

**CIRCULAR DATED 23 JUNE 2011**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Olam International Limited (the “**Company**”), please forward this Circular with the Notice of Extraordinary General Meeting and the attached proxy form immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle granted by the SGX-ST to the Company is not to be taken as an indication of the merits of the Company, its securities, the Proposed Subscription (as defined herein) or the Subscription Shares (as defined herein).



**OLAM INTERNATIONAL LIMITED**

(Company Registration No.: 199504676H)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO:**

**THE PROPOSED ALLOTMENT AND ISSUE OF 94,408,000 NEW ORDINARY SHARES (THE “SUBSCRIPTION SHARES”) IN THE CAPITAL OF THE COMPANY TO BREEDENS INVESTMENTS PTE. LTD. (THE “SUBSCRIBER”) AT THE ISSUE PRICE OF S\$2.60 FOR EACH SUBSCRIPTION SHARE (THE “PROPOSED SUBSCRIPTION”) PURSUANT TO THE SUBSCRIPTION AGREEMENT (AS DEFINED HEREIN)**

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of proxy forms	:	6 July 2011 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	8 July 2011 at 3.00 p.m.
Place of Extraordinary General Meeting	:	Suntec Singapore International Convention & Exhibition Centre Meeting Room 201 (Level 2) 1 Raffles Boulevard Suntec City Singapore 039593

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## DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<b>“2008 Convertible Bonds”</b>	:	The US\$300 million 1 per cent. convertible bonds due 2013 issued by the Company
<b>“2009 Convertible Bonds”</b>	:	The US\$500 million 6 per cent. Convertible Bonds due 2016 issued by the Company
<b>“3Q”</b>	:	The nine-month financial period ended or ending, on 31 March
<b>“Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
<b>“Aranda”</b>	:	Aranda Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek
<b>“Articles”</b>	:	Articles of Association of the Company, as may be supplemented and amended or substituted from time to time
<b>“Books Closure Date”</b>	:	5.00 p.m. (Singapore time) on 15 June 2011
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular dated 23 June 2011
<b>“Company”</b>	:	Olam International Limited
<b>“Completion Date”</b>	:	The date on which the Subscription Shares are issued in accordance with the Subscription Agreement
<b>“Controlling Interest”</b>	:	The interest of a Controlling Shareholder(s)
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact exercises control over the Company
<b>“Directors”</b>	:	The board of directors of the Company, as at the date of this Circular
<b>“EGM”</b>	:	The extraordinary general meeting of Shareholders, notice of which is set out on page 16 of this Circular
<b>“Entitled Shareholders”</b>	:	Shareholders entitled to participate in the Preferential Offering, pursuant to the terms and subject to the conditions of the Preferential Offering

<b>“Equity Fund Raising”</b>	:	The equity fund raising, which comprises the Placement and the Preferential Offering
<b>“FY”</b>	:	Financial year ended or ending, as the case may be, on 30 June
<b>“Group”</b>	:	The Company and its subsidiaries (and individually, a <b>“Group Company”</b> )
<b>“Issue Price”</b>	:	The issue price of S\$2.60 per Subscription Share
<b>“Joint Lead Managers”</b>	:	Credit Suisse (Singapore) Limited, J.P. Morgan (S.E.A.) Limited, Standard Chartered Securities (Singapore) Pte. Limited and The Hongkong Shanghai Banking Corporation Limited, Singapore Branch, collectively
<b>“Latest Practicable Date”</b>	:	20 June 2011, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST
<b>“Management and Underwriting Agreement”</b>	:	The management and underwriting agreement dated 6 June 2011 entered into between the Company and the Joint Lead Managers in connection with the Preferential Offering
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Material Adverse Effect”</b>	:	<p>A material adverse effect on or material adverse change in:</p> <p>(a) the condition (financial or otherwise), results of operations, assets, prospects, liabilities or business of the Company or the condition (financial or otherwise), consolidated financial condition, results of operations, assets, prospects, liabilities or business of the Group; or</p> <p>(b) the ability of any Group Company to perform and comply with its obligations under the Subscription Agreement,</p> <p>provided that the termination or cancellation of any banking facilities of any Group Company, which, in the aggregate, does not exceed 20 per cent. of the total banking facilities of the Group, unless such termination or cancellation, either singly or in the aggregate, has or in the reasonable opinion of the Subscriber is likely to have, an impact on the cash flow of the Group, shall not be deemed to be a Material Adverse Effect</p>
<b>“New Shares”</b>	:	The new Shares offered under the Equity Fund Raising
<b>“NTA”</b>	:	Net tangible assets
<b>“Options”</b>	:	Options to subscribe for Shares granted under the Olam Employee Share Option Scheme which was adopted by the Company on 4 January 2005

