



## NEWS RELEASE

### **OLAM LAYS FOUNDATION STONE TO BUILD MOZAMBIQUE'S FIRST ROLLER COTTON GIN**

***US \$2 million facility to support the continued growth of local cotton production and provide 200 new jobs***

*Mozambique, May 16, 2013* – Olam International, a leading global integrated supply chain manager and processor of agricultural products and food ingredients, has started construction of its first state-of-the-art roller cotton gin today in Mozambique. The US \$2 million development signifies Olam's continued progress in increasing local cotton production and strengthens supply chain efficiencies by investing in processing operations that are close to smallholder cotton farmers.

At an official ceremony at the site in Beira, Sofala Province, Indranil Majumdar, Business Head Natural Fibres, Olam Mozambique, said: "Since Olam started sourcing cotton in Mozambique in 2008 we have worked closely with farmers, local government and independent partners to increase yields and improve production methods. To date, our volumes have risen fourfold and we are now able to progress existing plans to develop our third cotton gin in Mozambique. The roller gin will be the first of its kind here and will complement our saw gins to provide the additional capacity required to support future growth. This is an important milestone for Olam Mozambique and will contribute to the local economy through job creation and market growth."

Official guests attending the ceremony included Mr José Pacheco, Minister for Agriculture and Mr Norberto Mahalambe, Senior Director, Instituto do Algodao de Mocambique (IAM).

Once completed, the new facility equipped with high speed rollers and modern machinery, will have the capacity to produce around 120 metric tonnes of seed cotton per day and will provide new employment opportunities for up to 200 full time and seasonal workers.

Olam's cotton operations in Mozambique, including a supplier network of around 67,000 farmers, are part of the Better Cotton Initiative (BCI) programme. The BCI together with producers and retailers, aims to improve the social, environmental and economic aspects of sustainable cotton production. Olam has been working with the BCI since 2012 in Mozambique to open more than 400 farmer field schools and train more than 10,000 farmers in jointly approved good agricultural practices to increase farmers' incomes.

Indranil Majumdar concluded: "The revival of Mozambique's cotton industry is still in its early stages. Olam continues to appreciate the support of IAM, the officials of the Sofala Province, our partners such as BCI and the farmer co-operatives to help create a thriving cotton industry. Our collaboration seeks to unlock mutual value in terms of market growth and social prosperity."



## Notes to editors

### **About Olam Mozambique**

*Olam Mozambique started operations in 1999. Growing rapidly in the last 14 years, it has consolidated its position in cashews, sesame, cotton and rice sales, and has recently ventured into the edible oil business. Olam Mozambique has won the prestigious 'Exporter of the Year' award in the Agriculture sector twice (2008 and 2009). In 2010, it was recognised for being the fastest growing company in Mozambique.*

### **About Olam International**

*Olam International is a leading global integrated supply chain manager and processor of agricultural products and food ingredients, supplying various products across 16 platforms to over 12,300 customers worldwide. From a direct presence in more than 65 countries with sourcing and processing in most major producing countries, Olam has built a global leadership position in many of its businesses, including Cashew, Spices & Dehydrates, Cocoa, Coffee, Rice, Cotton and Wood Products. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the Straits Times Index (STI), MSCI Singapore Free, S&P Agribusiness Index and the DAXglobal Agribusiness Index. Olam is the only Singapore firm to be named in the 2009, 2010 and 2012 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region by Hewitt Associates, the RBL Group and Fortune. More information on Olam can be found at [www.olamonline.com](http://www.olamonline.com)*

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