



News Release

Olam International and Mitr Phol Group in joint venture for integrated sugar milling and refining in Indonesia

- Asia's largest and the world's fourth largest sugar producer, Mitr Phol, acquires a 50.0% stake in Olam's sugar refinery in Indonesia
- Olam and Mitr Phol to jointly explore the development of a green-field sugar mill in Indonesia

Singapore, December 18, 2017 – Olam International Limited (Olam), a leading agri-business operating across the value chain in 70 countries, and Mitr Phol Sugar Corporation (Mitr Phol), the world's fourth largest and Asia's largest sugar producer, today jointly announced a strategic partnership to capitalise on the attractive growth opportunities for sugar milling and refining in Indonesia.

Mitr Phol will invest US\$100.0 million for a 50.0% stake in Olam's wholly-owned subsidiary Far East Agri (Far East), which operates a sugar refinery in Indonesia, PT Dharmapala Usaha Sukses (PT DUS) in Cilacap, Central Java. Olam will retain the remaining 50.0% stake in Far East.

Joe Kenny, Managing Director and CEO for Sugar & Dairy, Olam International, explained the rationale for this partnership: "Our potential expansion into sugar milling will transform our overall participation in Indonesia's sugar industry, which offers attractive investment and return opportunities due to its growing demand and persistent supply deficit. Mitr Phol is a natural partner given our shared vision and complementary strengths. Their strong sugar milling expertise coupled with our farm gate, sourcing and manufacturing capabilities will enable us to cater to the growing demand for sugar in Indonesia."

Under the new agreement, Far East will explore the development of a green-field sugar milling facility in East Java. Upon completion in 2020, the sugar mill will source 1.2 million metric tonnes of cane from farmers.

Krisda Monthienvichienchai, CEO & President of Mitr Phol, said: "We are excited to begin our Indonesian journey by partnering with an established player like Olam. Our shared belief in the country's potential and in creating long-term value will underpin our growth strategy there. We look forward to playing a meaningful role in helping Indonesia become self-sufficient in sugar production by working closely with each other, the authorities, farmers and all stakeholders."

In addition to the joint venture, Mitr Phol will join Olam's programme of extending Good Agricultural Practices to farmers across Indonesia, which have been in place since Olam entered the country in 1996.

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About Olam International Limited

Olam International is a leading agri-business operating across the value chain in 70 countries, supplying various products across 18 platforms to 23,000 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 30 largest primary listed companies in Singapore in terms of market capitalisation. In 2016, Fortune magazine recognised Olam at #23 in its 'Change the World' list. More information on Olam can be found at www.olamgroup.com. Olam is located at 7 Straits View, Marina One East Tower #20-01, Singapore 018936. Telephone: +65 63394100, Facsimile: +65 63399755.

About Mitr Phol Sugar Corporation

Mitr Phol Sugar Corporation is the world's fourth largest and Asia's largest sugar producer with 16 sugar mills, eight power plants and four ethanol distilleries, contracting 143,000 farmers across Thailand, Laos, China and Australia. It is also Asia's largest bio-energy producer and has business interests in wood substitute materials, fertilisers and agriculture-related logistics.