<b>“Placement”</b>	:	A private placement of 94,408,000 Placement Shares at the Placement Offering Price to institutional and other investors
<b>“Placement Agreement”</b>	:	The placement agreement dated 6 June 2011 entered into between the Company and the Joint Lead Managers in relation to the Placement
<b>“Placement Offering Price”</b>	:	The issue price of S\$2.60 per Placement Share
<b>“Placement Shares”</b>	:	94,408,000 New Shares to be issued under the Placement
<b>“Preferential Offering”</b>	:	A <i>pro rata</i> and non-renounceable preferential offering of 97,292,951 Preferential Offering Shares to Entitled Shareholders at the Preferential Offering Issue Price for each Preferential Offering Share on the basis of one (1) Preferential Offering Share for every 22 existing Shares held by, or standing to the credit of the Securities Accounts of, Entitled Shareholders as at 5.00 p.m. (Singapore time) on the Books Closure Date (fractional entitlements to be disregarded)
<b>“Preferential Offering Price”</b>	:	The issue price of S\$2.56 per Preferential Offering Share
<b>“Preferential Offering Shares”</b>	:	New Shares to be issued under the Preferential Offering
<b>“Proposed Subscription”</b>	:	The proposed subscription of the Subscription Shares at the Issue Price by the Subscriber
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<b>“Securities and Futures Act”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Subscriber”</b>	:	Breedens Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek
<b>“Subscription Agreement”</b>	:	The subscription agreement dated 6 June 2011 entered into between the Company and the Subscriber in relation to, <i>inter alia</i> , the Proposed Subscription
<b>“Subscription Shares”</b>	:	The 94,408,000 new Shares to be allotted and issued to the Subscriber, in accordance with the terms and subject to the conditions in the Subscription Agreement
<b>“Substantial Shareholder”</b>	:	A Shareholder who has an interest in 5 per cent. or more of the voting shares of the Company

<b>“Temasek”</b>	:	Temasek Holdings (Private) Limited
<b>“Undertaking Shareholders”</b>	:	Kewalram Singapore Limited, Sunny George Verghese, the Subscriber and Aranda

**Currencies, Units and Others**

<b>“S\$” or “cents”</b>	:	Singapore dollar, and cents respectively, unless otherwise stated
<b>“%” or “per cent.”</b>	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 130A of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

# OLAM INTERNATIONAL LIMITED

(Company Registration No.: 199504676H)  
(Incorporated in the Republic of Singapore)

## ***Directors of the Company***

R. Jayachandran (Non-Executive Chairman)  
Michael Lim Choo San (Non-Executive and Lead Independent Director)  
Narain Girdhar Chanrai (Non-Executive Director)  
Mark Haynes Daniell (Non-Executive and Independent Director)  
Robert Michael Tomlin (Non-Executive and Independent Director)  
Wong Heng Tew (Non-Executive and Independent Director)  
Jean-Paul Pinard (Non-Executive and Independent Director)  
Tse Po Shing (Non-Executive and Independent Director)  
Sunny George Verghese (Group Managing Director and Chief Executive Officer/Executive Director)  
Sridhar Krishnan (Executive Director)  
Shekhar Anantharaman (Executive Director)

## ***Registered Office***

50 Raffles Place, #32-01  
Singapore Land Tower  
Singapore 048623

23 June 2011

To: The Shareholders of Olam International Limited

Dear Sir/Madam

## **1. INTRODUCTION**

### **1.1 Equity Fund Raising and Proposed Subscription**

On 7 June 2011, the Directors announced that the Company had entered into the following agreements in relation to the Equity Fund Raising and the Proposed Subscription:

- (i) the Placement Agreement in connection with the Placement, pursuant to which the Company had agreed to issue and allot 94,408,000 Placement Shares at the Placement Offering Price of S\$2.60 per Placement Share;
- (ii) the Management and Underwriting Agreement in connection with the Preferential Offering, pursuant to which the Company had agreed to issue and allot 97,292,951 Preferential Offering Shares to Entitled Shareholders at the Preferential Offering Price on the basis of one (1) Preferential Offering Share for every 22 existing Shares held as at the Books Closure Date, fractional entitlements to be disregarded; and
- (iii) the Subscription Agreement in connection with the Proposed Subscription.

