grown strongly over the past 16 and a half years to become a major and highly respected independent supplier of farm inputs, agronomy, and advisory services, technology solutions, as well as, grain marketing, livestock and property, and seasonal finance solutions to its customers across Australia.

Delta pre-merger operates out of 61 company owned locations and has 40 independent wholesale customers across WA.

Delta has a very strong footprint and presence in NSW/Southern Qld, Vic, Western Australian, and South Australia, after the recent mergers with Cox Rural in July last year and most recently the announcement of a merger completing in February 2023 with EP AGnFERT, at Kimba on the Eyre

Peninsula. These developments continue Delta's ongoing strategy to create a balanced national independent agribusiness to deliver enhanced long-term diversity and sustainability.

Delta is privately owned by 120 shareholders, most of whom work in the business, and it employs around 385 people. The Delta business is built on a foundation of providing its clients with independent and experienced agronomy and advisory services with an overarching focus on adding tangible value to its client's businesses. Delta Ag is passionate about sustainable agriculture at all levels, and is highly committed to investing in the rural communities that it operates in.

To understand the company more thoroughly, we invite you to visit the website www.deltaag.com.au

Gerard Hines, Managing Director of Delta Ag explains the relationship with GS, "Our Company is delighted to welcome Bruno, Charmaine, Shane, and the whole GS team into our business. Delta Ag is built around the best people, an inclusive shareholder model and long-term relationships and partnerships with our customers and suppliers, which is completely aligned with the values and beliefs of GS."

Speaking about the merger, Gerard added, "It is important to note that Bruno, Charmaine, Shane and their team will continue to operate the business as is, with retained autonomy and management initiative. The combined commercial and agronomic experience will greatly strengthen the overall value proposition to customers, as both businesses will bring new ideas and synergies to the table for the benefit of our clients. The combined group will have 75 agronomist/farm consultants and an enhanced commitment to research and development trial work".

The merger will ensure that the management, staff and the products and services we provide will remain just as they have been, but with the added strength of a stronger resource base to meet our customer's needs.

As a GS/Delta customer it will be business as usual. You can expect to continue to receive the same trading terms, quality advice, and products and services along with maintaining the heavy community involvement that currently exists. **Importantly, you will be able to continue to trade normally without interruption. All existing GS customers debtor accounts will remain as is, with existing commercial agreements retained.**

The slide below demonstrates the added regional diversity following the merger. This will also give you some increased options for other segments of your business. For example, Delta has a highly successful Precision Ag offering which may add to, enhance or replace your current Precision Ag program. Delta is leading the way on this technology across major parts of its national footprint. Additionally, Delta's seasonal finance products will be available to GS customers via this merger.

If you have any queries around this communication, please feel free to contact me. This deal is set to complete on April 1, 2023, so business as usual until then. We will communicate with you again as we get closer to the changeover, to ensure you have good clarity over any changes to note post integration.

