



Wellard Limited

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EXECUTIVE CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder,

SHAREHOLDER MEETING TO SEEK APPROVAL FOR (i) THE SALE OF THE M/V OCEAN DROVER FOR US\$ 50 MILLION; AND (ii) A\$ 15 CENTS-PER-SHARE RETURN OF CAPITAL TO SHAREHOLDERS

An important General Meeting (**EGM**) of shareholders of Wellard Limited (**Wellard** or **Company**) will be held both in person at the Company's Fremantle offices, and as a virtual meeting, on Tuesday, 15 April 2025 at 10.00am (WST). The Notice of Meeting will be released to the ASX and can be found on the Wellard website at [Annual General Meeting & Reports - Wellard](#).

The EGM resolutions

I invite you to consider the resolutions to be decided at our EGM.

In particular, you should carefully consider your voting intentions regarding Resolution 1, regarding proposal to sell Wellard's final livestock vessel, the M/V Ocean Drover for US\$ 50 million.

As I noted in the Company's original announcement of the proposed sale¹, we are very pleased to have made a preliminary contract on 10 January 2025 to sell the M/V Ocean Drover for a sale price substantially above the current net book value of the Vessel and we believe that this represents the highest possible value that can be realised for shareholders from the M/V Ocean Drover in the prevailing market.

On 4 February 2025, we achieved the further important step of signing a Memorandum of Agreement for the sale of the vessel with the Buyers, who have now paid a total 10% deposit into escrow.

The M/V Ocean Drover has been the flagship of the Wellard fleet in terms of profitability and capacity, and I have no doubt it will continue to perform for its new owners.

Given that it sells Wellard's main undertaking, the Proposed Transaction can only proceed with Shareholder approval.

This is a significant transaction for the Company, both as defined by the ASX listing Rules, and also for the business itself. You should consider the Proposed Transaction carefully. Please note that the Board unanimously supports the sale of the Drover, as it represents the best opportunity to return value to Wellard's very patient shareholders.

In addition, you should consider Resolution 2, which proposes a A\$ 15 cents-per-share return of capital to all Wellard shareholders, which funds will be available following the successful sale of the M/V Ocean Drover scheduled to take place in early July this year.

The Board is pleased to be able to offer shareholders a full return of the sale price, by way of a Capital Return, and encourages you to support this resolution.

To assist you, we have included very thorough discussion of the resolutions in the Explanatory Memorandum which is attached to the Notice of Meeting.

Wellard's future

Following the sale of both the M/V Ocean Ute and the M/V Ocean Drover, the Company's Board has several options. It is possible that the Company may identify some opportunities which may bring value to shareholders, and the Board will actively pursue such opportunities if they present and are realistic.

It is equally likely that the Board may decide to recommend a strategic restructure of Wellard Limited and its group

¹ See Wellard's ASX announcement 14 January 2025



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companies. That may include delisting from ASX, returning to further cash to shareholders and continuing as an unlisted public company. This decision has not yet been made and should not be assumed.

Notably, a potential delisting strategy will likely not be decided upon until the Proposed Transaction to sell the Drover is completed, and the proceeds have been received and distributed by means of the proposed capital return.

Meeting Information

Under recent Australian legislation, the Notice of Meeting is valid when provided to you electronically. You will also be e-mailed a link to online voting.

You are welcome to attend the meeting in person. Following shareholders' 2021 decision to make all of Wellard's shareholder meetings "hybrid", we provide you with the ability to also participate at the EGM via a live webcast. This facility will allow shareholders to register their attendance, hear and view the meeting proceedings and slides presented during the meeting, and vote and ask questions.

Shareholders participating virtually must pre-register online to access the webcast at:

<https://attendee.gotowebinar.com/register/8084198171198271064> after which you will be sent an individual email invitation with log-in details.

Shareholders who attend in person can participate in the traditional manner.

Shareholders who elect to participate virtually will be able to vote on resolutions during the EGM using an online voting platform, but we encourage you to cast your vote by proxy prior to the EGM. All Shareholders will also be able to ask questions during the EGM, but again are encouraged to submit any questions to the Company prior to the EGM (in accordance with the instructions set out in the Explanatory Memorandum). The Chairman will address at the EGM as many as possible of the more frequently asked of these questions.

The Board takes seriously ASIC's guidelines regarding the ability of shareholders to participate in meetings. If you choose to participate virtually via the live webcast, we have established a process for you to submit questions and to have them answered during the EGM and cast votes prior to and during the EGM.

The Company strongly encourages all Shareholders to participate in the EGM by:

- a) **reading** the Notice of Meeting carefully;
- b) **attending** the EGM in person or via webcast;
- c) **submitting** any questions via email prior to the EGM, in accordance with the instructions in the Notice; and
- d) **voting** by proxy following the instructions set out in the Notice of Meeting and returning your completed Proxy Form to the Company no later than 10.00am (WST) on Sunday, 13 April 2025.

If you choose to join online, further details on how to participate are provided in the Notice of Meeting.

Please also refer at any time to our website for documents and details relating to our EGM:
<http://www.wellard.com.au/investor-centre/annual-general-meeting-reports/>.

On behalf of the Wellard Board, I look forward to seeing you at our EGM, where we will discuss these matters further.

John Klepec
Executive Chairman
12 March 2025