The 94,408,000 Placement Shares were allotted and issued on 16 June 2011, and as at the Latest Practicable Date, the Company expects that the 97,292,951 Preferential Offering Shares will be allotted and issued on 5 July 2011.

### **1.2 The Proposed Subscription**

Pursuant to the Subscription Agreement, entered into by the Company on 6 June 2011, and subject to the terms and conditions therein stated, the Company has agreed to allot and issue to the Subscriber an aggregate of 94,408,000 Subscription Shares at the Issue Price of S\$2.60 per Subscription Share.



The Issue Price represents a discount of approximately 8.39% to the weighted average price for trades done on the Shares on 3 June 2011 (being the Market Day immediately preceding the halting of trading of the Shares on 6 June 2011) of S\$2.8381 per Share.

In connection with the Preferential Offering, the Subscriber had also provided an irrevocable undertaking to the Company pursuant to which, the Subscriber had undertaken, *inter alia*, to subscribe and pay in full for such number of Preferential Offering Shares representing all of its *pro rata* entitlement of Preferential Offering Shares under the Preferential Offering based on the Subscriber's shareholding as of the date of such irrevocable undertaking at the Preferential Offering Price.

As at the Latest Practicable Date, the Company has an issued share capital of 2,235,508,918 Shares. The Subscription Shares represent approximately 4.22% of the existing issued and paid-up share capital of the Company as at the Latest Practicable Date and approximately 3.89% of the enlarged issued and paid-up share capital of the Company after the completion of the Proposed Subscription and the Equity Fund Raising.

Rule 812 of the Listing Manual provides that an issue of securities must not be placed to, *inter alia*, (i) substantial shareholders of the issuer or (ii) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10% (unless specific shareholder approval for such placement has been obtained).

As at the Latest Practicable Date, (i) the Subscriber's direct shareholding interest in the Company is approximately 9.29%; and (ii) Temasek has a deemed interest in approximately 13.10% of the Company's issued share capital by virtue of Section 7 of the Act. Accordingly, the Subscriber is a Substantial Shareholder.

Rule 803 of the Listing Manual stipulates that an issuer must not transfer a Controlling Interest without the prior approval of shareholders in general meeting.

After the completion of the Proposed Subscription and the Equity Fund Raising and assuming that: (i) the Shareholders approve the Proposed Subscription, and (ii) there is no other change in Temasek's shareholding interest, Temasek will have a deemed interest in approximately 16.48%<sup>1</sup> of the Company's issued share capital by virtue of Section 7 of the Act.

**As such, the Proposed Subscription is subject to Shareholders' approval pursuant to Rules 803 and 812 of the Listing Manual.**

Kewalram Singapore Limited, a controlling Shareholder, Sunny George Verghese, the Company's Group Managing Director and Chief Executive Officer and Sridhar Krishnan and Shekhar Anantharaman, the Company's Executive Directors, who together hold approximately 25.94% of the existing issued share capital of the Company as at the Latest Practicable Date, have undertaken to vote in favour of the Proposed Subscription at the EGM.

A copy of the announcement issued by the Company in relation to the Equity Fund Raising and the Proposed Subscription is available on the SGX-ST's website at [www.sgx.com](http://www.sgx.com).

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<sup>1</sup> Calculated based the Company's issued share capital of 2,235,508,918 Shares as at the Latest Practicable Date and on the assumption that (i) 191,700,951 New Shares are allotted and issued following the completion of the Equity Fund Raising (of which 6,115,000 New Shares and 9,157,093 New Shares are allotted and issued to the Subscriber under the Placement and Preferential Offering respectively and 3,446,187 New Shares are allotted and issued to Aranda under the Preferential Offering), (ii) 94,408,000 New Shares are allotted and issued to Breedens following the completion of the Proposed Subscription and (iii) DBS Group Holdings Limited's ("DBSH"), an associated company of Temasek, has a deemed interest in 9,568,004 Shares, as at the Latest Practicable Date, by virtue of Section 7 of the Act.

### 1.3 Extraordinary General Meeting

The Directors are convening an EGM to be held on 8 July 2011 at 3.00 p.m. to seek the approval of the Shareholders for the ordinary resolution relating to the Proposed Subscription as set out in the notice of EGM on page 16 of this Circular. The purpose of this Circular is to provide Shareholders with the relevant information relating to the same.

**The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.**

## 2. THE PROPOSED SUBSCRIPTION

### 2.1 The Subscriber

The Subscriber is an investment holding company and is an indirect wholly-owned subsidiary of Temasek.

Incorporated in 1974, Temasek is an Asia investment company headquartered in Singapore.

Supported by 12 affiliates and offices in Asia and Latin America, Temasek owns a diversified S\$186 billion (US\$133 billion) portfolio as at 31 March 2010, concentrated principally in Singapore, Asia and the emerging economies.

Temasek's investment themes centre on Transforming Economies, Growing Middle Income Populations, Deepening Comparative Advantages and Emerging Champions. Its portfolio covers a broad spectrum of industries: financial services; telecommunications, media and technology; transportation and industrials; life sciences, consumer and real estate; energy and resources.

For more information on Temasek, please visit [www.temasek.com.sg](http://www.temasek.com.sg).

As of the Latest Practicable Date, (i) the Subscriber's direct shareholding interest in the Company is approximately 9.29%, and (ii) Temasek has a deemed interest in approximately 13.10% of the Company's issued share capital by virtue of section 7 of the Act.

### 2.2 The Subscription Agreement

Under the terms of the Subscription Agreement, the Company has agreed to allot and issue to the Subscriber an aggregate of 94,408,000 Subscription Shares at the Issue Price of S\$2.60 per Subscription Share.

The Subscription Shares shall, when allotted and issued in accordance with the terms of the Subscription Agreement, be freely transferable on the SGX-ST, be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to Shares existing as at the date of the allotment and issue of the Subscription Shares.

The Company has agreed, under the terms and subject to the conditions of the Subscription Agreement, not to declare and pay any dividends, other distribution or return of capital before or on the Completion Date.

### 2.3 Issue Price

The Issue Price of S\$2.60 for each Subscription Share represents a discount of approximately 8.39% to the weighted average price per Share for trades done on 3 June 2011 (being the Market Day immediately preceding the halting of trading of the Shares on 6 June 2011) of S\$2.8381 per Share.

The Issue Price was arrived at following negotiations and having taken into account the Placement Offering Price.

### 2.4 Lock-up

Under the terms and conditions of the Subscription Agreement, the Company has agreed that it shall not, from the date of the Subscription Agreement up to and including the date falling six (6) months after the Completion Date, without the prior written consent of the Subscriber, *inter alia*, allot and issue any Shares, whether or not on a *pro rata* basis to Shareholders or otherwise increase its share capital, save for certain exceptions (which include the allotment and issue of the New Shares pursuant to the Equity Fund Raising).

### 2.5 Conditions

The completion of the Proposed Subscription is subject to certain conditions precedent being fulfilled including, *inter alia*, the following:

- (a) approval of the Shareholders being obtained at the EGM for the issuance of the Subscription Shares and for the transfer of a Controlling Interest pursuant to Rule 803 of the Listing Manual;
- (b) receipt of applicable regulatory and government approvals in any jurisdiction as required by the Subscriber for the purposes of the Proposed Subscription and continuing to be in full force and effect;
- (c) approval in-principle for the listing and quotation of the Subscription Shares on the Mainboard of the SGX-ST being obtained from the SGX-ST and such approval remaining in full force and effect on the Completion Date and not having been revoked or amended on or prior to the Completion Date and, where such approval is subject to conditions pertaining to and are to be complied with by the Subscriber, such conditions being reasonably acceptable to the Subscriber;
- (d) no change which would in the reasonable opinion of the Subscriber be likely to have a Material Adverse Effect or change to, *inter alia*, the condition, results of operations, assets or business of the Company between the date of the Subscription Agreement and the Completion Date;
- (e) the Placement Agreement not having been terminated for any reason whatsoever prior to the closing of the Placement;
- (f) the Management and Underwriting Agreement not having been terminated for any reason whatsoever prior to the closing of the Preferential Offering; and
- (g) the listing and quotation of the Placement Shares and the Preferential Offering Shares on the Mainboard of the SGX-ST.

Pursuant to the Subscription Agreement, the conditions precedent are expected to be fulfilled no later than 45 days from the date of the Subscription Agreement or such later date as the parties have agreed or may agree in accordance with the terms of the Subscription Agreement.

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS AND CHANGES IN SHAREHOLDING STRUCTURE

3.1 The interests of the Directors and the Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date and the effects of the Proposed Subscription on the shareholding structure of the Company are set out below:

	As at the Latest Practicable Date		Immediately after Proposed Subscription <sup>(1)</sup>		After Proposed Subscription and on a Fully Diluted Basis <sup>(2)</sup>	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
<b>Directors</b>						
R. Jayachandran	—	—	—	—	—	—
Michael Lim Choo San	—	—	—	—	—	—
Narain Girdhar Chanrai <sup>(3)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Mark Haynes Daniell	—	—	—	—	—	—
Robert Michael Tomlin	—	—	—	—	—	—
Wong Heng Tew	—	—	—	—	—	—
Jean-Paul Pinard	—	—	—	—	—	—
Tse Po Shing	—	—	—	—	—	—
Sunny George Verghese <sup>(4)</sup>	89,574,893	4.01	93,646,479	3.86	93,646,479	3.51
Sridhar Krishnan <sup>(5)</sup>	15,229,138	0.68	15,229,138	0.63	15,229,138	0.57
Shekhar Anantharaman <sup>(5)</sup>	15,402,861	0.69	15,402,861	0.63	15,402,861	0.58
<b>Substantial Shareholders</b>						
Kewalram Singapore Limited <sup>(6)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Chanrai Investment Corporation Limited <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Kewalram Chanrai Holdings Limited <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Investec Trustees (Jersey) Ltd, Murli Kewalram Chanrai and Narain Girdhar Chanrai as trustees of Girdhar Kewalram Chanrai Settlement (“ <b>GKC Settlement</b> ”) <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Investec Trustees (Jersey) Ltd, Narain Girdhar Chanrai and Koshu Murli Chanrai as trustees of Hariom Trust (“ <b>Hariom Trust</b> ”) <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Investec Trustees (Jersey) Ltd, Narain Girdhar Chanrai and Murli Kewalram Chanrai as trustees of Dayal Damodar Chanrai Settlement (“ <b>DKC Settlement</b> ”) <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Investec Trustees (Jersey) Ltd as trustee of The PKC 2008 Settlement (“ <b>PKC Settlement</b> ”) <sup>(7)</sup>	459,602,064	20.56	480,493,066	19.80	480,493,066	18.01
Breedens Investment Pte. Ltd.	207,571,047	9.29	311,136,140	12.82	311,136,140	11.66
Seletar Investments Pte Ltd (“ <b>Seletar</b> ”) <sup>(8)</sup>	283,387,173	12.68	390,398,453	16.08	390,398,453	14.64

	As at the Latest Practicable Date		Immediately after Proposed Subscription <sup>(1)</sup>		After Proposed Subscription and on a Fully Diluted Basis <sup>(2)</sup>	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
	Temasek Capital (Private) Limited (“ <b>Temasek Capital</b> ”) <sup>(9)</sup>	283,387,173	12.68	390,398,453	16.08	390,398,453
Temasek <sup>(10)</sup>	292,955,177	13.10	399,966,457	16.48	399,966,457	15.00
The Capital Group Companies, Inc.	136,974,321	6.13	136,974,321	5.64	136,974,321	5.14
AllianceBernstein L.P. <sup>(11)</sup>	144,209,339	6.45	144,209,339	5.94	144,209,339	5.41
AXA S.A. <sup>(12)</sup>	144,464,339	6.46	144,464,339	5.95	144,464,339	5.42
UBS AG	130,836,339	5.85	130,836,339	5.39	130,836,339	4.91

**Notes:**

- (1) Assuming that (i) 97,292,951 Preferential Offering Shares are allotted and issued pursuant to the Preferential Offering, (ii) the Undertaking Shareholders subscribe for all of their pro rata entitlements under the Preferential Offering pursuant to their respective undertakings and (iii) no Preferential Offering Shares are allotted and issued to Sunny George Verghese pursuant to his undertaking to apply for 1,200,000 Preferential Offering Shares in excess of his pro rata entitlements under the Preferential Offering.
- (2) Assuming that 240,120,414 new Shares are allotted and issued pursuant to the conversion of (a) the 2008 Convertible Bonds and (b) the 2009 Convertible Bonds, which remain outstanding as at the Latest Practicable Date.
- (3) Narain Girdhar Chanrai is deemed to be interested in these shares as at the Latest Practicable Date as he is one of the trustees of the DKC Settlement, the GKC Settlement and the Hariom Trust.
- (4) Assuming that 1,200,000 Preferential Offering Shares are allotted and issued to Sunny George Verghese pursuant to his undertaking to apply for 1,200,000 Preferential Offering Shares in excess of his pro rata entitlements under the Preferential Offering, he will be interested in 94,846,479 Shares, equivalent to approximately 4.07% and 3.91% in the Company’s issued and paid-up share capital immediately before the Proposed Subscription but after the completion of the Equity Fund Raising and after the completion of the Proposed Subscription and the Equity Fund Raising, respectively.
- (5) These Shares include shares that were jointly registered under Messrs Sridhar Krishnan, Shekhar Anantharaman and Joydeep Bose (the “**Trustees**”) and are held in trust for the management (including the directors) and employees of the Group pursuant to the Olam International Limited Employee Share Subscription Scheme 2004 (“**ESSS**”). Under the ESSS, a total of 1,418,826 Shares are jointly registered under the Trustees and are held in trust for the management (including the directors) and employees of the Group with the balance being held in the director’s own name as at the Latest Practicable Date.
- (6) Kewalram Singapore Limited’s (“**Kewalram**”) 459,602,064 Shares are held in the following manner:
  - (a) 352,602,064 Shares under its own name;
  - (b) 27,000,000 Shares under Citibank Nominees Singapore Pte Ltd; and
  - (c) 80,000,000 Shares under Raffles Nominees Singapore (Pte) Limited.
- (7) Kewalram is a wholly-owned subsidiary of Chanrai Investment Corporation Limited (“**CICL**”), which in turn is a wholly-owned subsidiary of Kewalram Chanrai Holdings Limited (“**KCH**”).  
CICL and KCH are therefore deemed to be interested in the Shares held by Kewalram.  
GKC Settlement, Hariom Trust, DKC Settlement and PKC Settlement are shareholders of KCH, each holding approximately 28%, 28%, 28% and 16% respectively in the issued and paid-up capital of KCH. Pursuant to Section 7(4A) of the Act, as GKC Settlement, Hariom Trust and DKC Settlement are associates of PKC Settlement and vice versa, PKC Settlement are deemed to be interested in the shares held by Kewalram.  
GKC Settlement, Hariom Trust, DKC Settlement and PKC Settlement are therefore deemed to be interested in the Shares held by Kewalram.
- (8) Seletar is the holding company of the Subscriber and Aranda and is deemed to be interested in the Shares held by the Subscriber and Aranda.
- (9) Temasek Capital is the holding company of Seletar and is deemed to be interested in the 283,387,173 Shares held by the Subscriber and Aranda, as at the Latest Practicable Date.

- (10) Temasek is the holding company of Temasek Capital, which in turn is the holding company of Seletar and is deemed to be interested in the Shares held by the Subscriber and Aranda. In addition, DBSH, an associated company of Temasek has a deemed interest in 9,568,004 Shares by virtue of Section 7 of the Act, as at the Latest Practicable Date. Accordingly as at the Latest Practicable Date, Temasek has a deemed interest in an aggregate of 292,955,177 Shares (being all Shares held by the Subscriber and Aranda, and all Shares in which DBSH has an interest).
- (11) AllianceBernstein L.P.'s deemed interests in the Shares consists of interests arising from (i) client accounts which it manages on a discretionary basis, and (ii) clients accounts which are managed by this subsidiaries on a discretionary basis.
- (12) AXA S.A.'s deemed interests in the Shares consists of interests arising from its affiliates AllianceBernstein L.P. and AXA Rosenberg Investment Management Asia Pacific Ltd ("**ARIMAP**"). ARIMAP's interests in the Shares consists of interests arising from client accounts which it manages on a discretionary basis.

3.2 The number of outstanding, exercisable Options that are held by Directors as at the Latest Practicable Date are set out below:

Name	Number of Options
Michael Lim Choo San	100,000
Mark Haynes Daniell	100,000
Robert Michael Tomlin	100,000
Wong Heng Tew	100,000
Sunny George Verghese	30,000,000
Shekhar Anantharaman	1,750,000
Sridhar Krishnan	1,500,000

3.3 Mr. Wong Heng Tew, who is as at the Latest Practicable Date, a Non-Executive and Independent Director of the Company, is an Advisory Director of Temasek.

As at the Latest Practicable Date, the Subscriber is a Substantial Shareholder.

Save as disclosed, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Subscription.

#### 4. FINANCIAL EFFECTS

The financial effects of the Proposed Subscription, based on the audited financial statements of the Group for the financial year ended 30 June 2010 and the unaudited financial statements of the Group for the nine-month financial period ended 31 March 2011 (as announced via the SGXNET on 12 May 2011), assuming that the Proposed Subscription was completed in FY2010, are as follows:

##### 4.1 Share Capital

The effect of the Proposed Subscription on the issued share capital of the Company as at the Latest Practicable Date is as follows:

	<b>No. of Shares</b>
Issued share capital as at the Latest Practicable Date	2,235,508,918
Issued share capital as at the Latest Practicable Date and assuming that 97,292,951 Preferential Offering Shares are allotted and issued pursuant to the Preferential Offering	2,332,801,869
Subscription Shares to be issued pursuant to the Proposed Subscription	<u>94,408,000</u>
Issued share capital after the Proposed Subscription and assuming that 191,700,951 New Shares are allotted and issued pursuant to the Equity Fund Raising	<u><u>2,427,209,869</u></u>

#### 4.2 Earnings Per Share

The financial effects of the Proposed Subscription on the earnings per Share of the Group are as follows:

	<b>FY2010 (Audited)</b>	<b>3Q2011 (Unaudited)</b>
Profit for the year/period (S\$'000)	359,469	302,442
Weighted average number of Shares for the year/period	2,007,397,130	2,107,606,654
Earnings per Share (cents)	<b>17.91</b>	<b>14.35</b>
Weighted average number of Shares after completion of the Equity Fund Raising and the Proposed Subscription	2,293,506,081	2,393,715,605
Earnings per Share as adjusted for the Equity Fund Raising and the Proposed Subscription (cents)	<b>15.67</b>	<b>12.63</b>

#### 4.3 Net Tangible Assets

The financial effects of the Proposed Subscription on the NTA of the Group are as follows:

	<b>FY2010 (Audited)</b>	<b>3Q2011 (Unaudited)</b>
NTA before fair value adjustment (S\$'000)	1,430,343	1,597,048
Estimated increase in NTA as a result of the Equity Fund Raising (S\$'000)	494,531	494,531
Estimated increase in NTA as a result of the Proposed Subscription (S\$'000)	245,461	245,461
Estimated NTA after the Equity Fund Raising and the Proposed Subscription (S\$'000)	2,170,335	2,337,040
Total number of Shares issued and outstanding as at the end of the year/period	2,020,759,705	2,130,354,258
NTA per Share (cents)	70.78	74.97
Estimated NTA per Share after the Equity Fund Raising and the Proposed Subscription (cents)	107.40	109.70

#### 4.4 Gearing

The Group's gearing as adjusted for the Proposed Subscription is as follows:

	<b>Before Proposed Subscription</b>		<b>After the Equity Fund Raising and the Proposed Subscription</b>	
	<b>FY2010 (Audited)</b>	<b>3Q2011 (Unaudited)</b>	<b>FY2010 (Audited)</b>	<b>3Q2011 (Unaudited)</b>
Net Debt (S\$'000)	3,831,463	5,894,357	3,831,463	5,894,357
Shareholders' funds before fair value adjustment, net of intangibles (S\$'000)	2,020,344	2,241,201	2,760,336	2,981,193
Gearing	1.90	2.63	1.39	1.98

## 5. RATIONALE AND USE OF PROCEEDS OF SUBSCRIPTION

The participation by the Subscriber demonstrates its support for the Company and will further strengthen the equity base of the Company and facilitate the Company's long-term growth and expansion.

The net proceeds of approximately S\$245.46 million from the Proposed Subscription will be used for the following purposes in the following estimated proportions:

<b>Use of Proceeds</b>	<b>Estimated Percentage Allocation (%)</b>
(a) For general corporate purposes of the Group	0-20
(b) For capital expenditure of the Group	21-50
(c) For potential acquisitions in the future	51-100

The Company will make periodic announcements on the utilisation of proceeds from the Proposed Subscription as and when such proceeds are materially disbursed.

Pending the deployment of the Net Proceeds for the purposes mentioned above, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Group.

## 6. ABSTENTION FROM VOTING

The Subscriber and its associates will abstain from voting on the ordinary resolution in relation to the Proposed Subscription, set out in the Notice of EGM on page 16 of this Circular, in respect of their respective shareholdings in the Company. The Subscriber and its associates will also not accept nominations to act as proxies or corporate representatives to vote in respect of the said resolution.

## 7. DIRECTORS' RECOMMENDATIONS

Having considered the rationale for the Proposed Subscription as set out in paragraph 5 of this Circular respectively, the Directors are of the opinion that the Proposed Subscription is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution in relation to the Proposed Subscription as set out in the notice of EGM on page 16 of this Circular.

## 8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 16 of this Circular, will be held at Suntec Singapore International Convention & Exhibition Centre, Meeting Room 201 (Level 2), 1 Raffles Boulevard Suntec City, Singapore 039593 on 8 July 2011 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolutions as set out in the notice of EGM as set out on page 16 of this Circular.

## 9. ACTION TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not



less than 48 hours before the time fixed for the EGM. The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM if he wishes to do so. A depositor shall not be regarded as a member entitled to attend, speak and vote at the EGM unless his name appears in the Depository Register 48 hours before the time appointed for holding the EGM.

#### **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes complete and true disclosure of all material facts about the Proposed Subscription, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

#### **11. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company; and
- (b) the Subscription Agreement.

Yours faithfully  
For and on behalf of  
the Board of Directors of  
**Olam International Limited**

R. Jayachandran  
Non-Executive Chairman

## OLAM INTERNATIONAL LIMITED

(Company Registration No.: 199504676H)  
(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 23 June 2011 issued by Olam International Limited (the “Circular”).*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of Olam International Limited (the “Company”) will be held at Suntec Singapore International Convention & Exhibition Centre, Meeting Room 201 (Level 2), 1 Raffles Boulevard Suntec City, Singapore 039593 on 8 July 2011 at 3.00 p.m. for the purpose of considering, and if thought fit, passing, with or without modifications:

#### ORDINARY RESOLUTION: THE PROPOSED SUBSCRIPTION

**THAT** approval be and is hereby given for the Directors or any of them to:

- (a) allot and issue an aggregate of 94,408,000 Subscription Shares by way of a private placement to Breedens Investments Pte. Ltd. at an issue price of S\$2.60 per Subscription Share, pursuant to the terms and subject to the conditions of the Subscription Agreement (the “**Proposed Subscription**”);
- (b) permit the possible transfer of a Controlling Interest to Temasek under the circumstances described in the Circular as a result of the Proposed Subscription, pursuant to Rule 803 of the Listing Manual; and
- (c) complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to the Proposed Subscription and this Resolution.

#### BY ORDER OF THE BOARD

Wan Tiew Leng, Lynn  
Company Secretary

Singapore  
23 June 2011

#### Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than forty-eight (48) hours before the time appointed for holding the EGM.

# OLAM INTERNATIONAL LIMITED

(Company Registration Number: 199504676H)  
(Incorporated in the Republic of Singapore)

## IMPORTANT:

1. For investors who have used their CPF monies to buy Olam International Limited's shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the EGM as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

## PROXY FORM

(Please see notes overleaf before completing this Form)

I/We\* \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a member/members\* of Olam International Limited (the "Company") hereby appoint

Name	Address	NRIC/ Passport Number	Percentage of shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Percentage of shareholdings	
			No. of Shares	%

or failing \*him/her, the Chairman of the Meeting as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting (the "Meeting") of the Company to be held on 8 July 2011 at 3.00 p.m. and at any adjournment thereof. \*I/We direct \*my/our \*proxy/proxies to vote for or against the Resolution proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the \*proxy/proxies will vote or abstain from voting at \*his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

\* Please indicate your vote "For" or "Against" with a tick (✓) within the box provided.

\*\* If you wish to exercise all your votes "For" or "Against", please tick (✓) in the box provided. Otherwise, please indicate the number of votes as appropriate.

Ordinary Resolution relating to:	For	Against
The Proposed Subscription		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholder(s) or,  
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES ON THE REVERSE CAREFULLY BEFORE COMPLETING THIS FORM



#### **NOTES TO PROXY FORM:**

1. Please insert the number of shares held by you and registered in your name in the Register of Members and in the Depository Register of The Central Depository (Pte) Limited. If no number is inserted, the instrument of proxy will be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at the meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. However, please note that as Breedens Investments Pte. Ltd. and its associates are abstaining from voting on the Ordinary Resolution (as set out above), they will not accept nominations as proxies or otherwise for voting on the Ordinary Resolution.
3. Where a member appoints two proxies, the second named proxy shall be an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the registered office (the "**Registered Office**") of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Meeting.
5.
  - (i) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing.
  - (ii) Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
  - (iii) Where the instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or the power of attorney or other authority, if any, or a duly certified true copy thereof shall (failing previous registration with the Company) if required by law, be duly stamped and be deposited at the Registered Office, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

#### **General:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.